

Wednesday April 30 2008

SMITHERMAN: Texas competition worked out extremely well

The people of Texas have faith in the market, Texas PUC Chairman Barry Smitherman told a roundtable discussion yesterday at NEMA's meeting in Washington, DC.

Retail and wholesale competition worked out extremely well, he added, pointing to five new coal plants under construction while others are killing coal-

fired generation. The reserve margin's at a very healthy 12.5%, noted Smitherman.

Texas is well positioned to meet an estimated need of 57-77 gw of new generation over the next 20-years.

That's out of a possible 200 gw needed in the entire US.

Texas will see growth possibly hitting five-fold over the next couple of decades,

he added. He also spoke a bit about month-to-month best price coming in at 11-13¢/kwh in the state.

"We have seen an astonishing ability to absorb the price increase of the commodity," said Smitherman, adding that five-years ago best price came in at about a dime.

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FERC, CFTC team up to explain their teamwork works

The regulatory spat between FERC and the Commodity Futures Trading Commission was blown out of proportion compared to the reality of the situation, members of both commissions told those gathered at the NEMA Global Energy Forum & Membership Meeting yesterday in Washington, DC.

The rift developed over the Amaranth Advisors case that centered on allegations of manipulation that stretched between CFTC's authority in the futures markets and FERC's new powers to police physical markets for manipulation.

It was the first case using FERC's new powers granted under the Energy Policy Act of 2005. Eventually the courts will sort it out, said FERC Commissioner Marc Spitzer.

Lawyers for Amaranth and its traders did their job and brought up the issue of multiple jurisdictions to defend their clients, he added. CFTC Commissioner Michael Dunn believes the work the two agencies did together far outweighs any regulatory spat they might have. The two commissions have a

memorandum of understanding on information sharing in manipulation cases that cross their jurisdictions and staff meets regularly.

An effective policing of futures and physical markets is crucial for the success of those markets -- and to change public perceptions that they're run dishonestly.

That perception started with the California Energy Crisis that saw prices triple in a few years, brought blackouts to the state's grid and brought down one of the country's biggest firms.

Unlike many of his fellow regulators in the West, Spitzer who was then on the Arizona Corporation Commission still believed in markets after that mess just as he does today.

"I believe markets serve customers. Markets serve environmental interest," said Spitzer, adding that "markets are the basis that we will provide a reliable supply of affordable energy." Consumers need the rule of law to prevent manipulation and keep their confidence -- but markets need it in the form of the Mobile-Sierra doctrine on contracts. Spitzer has

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Sunrgi co-founder explains details of solar breakthrough

Smaller means cheaper, output is much higher

Sunrgi is set to storm the solar and power industries with a new way of producing power from the sun that will only cost 5¢/kwh (RT, [Apr-29](#)), its cofounder Paul Sidlo told us yesterday at the NEMA Global Energy Forum & Membership Meeting in Washington, DC.

"We see it being a major power source for the world." In 40 minutes, enough energy reaches the Earth to run the planet for a year, he added. "It's a five billion year reserve, it's just never been able to be tapped or collected economically."

His firm's Xtreme Concentrated Photovoltaics (XCPV) can be scaled down to power a cell phone. One acre of the devices can generate about 0.5 mw.

A typical house can be powered by two 5-8' arrays on the roof.

It would take 16 times the amount of space to do the same with thin film or seven times with standard PV.

The technology taps the sun's better, more cheaply and in a smaller space than anyone else has managed to, said Sidlo.

Unlike other renewable technologies that rely heavily on subsidies such as wind, XCPV is economical without them.

"You're handicapped if you have a subsidy," Sidlo warned. "You have to