

board respond to regulatory directives, after the corporation's process failed to act on some FERC directives for up to three years.

NERC understands that FERC can develop a reliability standard on a specific matter if it is deemed appropriate but the recent commission directives have brought up complex issues at the reliability organization, said the Chairman of its Board John Q Anderson.

The current standards process has a significant "buy in" from the industry and the board has to ensure requirements be given public notice and opportunity for public comment, due process, openness and a balance of interests, said NERC's chair.

NERC believes more open communication between itself, FERC and the industry can help.

[\[Comments\]](#)

OFGEM probes premium charges on pre-pay accounts

OFGEM started a preliminary investigation into the price premiums charged by retailers to UK power customers and is looking into how they handle complaints.

Price premiums are charged to customers who use prepaid meters and are meant to cover program and implementation costs of using a prepaid approach. The changes were made under regulatory reforms but while checking to see how those were working, OFGEM found what it called evidence that some suppliers may still be charging customers higher or unjustified price premiums.

The UK utility regulator demanded explanations from two suppliers under the first stages of a process that can lead to enforcement action if the agency is not satisfied with the response.

"We haven't released the names yet. There's no formal investigation yet -- but if that time comes, then we would mention who is being investigated," OFGEM told us yesterday.

The agency has been trying to cut the price premiums assessed on consumers and is starting a new billing system to give consumers annual statements that clearly spell out how much power was used, how much the power itself cost and as a result, how much of a price premium was paid.

One such premium is attached to

customer who use prepayment meters versus those that authorize a direct debit of their monthly bill. On average, OFGEM estimates the annual premium dipped from £111 to £69 (\$169 to \$86.50). The charge retailers charge compared to the incumbent also is down, said OFGEM.

The hope is to clear up the matter quickly without having to open a docket and undertake an official review, added the agency.

OFGEM warned all suppliers to be transparent when marketing online deals particularly when temporary discounts are offered.

"The report is encouraging news for a lot of customers as unjustified price premiums have fallen significantly. However, we do have concerns over some premiums and have made it clear to the two suppliers concerned that we will take action if the differentials cannot be justified," said Sarah Harrison, senior partner with OFGEM's Sustainable Development Dept.

"We want customers to have a much better picture of their energy consumption and how much they are spending. Clearer bills and annual statements will put all this information at their fingertips so they can compare energy deals more easily when they are thinking of switching."

[\[Comments\]](#)

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NEM promotes offering choice at point of installation

NEM views offering choice at the time of service installations as an emerging trend and hopes that an already-successful market will agree. NEM filed comments with the New York PSC that it hopes will expand the access customers will have in the competitive marketplace to include offering choice at the start of service instead of waiting until they are with an IOU and then having to switch.

"In every state where there is selection happening, the movement is to get that selection to the point of initial service," NEM President Craig Goodman told us yesterday. "It is more efficient. It's much more effective in education customers that they have choices."

Some estimates put the percentage of people who move each year as high as 10-20%, so over five-seven years that could be a sizeable portion of all gas and power customers.

Offering choice when customers move also helps to present choices to consumers at a point in time where they really have to think about it.

"They have to think about what kind of service options is best for them and that is the best time to look at choices," said Goodman. "Once you've already signed up, you may not want to deal with it again once you are on the utilities service. It becomes more costly and more difficult to move customers to a new service."

Marketers are ready for the chance now and are simply awaiting the PSC's OK.

"We're working with some vendors right now to provide our members with new mover's lists," said Goodman. "This is the first time it's been looked at as a policy issue. I think the fact that it's on the agenda and they are looking at it is a good sign. It shows a thoughtful deliberation to a progressive

2 stories in 20 seconds

NARUC transmission group wins DOE grant:

The Eastern Interconnection States' Planning Council (EISPC) transmission planning group won a \$14 million grant from DOE to work on its transmission plan, NARUC said yesterday. The group of state utility regulators and representatives from governors' offices was the second in the Eastern Interconnection to

win the recovery act funding, with an industry effort getting earlier funding.

