

that reflects the needs of a 21st century economy that will depend on a reliable, modernized electric grid.

As a Member of the House of Representatives, I introduced bipartisan, comprehensive energy legislation in each of the three previous Congresses and, as a member of that body's Energy and Commerce Committee, examined and investigated the energy crisis in California and the massive blackouts in the Northeast two summers ago.

Out of these two fiascos emerged a common theme: Without an aggressive rehabilitation and modernization of this Nation's transmission grid, we are bound for more brownouts, blackouts, and forced outages, and an inability to deal with the capacity needs of an economy that grows in the future.

Earlier this year, I introduced, along with Senators LANDRIEU and LOTT, S. 498, the Interstate Transmission Act, which addresses the fundamental elements necessary for a successful electricity policy. The bill sets out to achieve three goals:

No. 1, to ensure reliability;

No. 2, to modernize the transmission grid;

No. 3, to reaffirm the role of State and Federal regulators.

In this year's State of the Union Address, President Bush challenged the Congress to pass an energy bill that modernizes the electricity grid. S. 498 achieves exactly that goal. How do we do it?

No. 1, mandatory reliability standards. The Interstate Transmission Act makes a mandatory set of reliability standards for the electric grid. Currently, the North American Electric Reliability Council, or, as we call it, NERC, has standards and guidelines and criteria for assuring the transmission of electricity through the system is secure and reliable. However, compliance with the standards of NERC is voluntary. It is not subject to any Government oversight.

The standards in our bill are the product of consensus and cooperation, and the language is identical to the reliability language from the energy conference report that received 58 votes in the Senate.

In its 2004 report on the U.S.-Canadian blackout of 2003, the bilateral committee tasked with investigating the blackout made as its No. 1 recommendation that Congress enact mandatory reliability standards.

Without mandatory rules on the books for reliability standards, we will continue to leave our grid and our country vulnerable to another massive blackout like the one the Northeast experienced.

No. 2, we need to attract new investment in transmission. While investment in the generation sector of electricity has resulted in the construction of new powerplants, these gains in supply are negated by a substandard electric transmission grid. It is estimated that the transmission investment over the past 25 years has declined at a rate of \$115 million per year.

Additional research further indicates that there needs to be an investment of at least \$56 billion in the transmission sector to upgrade existing lines and add additional capacity in order to meet existing peak electricity demands over the course of the next decade. It is currently projected, however, that the industry will only spend an average of \$3 billion each year during the decade on upgrades and new transmission lines.

Wall Street is not promoting the transmission sector as a worthy investment. Why? Because it is not particularly profitable to invest in transmission today because it takes over 30 years to realize gains on transmission investments. Even with the good news we continue to hear about the economy, people can invest in other places and realize greater profits and quicker returns on their investment. Thus regulators must implement policies that ensure quicker, more attractive returns on investment in transmission.

The legislation I have introduced allows FERC to adopt transmission rules to promote capital investment in the system, improve operation of the system, and allow for returns to investors reflecting financial, operational, and other risks inherent in transmission investments.

Let me give you a great example of how innovative capital investments can spur the upgrade of the grid. It is estimated that electricity consumption in the West has grown 60 percent in the last 20 years. Yet transmission capacity has only grown 20 percent.

Last week, the Governors of California, Nevada, Utah, and Wyoming unveiled the "Frontier Line Project," a series of new transmission lines spanning 1,300 miles from Wyoming to California. Knowing of how fast southern California and Nevada are growing, it would seem that as an investor, one would naturally be drawn to providing capital to build out this project. Yet these Governors are relying on State money and matching funds from DOE to make up the \$2 billion it will cost to have the lines up and running by 2011. Granted the utility customers receiving the power will pay back the States for the project, but is the rate of return on what looks like such a needed project so low that we have to ask cash-strapped States to put money upfront to pay for these lines?

Mr. President, I sense the need to conclude. I believe my colleagues understand just how severe the challenge and the threat is to this country. We have to address these three things. We have to have a vibrant transmission grid. The Interstate Transmission Act will accomplish all these goals.

In the State of the Union Address, the President made it clear that 4 years of debate is enough; Congress needs to pass legislation that makes America more secure and less dependent upon foreign energy. I agree with the President that 4 years is enough. A fundamental, sound economy is only as

stable as a fundamental, sound energy policy. I urge my colleagues to support S. 498. Let's get back on track and be prepared for the future.

NATIONAL PARKS WEEK

Mr. THOMAS. Mr. President, one of the things that all of us enjoy a great deal and are very proud of are our national parks. I call attention to this week, which is National Parks week, April 18 to 24. It is the time when we can recognize all of those wonderful places that have been set aside. We will have a number of events take place this week to commemorate our national parks.

Famed western author Wallace Stegner once said:

National parks are the best idea we ever had. Absolutely American, absolutely democratic—they reflect us at our best rather than our worst.

Our uniquely American idea began with the creation of Yellowstone Park, the world's first national park, in 1872. I am very proud to say that this park is in Wyoming, my home State. As a matter of fact, I grew up 25 miles out of the gates of Yellowstone Park, and I certainly believe it is one of the great parks we have.

Since that time, of course, we have adopted more. We have exported and adopted worldwide this idea of parks, something of which we can be very proud. America's gift to the world is the theme of our National Parks Week this year, a very fitting theme.

Each year, more than 260 million people from all over the world visit our 388 national park units in our national park system. Collectively, of course, these sites reflect our heritage. We have an amazing array of resources, whether it is Teton Park, the Everglades of Florida, or Alaska, and the Service includes natural resources, cultural resources, historic sites commemorating events, significant people and places in our history, and memorials to fallen defenders of our Nation. Visitors to the parks enjoy these through the services provided by employees and, increasingly, the park volunteers and partners. I am amazed at the number of people who volunteer to not only show people around the parks but to do much of the work there.

I recognize and thank these employees, these volunteers, the partners who work in organizations that support the foundations of our parks. I certainly suggest to all of you that you give some thought this week to our national parks.

As the chairman of the subcommittee, I will work to continue to assure the national parks meet the standard of our world today.

SENATOR JIM JEFFORDS

Mr. LEAHY. Mr. President, it is with sadness and appreciation I come to the floor today to speak about the announcement my colleague from