



National Energy Marketers Association

NEM Advocacy in 2003

I. Advocacy in Public Forums

- Presented "Solutions to Improve the Liquidity and Creditworthiness of the U.S. Energy Industry" at FERC Technical Conference on Credit Issues in Energy Markets - Clearing and Other Solutions
- Testified on voluntary price reporting and a proposed safe harbor for the industry at FERC Technical Conference on Energy Price Discovery and Indices
- NEM met with House Energy Subcommittee Chair Joe Barton, NYPSC Chair Flynn, Ohio Congresswoman Deborah Pryce, Vice Chair of Republican Conference, Senator Don Nickles Assistant Majority Leader and their staff, Ontario Ministry of Energy, FCC and FERC Commissioners and Staff and DOE officials
- Addressed attorneys in New York State Bar Association Utility Law Section on New Developments Affecting the Retail Market
- Presented NEM's position on Standard Competitive Market Designs to PUC Commissioners and staff, legislators, marketers and utilities in attendance at Ohio Gas Association meeting
- Presented NEM's position on Standard Competitive Market Designs to Toronto software developers, marketers and representatives of provincial government
- NEM policy positions conveyed via publications, articles, live interviews, radio, TV, "ABCs of Energy Competition," issues-oriented Op-Eds as well as interviews and articles carried nationwide in both trade press and traditional mainstream print media (e.g. Baltimore Sun, Chicago Tribune, San Diego Tribune, etc.)
- Prepared books and hosted Association meetings and conferences
 - January - Winter Executive Committee Annual Policy Planning & Strategy Meeting - San Diego, California
 - April - Annual Meeting and National Restructuring Conference - Washington, DC - speakers in attendance - Congressman Barton, FERC Chairman Wood, FERC Commissioner Brownell, CFTC Chairman Newsome, CFTC Commissioner Brown-Hruska, SEC Commissioner Campos, NARUC President Svanda, TXPUC Chair Klein, MADTE Chair Vasington, ACC Chair Spitzer, TXPUC Commissioner Perlman, PUCO Commissioner Jones
 - May - Executive Committee Planning Meeting - Washington, DC
 - June - Executive Committee Meeting - Chicago, Illinois - speaker in attendance - ICC Commissioner Wright
 - October - Industry Leadership Roundtable - Niagara-on-the-Lake, Ontario, Canada
 - November - Executive Committee Planning Meeting - Houston, Texas

II. Advocacy in Regulatory and Legislative Forums

FERC

- Electricity Standard Market Design and Structure - RM01-12
- Investigation of Terms and Conditions of Public Utility Market-Based Rate Authorizations - Docket Nos. EL01-118-000 and EL01-118-001 - **FERC adopted NEM's proposal that electric market manipulation rules incorporate an intent element requirement for actionable conduct**
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- Natural Gas Price Formation - Docket No. AD03-7-001 - **FERC adopted Price Reporting Policy Statement endorsing voluntary price reporting protocols with NEM's proposal for a safe harbor**
- Credit Issues in Energy Markets – Clearing and Other Solutions - Docket No. AD03-4-000
- NYISO Creditworthiness Requirements - Docket No. ER03-552-000 - **FERC adopted NEM's proposal to reject NYISO's creditworthiness requirements to require 90 days of security for Non-Investment Grade and unrated customers, and held instead that the process for determining the amount of security should be the same for all customers, and NYISO is required to permit netting across NYISO-administered markets**
- Amendments to Blanket Sales Certificates - Docket No. RM03-10-000 - **FERC adopted NEM's proposal that gas market manipulation rules incorporate an intent element requirement for actionable conduct**
- Standards of Conduct for Transmission Providers - Docket No. RM01-10
- Accounting and Reporting of Financial Instruments, Comprehensive Income, Derivatives and Hedging Activities - Docket No. RM02-3
- Standardization of Generator Interconnection Agreements and Procedures - RM02-1
- Ameren Transfer of Generating Facilities - EC03-53

FCC

- Rules and Regulations Implementing the Telephone Consumer Protection Act of 1991 - CG Docket 02-278

FTC

- Notice of Proposed Rulemaking - Telemarketing Sales Rule/User Fee - FTC File No. R411001

