ELCON REPORT

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Anderson Criticizes Electric Utility Incentives to Achieve Efficiency

ELCON President John Anderson told the National Association of Regulatory Utility Commissioners (NARUC) in November that consumers strongly oppose efforts to improve utility efficiency with guaranteed payments.

When it comes to improving energy efficiency, "utilities should be allowed an opportunity to recover prudently incurred costs and earn a rate of return that reflects their risk -- but no more," Anderson asserted in his presentation, "Achieving Maximum Energy Efficiency for Consumers," at NARUC's annual convention.

He was especially critical of two programs that have often been proposed as a means of achieving greater energy efficiency: Revenue Decoupling and the Incentives/Penalty Approach as adopted in California.

Revenue Decoupling, as he explained, is supposed to sever the link between a utility's earning and the volume of its sales, thus removing disincentives for the utility to engage in energy efficiency or conservation. While emphasizing that ELCON members are strong supporters of cost-effective energy efficiency, Anderson

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ELCON Pushes FERC On Lack of Market Benefits

ELCON joined other stakeholders dissatisfied with the state of the FERC-approved "organized markets" and filed additional comments at FERC in December.

"This joint filing shows the breadth of dissatisfaction with today's wholesale markets," said ELCON President John Anderson. "It includes large and small consumers as well public utilities from all over the country. FERC needs to recognize this discontent."

FERC's Advance Notice of Proposed Rulemaking (ANOPR) "was a start," Anderson said, but it was confined to only four issues -- demand response, long-term contracting, market monitoring, and RTO responsiveness. "The problems go far deeper than that," he said. "FERC should not be constrained in its approach."

The joint filing stated that "a rulemaking proceeding confined to the four enumerated topics will not resolve the deep systemic problems in RTO-run centralized markets." It asserted that the Commission

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Next ELCON Workshop

Greenhouse Gases, Part II

ELCON's Winter Workshop scheduled for February 5 in Las Vegas will be a sequel to the Fall Workshop focusing on how electricity markets are likely to change in a carbon-constrained environment.

"The Fall Workshop was a huge success," said John Hughes, ELCON's Vice President for Technical Affairs. "This is the number one issue for our members right now. They asked for a follow-up workshop with greater detail, and that's what we will provide."

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Momentum Growing For Climate Law, Senate Staffer Tells ELCON Workshop

Congress is moving toward agreement on climate change legislation, a speaker told ELCON's Fall Workshop, "A Different Climate for Industrial Electricity Buyers."

"The tide is turning," said Jonathan Black, the Senate Energy Committee's climate change guru, describing support for legislation to cap greenhouse gas emissions. He noted the McCain-Lieberman amendment on global warming got 43 votes in 2003, but a clear majority in the Senate now supports legislation.

Black, not unexpectedly, touted S 1766, introduced by his boss, Sen. Jeff Bingaman (D-NM), chair of the Energy

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Let's Look at the Total Cost of Climate Control

By Lloyd Webb, Chairman, ELCON

One of the most significant policy issues facing any energy manager in the manufacturing community today is how to limit and reduce the impact of greenhouse gas emissions and all of the business risks associated with this issue. Whether you believe greenhouse gases (GHG) are a significant factor influencing global climate change is a secondary consideration given that most policy makers are prepared to address GHG. Everybody acknowledges that greenhouse gas emissions, domestically and worldwide, have increased and will increase even more. And most agree that planet Earth would benefit from a reduction in those emissions.

As an energy manager for a manufacturing company, I am mindful of the global impact related to this issue. But I am also concerned about the direct and indirect impact that many of the proposals put forth would have on the ability of America's manufacturers to continue to produce goods that compete in world markets. We are reminded daily of the unlevel playing field that initiatives such as the Kyoto protocol would create for manufacturers in the U.S. Any of us with manufacturing facilities in any of the countries that have signed on to Kyoto have already experienced cost run-ups due to the additional emissions regulations -- cost increases that have not been imposed on the developing nations that many of us compete with on a daily basis. Any approach to implementing GHG regulations or legislation in the U.S. must consider how to to keep manufacturing facilities in this country viable. And a big part of this is paying attention to the impact that reducing greenhouse gas emissions will have on what I pay to purchase electricity and other fuels.

