

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Remedying Undue Discrimination
through Open Access Transmission Service
and Standard Electricity Market Design

Docket No. RM01-12-000

NOTICE OF TECHNICAL CONFERENCE AGENDA

(November 26, 2002)

1. As announced in the Notice of Technical Conferences issued on October 22, 2002, Commission staff will convene a technical conference on December 3, 2002 to discuss specific issues related to the transition to congestion revenue rights (CRRs) proposed in the Notice of Proposed Rulemaking issued in this docket on July 31, 2002. This notice provides further organizational details and the conference agenda.
2. The conference will begin at 9:30 a.m. and will adjourn at about 5:30 p.m. It is scheduled to take place at the Commission's offices, 888 First Street, N.E., Washington, D.C., in the Commission Meeting Room on the second floor. The agenda is appended to this notice as Attachment A. As specified in the October 22, 2002 Notice, the discussions will attempt to clarify and seek consensus on specific issues. The discussion questions are appended to this notice as Attachment B.
3. The conference is open for the public to attend, and registration is not required; however, in-person attendees are asked to notify the Commission of their intent to attend by sending an e-mail message to conferences@ferc.gov. Members of the Commission may attend the conference and participate in the discussions.
4. Transcripts of the conference will be immediately available from Ace Reporting Company (202-347-3700 or 1-800-336-6646), for a fee. They will be available for the public on the Commission's FERRIS system two weeks after the conference. Additionally, Capitol Connection offers the opportunity for remote listening and viewing of the conference. It is available for a fee, live over the Internet, via C-Band Satellite. Persons interested in receiving the broadcast, or who need information on making arrangements should contact David Reininger or Julia Morelli at the Capitol Connection (703-993-3100) as soon as possible or visit the Capitol Connection website at <http://www.capitolconnection.gmu.edu> and click on "FERC."

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5. Questions about the conference program should be directed to:

Sarah McKinley
Manager of State Outreach
Office of External Affairs
Federal Energy Regulatory Commission
888 First Street, N.E.
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Linwood A. Watson, Jr.,
Deputy Secretary

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ATTACHMENT A

Schedule

9:30 - 9:35 AM **Introductions**
Alice Fernandez, Commission Staff

9:35 - 9:45 AM **Opening Remarks**
Alice Fernandez, Commission Staff

9:45 - 11:15 AM **Session I - ISO/RTO Response**

Panelists:

Rich Bayless, Director, Interconnected Systems, PacifiCorp (RTO West)
John P. Buechler, Executive Regulatory Policy Advisor, New York ISO
Alan Heintz, Vice President and Consultant to Santee Cooper, on behalf of SeTrans
David LaPlante, Vice President, Markets Development, ISO New England
Andrew Ott, Executive Director, Market Development, PJM Interconnection

11:15 - 11:30 AM **Break**

11:30 AM - 1:00 PM **Session II - Industry Response**

Panelists:

Ricky Bittle, Vice President Planning, Rates and Dispatching, Arkansas Electric
Cooperative Corporation
Steven T. Naumann, Vice President, Transmission Services, Exelon Corporation,
Commonwealth Edison, on behalf of the Edison Electric Institute
Richard W. Osborne, Vice President Power Supply & Engineering, Continental
Cooperative Services
James H. Pope, Director of Electric Utility, Silicon Valley Power, Santa Clara, California
and Chair, Transmission Agency of Northern California
Harry Singh, Director of Market Economics, PG&E National Energy Group
Donald J. Sipe, Attorney, Preti, Flaherty, Beliveau, Pachios & Haley, on behalf of
Industrial Energy Consumer Group
Denis E. Wickham, Senior Vice President, Energy East Management Corporation

1:00 - 2:15 PM **Lunch**

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2:15 - 3:45 PM **Session III - Industry Response**

Panelists:

James Bruggeman, Transmission Engineer, Williams Energy Marketing & Trading Company

James R. Dauphinais, Consultant, Brubaker & Associates, Inc. on behalf of the Electricity

Consumers Resource Council (ELCON)

William F. Hall III, Senior Vice President, Energy Policy & Strategy, Duke Energy

James R. Keller, Director of Policy and Planning, Wisconsin Electric Power Company

Philip Mesa, Lead Technical Specialist, RTO Project Team, Bonneville Power Administration

Michael G. Stuart, Vice President, Legal and Public Affairs, Wisconsin Public Power Inc. on behalf of the Transmission Access Policy Study Group (TAPS)

Dr. Frank A. Wolak, Professor, Department of Economics, Stanford University, on behalf

of Old Dominion Electric Cooperative

3:45 - 4:00 PM **Break**

4:00 - 5:30 PM **Session IV - State Regulatory Response**

Panelists:

Glen R. Thomas, Chairman, Pennsylvania Public Utilities Commission

Dr. Michael S. Proctor, Chief Economist, Energy Department, Missouri Public Service Commission

Other state participants to be determined.

ATTACHMENT B**Discussion Questions**

The first conference panel will discuss various transition processes that various ISOs and RTOs have used to adopt a congestion management system that uses financial rights, such as CRRs or FTRs. Panelists will describe the transition process used for pre-Order No. 888 contracts, firm point-to-point contracts, network contracts and native load. They also have been asked to address: (1) whether any special provisions were included in the transition process to address special circumstances, such as the existence of load pockets; (2) how load diversity and non-coincident peaks were addressed in the initial allocation process; and (3) the process used to acquire additional financial rights after the initial allocation to handle load growth.

Each subsequent panel will discuss specific issues related to the transition to congestion revenue rights (CRRs), such as:

- whether to require a CRR auction (after four years of allocation) or allow each region to determine if it should have such an auction;
- how to allocate CRRs such that all customers receive CRRs commensurate with their existing rights to the transmission system, including load diversity and whether and how to allocate CRRs for load growth;
- how competing load-serving entities can acquire CRRs for new or existing load or load served by another load-serving entity;
- if CRRs are auctioned, how to ensure that auction revenues are returned to load and any others who pay embedded transmission costs;
- how to guard against the use of CRRs to exercise market power; and
- whether and for which matters to allow regional variation on how rights are allocated.