California

- Rulemaking on Policies and Practices for Advanced Metering, Demand Response and Dynamic Pricing - R.02-06-001
- NEM Submission in Opposition to SB 888 - **NEM, its members, customers and as many other groups as possible opposed and the California legislature declined to pass legislation to re-monopolize the electricity industry**

Georgia

- Standards for Determining Whether Natural Gas Prices are Constrained by Market Forces - Docket Number 15640-U

Illinois

- Commonwealth Edison, Proposed revision of Rider PPO (Power Purchase Option – Market Index), Rate CTC (Customer Transition Charge) and Rider ISS (Interim Supply Services), and to establish Rider CTC –MY (Customer Transition Charge – Multi Year Experimental). (Tariffs filed on October 1, 2002) - Docket No. 02-0671 - **ICC approved the settlement negotiated by NEM members and supported (not opposed) by NEM that improved the market value index computation methodology and the related customer transition charge and market value energy charges, implemented an Hourly Energy Pricing Rate for certain customers 3MW or above, and decided delivery rate issues including final adoption of a single bill option credit and metering services credit based on ComEd's embedded costs; NEM will continue to advocate a lower limit of less than 1 MW**
- Illinois Power, Proposed establishment of Rider MVI II, (Market Value Index II) - Docket No. 02-0672
- Ameren, Market Value Index proceeding - Docket No. 02-0656
- Commonwealth Edison Petition to Declare Service Under Rate 6L to Customers 3MW or Above as a Competitive Service - Docket No. 02-0479
- Commonwealth Edison Delivery Services Proceeding - Docket No. 01-0423

Kentucky

- Columbia Gas Small Volume Gas Transportation Service - Case No. 1999-00165 - **NEM members with the Association's support, negotiated with Columbia Gas of Kentucky to withdraw its application to end its small volume gas transportation program and requested extension of the pilot phase to March 31, 2005**

Maryland

- Gas Roundtable - Case No. 8933
- In the Matter of the Commission's Inquiry into the Competitive Selection of Electricity Supplier/Standard Offer Service - Case No. 8908
- Generic Electric Restructuring proceeding - Case No. 8738

Massachusetts

- Provision of Default Service - Case No. 02-40
- Distributed Generation - Case No. 02-38

Michigan

- MichCon 2004 Rate Case - Case No. U-13898
- Detroit Edison 2004 Rate Case - Case No. U-13808
- Detroit Edison Market Power Evaluation - Case No. 13797

- Gas Supplier Licensing Procedures - Case No. U-13694 - **MIPSC adopted NEM recommendations on gas supplier licensing rules limiting the time frame for review of applications and declining to require submission of confidential or proprietary information with applications**
- Detroit Edison Stranded Cost Recovery Charges - Case No. U-13350 - **NEM and its members successfully urged MIPSC should not allow DTE to assess a stranded cost charge in 2003**
- Consumers Energy Stranded Cost Recovery Charges - Case No. U-13380 - **To address concerns raised by NEM and its members, MIPSC instituted a stranded cost collaborative to address market uncertainty created by yearly adjustments of stranded cost charge; NEM also held direct negotiations with Consumers and NEM members on this issue; the Commission found that Consumers should not assess a stranded cost charge in 2003**
- Detroit Edison Load Profiling Provisions of Retail Access Service Tariff - Case No. U-13385

Nevada

- Petition of Nevada Power and Sierra Pacific to Establish a Statewide Policy with Respect to the Allocation of Transmission Rights and Resolving Issues Integral to the Implementation of AB 661 - Docket No. 02-5051

New Hampshire

- Public Service Company of New Hampshire Proposal for Transition Service Rate Applicable to Large Customers - DE 02-166

New Jersey

- Basic Gas Supply Service - Docket No. GX01050304
- Basic Generation Service - Docket No. EX01050303
- Supplier Fee proceeding - Docket Nos. EX94120585Y, EO97070457, EO97070460, EO97070463, and EO97070466
- Customer Account Services proceeding - EX99090676