Let me also point out that the last decade or so have not been good times for manufacturers in the U.S. We have faced ballooning fuel and electricity costs, continued regulatory pressure on all fronts, and unprecedented global competition. These have been the primary drivers for the loss of 3 million manufacturing jobs in the United States between 1995 and 2005. Within the ELCON community I know of three facilities -- a chemical plant in Delaware, an aluminum smelter in Maryland, and a steel mill in New Jersey -- that have closed within the past couple of years, each because of high electricity costs, sending thousands of workers into the unemployment lines.

Yet, despite these statistics, I listen to policy discussions about reducing greenhouse gases, and little attention is paid to the impact on the overall economy and its manufacturing base.

Maybe it's because the average citizen doesn't understand very much about electricity and how GHG regulation could affect electricity prices. A recent public opinion poll taken by the Shelton Group showed that 67 percent of U.S. consumers don't realize that most power here is produced by burning coal. About 20 percent of consumers thought that hydroelectric generation was the number one source of power. Meanwhile, about 30 percent of Americans believe that car and truck emissions are the major cause of global warming. Clearly, there is a disconnect between those beliefs and reality. But as long as citizens hold those views, they will not understand the massive impact on energy costs, on jobs, and on everyday lives that we are considering when we attempt to regulate emissions of greenhouse gases.

It appears the average person simply does not grasp the significance and complexity of this issue. Earlier this year I saw press reports from a respected energy analyst that said electricity prices could increase by 250 percent under some of the proposed greenhouse gas fixes. In November, Jim Rogers, CEO of Duke Energy, estimated that power bills could increase by 53 percent by 2012 if the Warner-Lieberman bill (which is not the most drastic of all the measures proposed) were enacted.

I am not saying that reducing greenhouse gas emissions is not important. What I am saying is let's look at the whole picture and enact legislation and regulations that will not devastate our domestic economy.

Within the manufacturing community there are a wide range of positions. On one extreme are the science deniers and those who disapprove of any federal approach. On the other are companies who have fully engaged, managing their

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Speaker Details Problems, Solutions In Organized Markets

Industrial customers dissatisfied with their RTO or ISO should go to FERC and try to get out of the relationship, according to Ron McNamara, Association Director of Bear Energy, a subsidiary of Bear Stearns.

"Major users believe that, in large part, the current situation is not delivering benefits and, in many ways, is worse than what previously existed," McNamara said. He emphasized that the perception is not limited to North American markets, but applies to electricity markets around the world.

Speaking to ELCON's Technical Committee on "Creating a Pool Within a Pool: Bypassing an RTO," McNamara noted that the present RTO/ISO structure is a "mismatch in time frame" with high fixed costs for suppliers that make it disadvantageous for suppliers to engage in long-term contracts.

He said that when suppliers analyze contracts with commercial and industrial customers, they seek to "structure specific controls to meet specific needs." The two should work more as partners than as "counter-parties," he advised.

One approach that Bear Energy has been advocating is to create a pool within a pool through aggregation. McNamara advised industrial

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President Signs Energy Bill

After fits and starts, the House and Senate reached agreement on an energy bill, and President Bush signed the Energy Independence and Security Act of 2007 into law on December 19.

Each house passed energy bills earlier in the year, but parliamentary problems prevented a conference to work out differences. House Speaker Nancy Pelosi (D-CA) instituted a "non-conference conference" procedure with a series of informal negotiations but no formal meetings. A new bill was produced, but the outcome of those negotiations was deemed unacceptable by the President, who threatened to veto the measure as drafted at the time.

Chief reasons for that veto threat were the inclusion of a Renewable Portfolio Standard (RPS) requiring all electricity suppliers to include a requisite percentage of power from renewable fuel sources, and a tax package that included renewal of several expiring tax credits for renewable energy technologies balanced by higher taxes on the oil industry. One week after those provisions were removed, both houses passed the legislation overwhelmingly -- though nearly 100 House Republicans, including Rep. Joe Barton (D-TX), senior Republican on the Energy and Commerce Committee, voted against it, primarily because it did not contain any pro-supply provisions. This was the bill the President signed into law.

The act offers language on conservation, efficiency, and energy standards, as well as provisions on energy research and development. The bill's most contentious feature is a title, originally included during earlier Senate proceedings, increasing auto emissions standards (formally the Corporate Average Fuel Economy, or CAFÉ) by 40 percent. The Administration supported this provision as being consistent with the President's own "Twenty in Ten" proposal on fuel economy announced in January 2007.

Of special interest to ELCON was the deletion of RPS, which ELCON opposed. Earlier in the non-conference negotiations, a provision was removed from the RPS language that could have made some corporate subsidiaries that sell power to a parent company subject to the RPS standards. ELCON had opposed this provision.