Cancer center signs

with Green Mountain: New York's Memorial Sloan-Kettering Cancer Center's Zuckerman Research Center signed a deal with Green Mountain Energy for 31,500 wind RECs.

[\[Comments\]](#)

movement in improving competitive markets and consumer education.”

In comments filed with the New York PSC, NEM also raised concerns about reverse slamming -- a utility-initiated drop of the marketer's service due to a change of account number or other internal operational reason.

NEM also wants the PSC to understand the importance of customer lists overall and not just when a customer moves to electric supply companies (ESCOs).

“In markets where they have access to such lists, it has contributed immensely to the success of retail access,” said Goodman in NEMs comments to the PSC. “ESCOs contend that New York State's continued success in expanding energy choice can be greatly enhanced by allowing for the provision of customer lists.”

[\[Comments\]](#)

Ontario cuts price for net-metered green power

The Ontario Power Authority's (OPA) green power program called MicroFit was started in October and has drawn so much ground-based solar -- a cheaper approach than rooftop solar -- that the pay rate has been cut.

MicroFit was designed to encourage homeowners, farmers, small businesses and institutions to develop small renewable energy generation projects of 10 KW or less and project owners are paid a fixed price for the power they produce with prices set to recover costs plus earn a reasonable return over the 20-year term of the contract.

With 16,000 applicants, the program is being hailed as a success in renewables development. A large percentage of the 16,000 applications were for ground-mounted solar projects. Due to the popularity of the program, OPA is proposing a new pricing category of 58.8¢ for these projects, down from the 80.2¢ set when the program was initially launched.

“This will help ensure the program remains sustainable and electricity ratepayers -- Ontario families -- receive good value for new, clean, reliable renewable energy,” said OPA.

The new price will provide a price that lets future project owners recover costs of the projects and earn a reasonable return on their investment over the long-term.

The OPA still wants to hear from applicants before the new pricing is put into effect.

[\[Comments\]](#)

Texas sunset commission urges boosting PUC authority

From page one

Committee funneling them and other information to the board.

The Sunset Commission voted to do away with the Technical Advisory Committee, give the Board of Directors all of the power to initiate rule changes and cut down on the number of stakeholder committees.

Sunset staff recommended moving ERCOT to a board of directors that is unaffiliated with market segments as is done in every other ISO/RTO in North America, but the commission did not include that in its recommendations.

The commission voted to add one unaffiliated board member with an

expertise in finance. It also recommended that the PUC chairman and the state Public Utility Counsel be removed from their non-voting positions on the board. However, those two agencies will be able to appoint a voting member of the board if Sunset's recommendations are passed into law.

While the initial staff report said the PUC is still needed, the Sunset Commission did not vote on its titular role in regards to the agency. Sunset is due to review the Texas Commission on Environmental Quality and the Railroad Commission and it will look for efficiencies between the three before making that decision on any of them, said Hegar.

[\[Comments\]](#)

Rhode Island power shopping nears 30%

Rhode Island power shopping - March 2010

(National Grid)

	Accounts	%	Sales (kWh)	%
Marketers	8,637	1.76%	182,485,680	29.60%
SOS	479,746	98.23%	434,120,936	70.40%
Total	488,383		616,606,616	

Source: Rhode Island PUC

Rhode Island power shopping is nearing the 30% of sales threshold milestone. Choice kWhs grew slightly in March -- from 29.35-29.6% -- the second month with growth in a row after three straight months of declines.

The high point recently was in October where 32.1% of kWhs sold were to choice customers. While

the share of competitive load was up slightly, the number of kWhs sold was down by about 3.7 million kWh from February to March.

Accounts served by marketers moved up slightly from 1.7% in February to 1.76% in March with 168 more choice accounts month-to-month.

[\[Comments\]](#)

Tell us what you think. We want to hear from you. Send your comments, questions and suggestions about this issue of *Restructuring Today* to news@restructuringtoday.com.

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