The Secretary of Energy
Washington, DC 20585

May 2002

The Honorable George W. Bush
President of the United States
The White House
Washington, DC 20500

Dear Mr. President:

On behalf of the United States Department of Energy, I am pleased to submit our study of the nation's electricity transmission system. As directed in your National Energy Policy, we have prepared a detailed assessment of the major bottlenecks in our nation's transmission system and recommended ways to eliminate them.

This report makes clear that our nation's transmission system over the next decade will fall short of the reliability standards our economy requires and will result in additional bottlenecks and higher costs to consumers. It is essential that we begin immediately to implement the improvements that are needed to ensure continued growth and prosperity.

To achieve these goals, we will continue to identify bottlenecks that affect national interests and facilitate regional solutions to address them. And we will work to unleash innovation and strengthen our markets to allow entrepreneurs to develop a more advanced and robust transmission system.

As you have directed, we will continue to work with Congress, Governors, and other stakeholders to develop a transmission grid that serves all Americans, safeguards the environment, and ensures America's energy and national security.

Sincerely,

Spencer Abraham

Spencer Abraham

Enclosure

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