Also stripped from the final bill was controversial language promoting Revenue Decoupling, which ELCON opposed. Revenue Decoupling separates a utility's earnings levels from its volumetric sales, in the hope of removing a utility's disincentive to support energy conservation. However, as ELCON pointed out to the energy committees in both houses and in a published issue profile, Revenue Decoupling offers no incentive for utilities actually to undertake energy conservation, but it removes incentives for consumers to be more efficient (since they might not realize any rate savings), and it likely increases costs for electricity consumers of all sizes.

A section providing incentives for manufacturers to sell power generated from captured waste heat was retained. Some observers predict significant technological breakthroughs due to the provision.

Enactment of this measure does not preclude additional energy-related legislation in 2008. The Senate Committee on Environment and Public Works has already approved a bill to reduce greenhouse gas emissions, and some predict action on the Senate floor early in the year. In the House, Energy and Commerce Chairman John Dingell (D-MI) and Energy and Air Quality Subcommittee Chairman Rick Boucher (D-VA) have stated that they expect to produce legislation for consideration early in the year. ELCON's objective is to ensure full consideration of the costs of greenhouse gas legislation to manufacturers, including the projected increased cost of electricity and other fuels. E

Commissioners Kelliher, Wellinghoff Confirmed

FERC Commissioners Joe Kelliher and Jon Wellinghoff were confirmed by the Senate for new five-year terms on December 19, allowing them to serve until 2012 and 2013, respectively.

Chairman Kelliher's nomination had been approved by the Senate Committee on Energy and Natural Resources in the spring but had not been brought to the Senate for a vote, allegedly due to objections from some Members. In December, President Bush nominated Commissioner Wellinghoff, whose present term will not expire until June 30, 2008, for another five years. The Energy Committee quickly approved his nomination, and then both appointments were approved by the Senate on the last day of its session.

"For several years FERC was short-handed and had high turnover," said ELCON President John Anderson. "The confirmation of Commissioners Kelliher and Wellinghoff should provide some valuable experience."

ELCON congratulates both Commissioners on their re-appointments and looks forward to working with each of them. E

ELCON Meets With FERC

A delegation of ELCON members met with FERC Commissioners Jon Wellinghoff and Marc Spitzer in November, stressing the need for FERC to address comprehensively the problems ELCON members are encountering in FERC-approved "organized markets."

ELCON members noted that two major RTOs are moving backward on demand response, and they urged the Commissioners to provide stronger policy guidance to the RTOs to reverse that trend. Commissioner Wellinghoff, in particular, has been an ardent supporter of demand response programs.

During both meetings, the Commissioners asked the ELCON delegation about alternative pricing mechanisms for RTOs, signaling that the current single-price LMP-based auction is not working effectively. ELCON's Technical Committee is analyzing different options. E

ELCON Fall Workshop

Climate Legislation Outlook

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Committee. He said two driving forces behind the legislation were overcoming doubts about the validity of the science and recognizing the cost impact of legislation on the overall economy.

Sen. Bingaman's bill is based on a cap-and-trade approach to limit greenhouse gases, including carbon dioxide, but also provides a "safety valve" to keep the price of carbon from climbing too high.

That is one reason Sen. Bingaman's bill is "now backed by people who have opposed cap and trade in the past," Black said. He pointed in particular to organized labor and several investor-owned utilities.

But, enactment of legislation will not be easy, according to J. Alan Beamon, director of the Coal and Electric Power Division of the Department of Energy's Energy Information Administration. Basic questions needing answers are which gases to cover, appropriate emissions limits, and which sectors of the economy to cover, he said, in addition to "timing, offsets, a safety valve, and allowance allocation."

Other areas to be resolved were outlined by Chris Berendt, director of environmental markets and policy for Pace Global Energy Services. These include jurisdictional squabbles between federal and state regulators and establishing a national greenhouse gas inventory to provide data showing the impact of limiting carbon in different regions.

The differences of opinion on how to limit greenhouse gases were evident in other presentations. Benjamin Goldstein from the Center for American Progress stated unequivocally that a cap-and-trade approach "is what will go forward." He added that it is not the "be all and end all, just part of the solution."

He based this conclusion in part on the cap-and-trade format being used in Europe, which he said has shown it can "save jobs and improve the environment."

Those views were disputed by Kenneth P. Green, an economist with the American Enterprise Institute who advocates a free-market approach. He described cap-and-trade as "fundamentally flawed," "redistributionist" and "somewhat anti-capitalistic." He had a different view of the European experience than Goldstein: allowances to cap harmful emissions also have capped energy supply, and increases in demand for energy in Europe have caused "energy price volatility," including severe price spikes, he said.

