**Rate Incentives Will Not Solve Blackout Problems**

**Washington, D.C**. -- The Pennsylvania Consumer Advocate told Congress today that billions of dollars of ratepayer money for higher profit incentives for transmission owners will not necessarily solve the problem that caused the August 14 blackout.

“If the events that gave rise to the August 14 catastrophe were operating failures and communication failures, then building more power lines or increasing utility profit levels is not the solution,” said Sonny Popowsky, who serves on the Executive Committee of NASUCA but was testifying on his own behalf.

“I do not agree that the events of August 14 demonstrate that America is served by an antiquated or ‘third world’ transmission grid,” Popowsky said testifying before a House committee investigating last month’s blackout. “NERC (North American Electric Reliability Council) has stated on countless occasions that the North American bulk electric system is the ‘most reliable in the world’.”

Popowsky said that some additional investment in transmission is needed and that the current levels of return on investment authorized by the Federal Energy Regulatory Commission is adequate to attract sufficient capital. He urged Congress to pass mandatory reliability rules supported by NERC, NASUCA and many other groups.

A copy of Popowsky’s testimony can be found on the NASUCA website at [www.nasuca.org](http://www.nasuca.org).

NASUCA is a national organization comprised of 42 offices of ratepayer advocates in 40 states and the District of Columbia. Members are designated by state law to represent mostly residential ratepayers before state utility commissions, federal agencies, and state and federal courts.