

MW of wind capacity to come online in the next three years.

None of those wind farms are dispatched automatically like traditional generation, with grid operators having to call the plants to cut their output. Making them curtail automatically would help lower congestion and thus costs, said SPP.

Since wind farms are not in the dispatch stack, other resources and higher priority transmission schedules that do fit into the system are used to resolve constraints that the intermittent resources cause. Often times, customers with higher priority uses of the transmission system are curtailed and resources far from a constraint can be dispatched, higher-priced resources can be dispatched and more MW might be uneconomically dispatched.

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The wind developers want more information on exactly how curtailment will be determined. Any curtailment should be based on the most cost efficient balance of supply for customers and since wind farms do not have any fuel costs, they are cheap to put on the grid.

AWEA and the Wind Coalition worry

that the language in SPP's proposal will end up favoring wind with contracts or owned by utilities over merchant wind. The proposal includes language that wind farms will be automatically curtailed based in part on their "non-scheduled output" which would impact merchant plants more.

[\[Comments\]](#)

## NEM wants Maryland POR to include early termination fees

The Maryland PSC wants to know whether marketer's early termination fees (ETF) should be treated as a commodity charges and thus within the purchase of receivables (POR) regulations, putting them within the scope of utility consolidated billing. NEM believes they should and filed comments last week pointing out why.

"Yes, an ETF should be deemed a commodity charge for the purposes of the POR regulations," said NEM President Craig Goodman in comments filed with regulators. "This is because, but for the consumers' decision to purchase the electricity/natural gas from the competitive marketer, there would be no contractual obligation and no

associated ETF." The ETF is directly linked to the commodity contracted for by the consumer, added NEM.

"Indeed, the ETF is a function of the commodity-related risk that the marketer bears to provide the electricity/natural gas to the consumer," said Goodman's comments.

Suppliers make a commitment and incur costs to fix a customer's rate for an extended term. If the customer abandons their commitment to the supplier before the expiration of the term, that cost can at least be partially absorbed through the ETF. NEM's concern is that if ETFs are not deemed commodity charges for the purposes of the POR programs, that could potentially

restrict the ability of marketers to offer fixed price-deals under the POR programs -- or make them only able to do so at significantly higher prices.

Neither of those scenarios is in the best interest of consumers, he added.

NEM believes POR can act to limit the amount of ETFs a marketer may need to charge since the credit and collection costs that the marketer would otherwise incur to collect from non-paying consumers in a non-POR environment are significantly diminished by the marketer's participation in the POR program.

"In other words, POR works as a de facto check on ETFs," said Goodman.

[\[Comments\]](#)

## Massachusetts retail power market contracts in March

Power shopping in Massachusetts slipped 0.1 percentage points to come in at 14.3% of eligible customers. The slip in share was paired with a drop in overall shopped accounts by 166. Breaking it down by IOU, one saw a boost in share while three

dipped and three were unchanged.

Marketers saw their only increase in share in the Boston Edison footprint where choice rose from 7.7% to 7.8% with 710 new competitive customers. The biggest drop in share was in the

Western Massachusetts Electric area where marketers saw shopping accounts drop by 637 and their share of accounts in the territory slip by 0.3 percentage points. Marketers also saw their share

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### Massachusetts power shopping - March 2011

By customer class	Basic service		Competitive generation			
	Customers	KWH	Customers	%	KWH	%
Residential-- non low income	1,827,760	1,151,611,348	266,359	12.7%	165,006,058	12.5%
Residential -- low income	231,512	141,594,117	17,370	7.0%	11,708,022	7.6%
Residential -- time-of-use	276	834,902	70	20.2%	932,862	52.8%
Small commercial & industrial	214,057	220,320,502	71,096	24.9%	145,596,693	39.8%
Medium commercial & industrial	27,076	220,820,667	19,264	41.6%	339,715,554	60.6%
Large commercial & industrial	1,637	160,963,109	5,350	76.6%	1,313,624,223	89.1%