Using that approach in U.S. would lead to "a transfer of wealth," he said, as "consumers in coal states" paid "consumers in natural gas states."

Green's solution was a tax on carbon, which he called a fairer alternative. "A revenue-neutral carbon tax is philosophically superior to cap and trade" and is something the IRS is capable of implementing, he said.

Green did not dispute the concern that greenhouse gas emissions can cause harm.

All of these questions and uncertainties are being studied carefully by investor owned utilities. Bruce Braine, vice president for strategic policy analysis at American Electric Power (AEP), said the crucial question for his company was "what type of legislation was likely."

AEP is "proactive and engaged," he said, but it needs "adequate lead time" to address the issue appropriately. And, he pointed out, the issue must be considered on an international basis since "carbon is carbon, anywhere in the world." E

Clockwise from above: Kenneth Green (left), American Enterprise Institute, Benjamin Goldstein, Center for American Progress; Jonathan Black, Senate Energy Committee; Chris Berendt, Pace Global Energy

Next Workshop

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A preliminary agenda has sessions on renewable energy certification and verification, a comparison of the different cap and trade programs now operating in different regions, and allowance auction design issues for the electricity sector. Marsha Smith, president of NARUC, will be the kick-off speaker.

"The Fall Workshop was a great learning experience," said ELCON Chairman Lloyd Webb. "The opportunity to sit down with experts in the field and discuss this issue in a small setting was invaluable."

ELCON Workshops are open to ELCON members and to representatives from manufacturing companies that are considering ELCON membership. For additional information contact ELCON (elcon@elcon.org or 202-682-1390). E

How Might Emissions Caps Affect Prices?

The federal government's energy forecasting arm, the Energy Information Administration of the Department of Energy, foresees a renewable portfolio standard of 15-20 percent resulting in only a "modest impact on electricity prices," according to J. Alan Beamon, director of EIA's Coal and Electric Power Division.

Speaking at ELCON's Fall Workshop, Beamon predicted that "electricity price impacts will differ widely by region, reflecting differences in the generation mix." But, a cap-and-trade approach to cap greenhouse gas emissions could produce about a 25 percent increase in electricity prices, he said.

Benjamin Goldstein, an economist specializing in greenhouse gas emissions for the Center for American Progress, agreed, voicing "no doubt electricity costs will go up." One way to mitigate the increase is to invest in new technologies, especially renewable energy, he said.

Most of the increases will not be felt in the short run, the speakers said. Bruce Braine, vice president of American Electric Power, predicted the cost impact won't be felt until "the 2015-2020 time period." The "more substantial impacts would probably not begin until 2020 or sometime after that," he said. E

Energy Markets in a Carbon-Limited World

Almost everyone agrees the fuel mix used to generate electricity will change dramatically if greenhouse gas legislation is enacted. Finding agreement on how the mix will change is a different matter.

J. Alan Beamon, director of the Energy Information Administration's Coal and Electric Power Division, told ELCON's Fall Workshop that if greenhouse gas legislation is enacted, there will be a reduction in natural gas and coal as a percentage of electricity generation and "huge increases in biomass" as an energy source along with smaller but significant increases in the use of solar, wind and municipal solid waste.

Chris Berendt, director of environmental markets and policy for Pace Global Energy Services, noted that carbon considerations will become important for every manufacturer. "Every company will have a carbon desk," and direct and indirect carbon use will be part of each company's day-to-day business activity, he predicted.

Bruce Braine, offering the utility/generator perspective as vice president for Strategic Policy Analysis for American Electric Power (AEP), stated that legislative "requirements will push renewables into the market," and "significant investment in wind" will be the primary impact. He foresaw more supply and demand side efficiency and off-system activities such as increased forestry investments and methane capture. AEP will be a major player, he said.

One way for utilities and end users to reduce greenhouse gas use is through the use of Renewable Energy Credits (REC), said Vincenzo Franco, an attorney with Van Ness Feldman in Washington. Franco defined an REC as "the market value of the non-electricity attributes of 'renewable generation.'" They are the monetized environmental and social benefits of non-conventional generation that displace conventional generation. There is no uniform definition of what qualifies as an REC -- cogeneration, burning municipal waste, and the use of bio-diesel qualify in some states but not others, he said.

