

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Price Discovery in Natural Gas and Electric Markets	Docket No. PL03-3-005
Natural Gas Price Formation	Docket No. AD03-7-005
Aquila, Inc.	Docket No. ER03-1271-000
B-R Pipeline Company	Docket No. CP01-418-000
Colorado Interstate Gas Company	Docket No. CP03-7-001
Colorado Interstate Gas Company, <i>et al.</i>	Docket Nos. CP03-301-000
Kinder Morgan Interstate Gas Transmission LLC	Docket No. RP03-245-000
Natural Gas Pipeline Company of America	Docket Nos. RP99-176-089 and RP99-176-094
North Baja Pipeline LLC	Docket No. RP02-363-002
Northern Natural Gas Company	Docket No. RP03-398-000
Northern Natural Gas Company	Docket No. RP03-533-000
PG&E Gas Transmission, Northwest Corporation	Docket Nos. RP03-70-002 and RP03-70-003
Portland General Electric Company	Docket Nos. CP01-421-000 and CP01-421-001
Transcontinental Gas Pipe Line Corporation	Docket No. RP03-540-000
PacifiCorp	Docket No. ER04-439-001
	(Not consolidated)

UPDATED AGENDA FOR THE JUNE 25, 2004 CONFERENCE ON MARKET
LIQUIDITY, ENERGY PRICE DISCOVERY, AND NATURAL GAS AND
ELECTRICITY PRICE INDICES

(June 24, 2004)

Attached is an updated agenda reflecting certain changes in the panels for the Staff technical conference on Friday, June 25, 2004, from 9:00 a.m. to 5:00 p.m. EST (please note time change from the May 14 Notice), at the Commission's headquarters, 888 First Street, NE, Washington, DC, in the Commission's meeting room (Room 2C).

Other than the changes reflected on the attached updated agenda, all other information for the conference in prior notices remains the same. For additional information, please contact Ted Gerarden of the Office of Market Oversight & Investigations at 202-502-6187 or by email at Ted.Gerarden@ferc.gov.

Linda Mitry
Acting Secretary

Attachment: Updated Conference Agenda

**UPDATED CONFERENCE AGENDA
JUNE 25, 2004**

WELCOME AND OPENING REMARKS

9:00 – 9:30 a.m.

William Hederman, Director Office of Market Oversight & Investigations
Stephen Harvey, Deputy Director, Market Oversight and Assessment
Michael Gorham, Director, Division of Market Oversight, Commodity Futures Trading
Commission

**PANEL 1—REACTION TO STAFF REPORT AND RECOMMENDATIONS FOR INDICES USED
IN PIPELINE OR UTILITY TARIFFS**

9:30 – 10:30 a.m.

Panelists:

- Bruce Henning, Regulatory and Market Analysis, Energy and Environmental Analysis, Inc. (American Gas Association)
- Eugene V. Rozgony, Vice President and Chief Risk Officer, AGL Resources
- Donald Santa, President, Interstate Natural Gas Association of America
- Alexander Strawn, Proctor & Gamble Company and Chairman of the Process Gas Consumers
- James Allison, Regional Risk Manager, ConocoPhillips

Issues:

- Ø Should the Commission adopt Staff's recommendation that any index used in a tariff provide volume and number of transactions for each reported price? Should other data be required?
- Ø Are Staff's recommended volumes (25,000 MMBtu/day or 4000 MWh/day) or transactions (five for daily, eight for weekly, ten for monthly indices) sufficient to indicate adequate liquidity?
- Ø Should the Commission require all pipelines and utilities to amend their tariffs by a date certain if indices currently used in tariffs do not meet adopted criteria?
- Ø What conclusions can be drawn from the responses to the Commission's surveys on price reporting?

- Ø How does trading on electronic platforms and price data collected from electronic trading, clearing, and settlement relate to index development and use of indices in jurisdictional tariffs?

BREAK

10:30 – 10:40 a.m.

PANEL 2—PRICE REPORTING, CONFIDENCE IN INDICES, AND OPTIONS FOR FUTURE COMMISSION ACTION

10:40 a.m. – 12:15 p.m.