New York

- Implementation of HEFPA Law - 03-E-0117 - **NYPSC mandated pro-ration of payments between marketers and utilities; NEM is continuing to urge the purchase of receivables, and the Commission has noticed the issue in a new docket**
- Renewable Portfolio Standard - 03-E-0188
- Mandatory Hourly Pricing for Commodity - Case 03-E-0641
- Potential Electric Delivery Rate Disincentives Against the Promotion of Energy Efficiency, Renewable Technologies and Distributed Generation - Case No. 03-E-0640
- In the Matter of the Rules and Regulations of the Public Service Commission, contained in 16 NYCRR, Chapter II, Electric Utilities, Subchapter A, Service - Proposed Amendments To Part 92 - Regulations Applicable to Meter Testing and Reporting, filed in C 278 - Case 02-E-0255

- Competitive Metering for Natural Gas Service - Case No. 02-M-0514
- Gas Transportation Rates for Distributed Generation Technologies - Case No. 02-M-0515
- Distributed Generation/Standby Service - Case Nos. 00-E-0005 and 99-E-1470
- Competitive Metering - Case Nos. 94-E-0952 and 00-E-0165
- Competitive Billing - Case No. 99-M-0631 - **NYPSC adopted NEM's recommendations to reduce marketer creditworthiness requirements including permitting the offset of credit requirements by the amount of marketer receipts possessed by the utility**
- POLR Responsibilities, Role of Utilities in Competitive Energy Markets, and Fostering the Development of Retail Competitive Opportunities - Case No. 00-M-0504
- POLR Responsibilities, Role of Utilities in Competitive Energy Markets, and Fostering the Development of Retail Competitive Opportunities - Case No. 00-M-0504 - Unbundling Track
- Central Hudson electric and gas rate proceeding - Case Nos. 00-E-1273 and 00-G-1274
- ConEd electric restructuring - Case No. 96-E-0897
- ConEd gas rate proceeding - Case No. 03-G-1671
- Keyspan gas restructuring - Case No. 99-G-1469
- NFG - Case No. 00-G-1858
- NIMO/National Grid merger - Case 01-M-0075
- NYSEG electric restructuring - Case No. 01-E-0359

Ohio

- FirstEnergy Application on Post-Market Development Period - Case No. 03-2144-E:-ATA et al.
- FirstEnergy Application to Adjust Shopping Credits - Case No. 03-1461-EL-UNC - **PUCO adopted NEM and its members' position and rejected FirstEnergy's proposal to reduce 2004 shopping credits**
- Review of Gas Cost Recovery Mechanism - Case No. 03-1384-GA-ORD - **NEM members with the Association's support have successfully urged the PUCO to initiate an evaluation of changes to the Gas Cost Recovery Mechanism to be more market sensitive**
- CG&E Application for a Monthly GCR - Case No. 03-1584-GA-UNC
- DP&L Extension of Rate Freeze and Market Development Period - Case No. 02-2779-EL-ATA and Case No. 02-2879-EL-AAM
- Interim GCR Adjustments of Columbia Gas, DEO and CG&E - Case No. 03-643-GA-UNC, Case No. 03-654-GA-UNC and Case No. 03-644-GA-UNC
- Consideration of Whether Retail Ancillary, Metering or Billing and Collection Services are Competitive Retail Electric Services - Case No. 03-681-EL-COI
- Rules for Conduct of a Competitive Bidding Process - Case No. 01-2164-EL-ORD
- CG&E Application on Standard Service Offer - Case No. 03-93-EL-ATA
- Submission on S.B. 0028 - Institution of a Do-Not-Call Registry

Pennsylvania

- Provider of Last Resort and Supplier of Last Resort Working Groups

Texas

- Rulemaking to Address Competitive Metering - Project Number 26359

Virginia

- Default Service - Case No. PUE-2002-00645
- Developing Consensus Recommendations on Stranded Costs - Case No. PUE-2003-00062
- Dominion Virginia Power Retail Access Pilot Programs - Case No. PUE-2003-00118 - **NEM supported the elements of Dominion Virginia Power's pilot programs that reduced the wires charge, eliminated minimum stays for most participants, and implemented market-based pricing for program participants; the Virginia SCC approved these proposals**
- Submission on Facilitation of Retail Competition