Most RECs are bought by "companies with high visibility" as a means of reducing their net carbon consumption, Franco said. Some disagreement exists as to who owns the REC, he said, noting that some utilities purchasing power under a PURPA contract claim that they, rather than the generator, actually own the REC. But, use of REC is increasing nonetheless, he said. Regarding the ownership question, Franco said FERC has avoided asserting jurisdiction. RECs are "created by the states" and states can "determine who owns the REC," he said. He predicted that in the future most RECs will be part of the power sale contract, thus solving the ownership issue. E

Clockwise from above: Vincenzo Franco, Van Ness Feldman (left), J. Alan Beamon, U.S. Dept. of Energy, Bruce Braine, Amiercan Electric Power; Workshop participants discuss issues; Workshop in session

ELCON Activities Before The Federal Energy Regulatory Commission

ELCON Offers Views on Reliability Violations

FERC is examining how to assess penalties against ISOs and RTOs found guilty of violating reliability standards set by the North American Electric Reliability Corporation and approved by FERC under the Energy Policy Act of 2005.

ELCON President John Anderson testified at a FERC conference on the issue and emphasized that it involves only those instances where the RTO (or ISO) itself was the party guilty of non-compliance, not when a member of the RTO committed the infraction. The conference was called after the Midwest ISO (MISO) proposed that if it were found guilty of a violation, the penalty costs would be allocated to its customers.

ELCON contends such a proposal "is inappropriate" because it "holds MISO harmless for any violations of NERC standards," Anderson asserted.

"ELCON believes that no penalties assessed to ISOs/RTOs should be passed through to either the ISO/RTO members or to consumers," Anderson emphasized. If a MISO member commits the violation, NERC should hold that member responsible, not MISO, he said. If MISO is the guilty party, on the other hand, neither MISO's tariff customers nor consumers should have to pay the penalty.

Anderson proposed that FERC consider both monetary and non-monetary penalties for an RTO's reliability violation. He pointed to other federal agencies (e.g., SEC, EPA, and CFTC) that have assessed monetary and non-monetary penalties against both corporate entities and their culpable officers and employees for violations.

He acknowledged that RTOs are non-profit and "unlike other non-profit entities they have very few assets and have a captive revenue base." These factors, he said, "make it very difficult to hold the ISOs and RTOs accountable because monetary penalties that are passed through do not have a punitive or deterrent effect…and instead unfairly punish the captive dues payers who have no culpability."

"ELCON believes that non-monetary penalties may be appropriate in many, if not most, cases," Anderson said. He cited NERC's Sanction Guidelines as identifying various remedial actions, including: "(a) specifying operating or planning criteria, limits, or limitations; (b) requiring specific system studies; (c) defining operating practices or guidelines; (d) requiring confirmation or data, practices, or procedures through inspection testing or other methods; (e) requiring specific training for personnel; and (f) requiring development of specific operating plans."

"ELCON supports this approach and believes that the list of available non-monetary sanctions should be expanded," he said.

Anderson did not exclude the possibility of imposing monetary penalties as well. If NERC determines that monetary penalties should be imposed on an ISO or RTO, they should be sought only from the individual officers or employees clearly culpable of the alleged violation of the reliability standards, and not from the ISO/RTO entity, he urged.

Such penalties should be rare but are necessary because violations can "put a portion of the grid at risk," he said.

Proposed Rule Anticipated

It is still unclear whether FERC will issue a Notice of Proposed Rulemaking (NOPR) on competition in wholesale power markets in January or February. Many observers expected a proposal at FERC's December meeting, but it was not on the agenda. FERC received hundreds of comments on its Advance Notice of Proposed Rulemaking (ANOPR) last year, which ELCON and others believe did not go far enough, addressing only the four issues of demand response, long-term contracting, market monitoring, and RTO responsiveness. (See related story, page 1). E

Chairman's Column

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greenhouse gases even to the extent of advocating comprehensive control legislation and joining global initiatives such as Kyoto. There are many more that express positions somewhere between these extremes

Although ELCON has no organizational position on the greenhouse gas issue, I think all ELCON members agree that we need to look at the total picture. We cannot deny that greenhouse gases are both a policy and environmental issue that must be addressed; it is clear that train has left the station. We need to look at how we accomplish creating and implementing measures that address the needs of the public, which means not just addressing greenhouse gases but doing it in a way that allows for the future viability of our manufacturing base and our economy. If we cannot accomplish it within this context, we will have failed miserably.

Lloyd Webb is energy manager for Eastman Chemical.