Panelists:

- Scott Nauman, Manager, Americas Gas Marketing, ExxonMobil Gas & Power Marketing Company (Natural Gas Supply Association)
- Nathan L. Wilson, Vice President, Conectiv Energy (Electric Power Supply Association)
- Michael Novak, Assistant General Manager, Federal Regulatory Affairs, National Fuel Gas Distribution Corporation (American Gas Association)
- Alonzo Weaver, Vice President Operations, Memphis Light Gas & Water (American Public Gas Association)
- Jeff Walker, Senior Vice President and Chief Risk Officer, ACES Power Marketing (National Rural Electric Cooperative Association)
- Al Musur, Director, Energy and Utility Programs, Abbott Laboratories and Chairman of the Industrial Energy Consumers of America
- Alexander Strawn, Proctor & Gamble Company and Chairman of the Process Gas Consumers

Issues:

- Ø What incentives will encourage companies to begin or increase price reporting?
- Ø Are process improvements by reporting companies (public code of conduct, independent source, audit of processes) adequate or are there further improvements that can increase the accuracy of price indices?
- Ø Has industry confidence in prices reported in indices increased to a satisfactory level?
- Ø What steps can be taken to improve transparency of price indices?
- Ø What further information should price indices provide to market participants?
- Ø Has sufficient progress been made under the Policy Statement?
- Ø Should the Commission adopt further requirements for price reporters and/or index developers? If so, what requirements are appropriate?

- Ø Should some form of mandatory reporting be required? If so, what is the desirable scope of such reporting (Who should be required to report? Should reporting be to existing index developers, to an intermediary or depository, or to the Commission? What data should be required to be reported?)?
- Ø Would mandatory reporting materially improve the quality of price data available to market participants?

LUNCH BREAK

12:15 – 1:15 p.m.

**PANEL 3—INDEX DEVELOPERS’ RESPONSE TO INDUSTRY VIEWS
AND STAFF REPORT**

1:15 – 2:45 p.m.

Panelists:

- C. Miles Weigel, Senior Vice President, Argus Media, Inc.
- Brad Johnson, Global Energy Business Manager, Bloomberg
- Ernest Onukogo, Manager Newswire Indexes, DowJones
- Richard Sansom, Markets Editor, Io Energy LLC
- Bobette Riner, President, Powerdex
- Tom Haywood, Editor, Energy Intelligence Group
- Dexter Steis, Executive Publisher, Intelligence Press
- Chuck Vice, Chief Operating Officer, IntercontinentalExchange
- Larry Foster, Global Editorial Director, Power, Platts

Issues:

- Ø What improvements in data collection and price reporting have index developers seen since issuance of the Policy Statement?
- Ø How have index developers responded to the call for greater transparency of indices?
- Ø What plans do price index developers have to provide more information and more transparency to energy market participants?
- Ø Do price index developers meet the standards of the Policy Statement? Did the Staff report accurately depict the extent to which index developers have adopted Policy Statement standards?
- Ø Do price index developers support the criteria proposed by Staff for use of indices in jurisdictional tariffs?
- Ø How can price index developers facilitate tariff compliance by pipelines and utilities?
- Ø Will price index developers provide FERC with access to data in the event of an investigation of suspected false reporting or price manipulation?

BREAK **2:45 – 2:55 p.m.**

PANEL 4—MARKET LIQUIDITY **2:55 – 4:15 p.m.**

Panelists:

- Martin Marz, Compliance Manager, North American Gas and Power, BP America, Inc.
- Christopher Edmonds, Senior Vice President, ICAP Energy LLC (Energy Brokers Association)
- Pankaj Sahay, Partner, Energy Risk Management, PriceWaterhouseCoopers
- Tom Jepperson, Division Counsel, Questar Market Resources, Inc
- Vince Kaminski , Managing Director, Sempra Energy Trading

Issues:

- Ø Is there adequate trading activity at enough locations to develop reliable price signals for market participants?
- Ø What are the characteristics that make for a good trading hub?
- Ø What steps can the Commission take to encourage the development of active trading hubs?
- Ø What role can electronic trading, confirmation/settlement, and clearing play in improving market liquidity?
- Ø Can improvements in price indices restore confidence in price formation given the present levels of trading?
- Ø Are there standard procedures that can play a role in improving price indices and industry confidence in price formation?

AUDIENCE QUESTIONS AND COMMENTS **4:15 – 4:45 p.m.**

CONCLUDING REMARKS **4:45 – 5:00 p.m.**