FERC Technical Conference

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Talking Points of:
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Based on a position Developed by IEEE-USA Energy Policy Committee

- Developed by members of the IEEE-USA Energy Policy Committee (EPC)

- Stated in 2004 Position Statement: Principles for a Restructured Electric Industry (copies available)

- EPC’s overall objective is “…to assist in the resolution of energy problems through the provision of rational, sound, technical and professional counsel…”
ERO Standards Must Deal with Current Reality

- There are many visions of the correct utility industry structure,

- BUT, We must deal with the structure that exists now and in the near future
  - Diverse in structure
  - Regionally-differentiated
Consistent Standards are Required

- Reliability criteria established by ERO should be the minimum applied by all systems, regardless of the regulatory regime.
  - Criteria should apply to all market participants
  - State and Federal policymakers should recognize these criteria
Reliability Rules and Market Rules Must be Compatible

- When market rules work against reliability rules, problems are inevitable.
- Incompatibilities should be scrutinized and resolved, with all views considered.
Reliability Requires Information Access

- Reliability rules must ensure that accurate information is available on a timely basis for:
  - Long-term system development
  - Operational planning
- Commercially sensitive information must be protected
Long-Term Resource Adequacy Must be Ensured

- Requirements should apply to both integrated and restructured systems.
- Compliance mechanisms may differ.
- Both real and reactive power adequacy should be considered.
Regulations and Technical Fundamentals Must be Compatible

- Electric systems have unique characteristics
- Standards development process should include technical competent:
  - Drafters
  - Reviewers
Conclusions

- These guidelines are a set of minimum requirements.
- Developing standards that adhere to these guidelines will not be easy.
- Process must be open, rigorous and flexible.
- Revisions will be required as industry evolves.