Anderson Faults Incentives

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told NARUC they oppose Revenue Decoupling because it would "increase consumers' rates while creating only dubious energy savings," promote "mediocrity" in the management of utilities; and result in a "lack of customer focus."

"Revenue Decoupling guarantees benefits for utilities while not guaranteeing anything for consumers other than rate increases," he said, adding that "there are no real environmental benefits guaranteed."

The issue is primarily a state one, he said. "State PUCs should not authorize any kind of incentive for activities that are required by law or regulation," he advised. "Utilities have a duty and an obligation to follow laws and regulations."

The Incentives/Penalty approach recently implemented in California would provide utilities up to $450 million in rewards if they meet specific energy reduction goals but force rate reductions of up to $450 million if they fail to meet those goals. The cost to ratepayers is estimated at over $2 billion.

Quoting a group of large consumers in California opposed to the plan, Anderson noted that "the very concept of paying utilities incentives based on foregone earnings associated with supply-side investments that are not made, when the utility is in fact simply collecting and spending ratepayer funds, is simply wrongheaded and contrary to the first principles of public utility regulation."

Another group of small consumers in California also opposes the plan, stating that "Joe Q. Public should be outraged that the utilities are going around bragging about how green they are…and at the same time they're asking for profits so that they will be what we're already paying them to do, but better."

Anderson told NARUC, "The best way to assure the implementation of the appropriate amount of energy efficiency is to implement truly competitive electricity markets." But, he admitted that such markets were "not probable in the near term."

"In what other industry are entities given incentives for doing what they are required to do?" In the end, he asked rhetorically. "There is something wrong when there is broad and strong consumer opposition to a program, but it is approved anyway." E

ELCON President John Anderson speaking at press conference with other stakeholders who jointly urged a broader FERC inquiry into organized markets

ELCON Pushes FERC

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has a legal obligation to initiate a Section 206 investigation if evidence is presented showing that unjust and unreasonable rates are being charged.

The signers of the filing urged FERC "to broaden the scope of the proposed FPA 206 investigation to address the core issue of whether RTO markets are producing unjust and unreasonable power prices."

Several points in the filing were previously raised in comments on the ANOPR. As examples,

- Excessive rates of return, not commensurate with risks taken, are being recorded by generation suppliers in the RTOs.
- Higher rates are being charged in RTOs than in other areas.
- There is a lack of new investment to mitigate price increases in RTO areas.
- Ratemaking methodologies based on faulty assumptions are being used in RTOs.

"The organized markets that are operating today are not sustainable," Anderson said. "The breadth of support for this filing indicates a profound lack of consumer confidence. The ANOPR process was a good first step, but many more issues need to be addressed. I recognize there is no silver bullet, but FERC and market participants who have supported the status quo must recognize that continuing down the present path is not a viable option." E

Organized Market Solution

From Page 1

customers dissatisfied with their existing RTO or ISO to go to FERC and seek to eliminate existing ISO and RTO costs. He suggested that customers seek relationships with municipal utilities rather than investor-owned utilities (IOUs). McNamara's colleague at Bear Energy, Sean O'Neal, observed that, in contrast to IOUs, "munis can think long-term."

O'Neal's analysis shows that "munis are looking to build" and companies like Bear Energy want to aggregate the load. If a contract can be agreed on, he said, large customers can reap the benefits. E

Next ELCON Workshop: Greenhouse Gases, Part II

--Feb 5, Las Vegas--

For more information, contact ELCON at www.elcon.org

WHAT IS ELCON?

- **DATE ORGANIZED***:* January 15, 1976

- **WHO WE ARE**: The Electricity Consumers Resource Council (ELCON) is the national association representing large industrial consumers of electricity. ELCON was organized to promote the development of coordinated and rational federal and state polices that will assure an adequate, reliable and efficient supply of electricity for all users at competitive prices. ELCON's member companies come from virtually every segment of the manufacturing community.

- **MEMBER COMPANIES**: Air Liquide • Alcoa • Anheuser-Busch Companies, Inc. • BP • Chevron • Chrysler • Corning, Inc. • E.I. du Pont de Nemours & Co. • Eastman Chemical Company • ExxonMobil Power and Gas Services, Inc. • Ford Motor Company • General Motors Corporation • Gerdau Ameristeel • Honda • Honeywell • Intel Corporation • Johns Manville • Lafarge • Linde Group • Monsanto Co. • Occidental Chemical • Praxair • Procter & Gamble • Shell Oil Products • Solutia, Inc. • Tate & Lyle

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