



**Federal Energy Regulatory Commission
February 18, 2010
Open Commission Meeting
Staff Presentation
Item E-18**

"The E-18 draft order before you today grants market-based rate authorization to Google Energy.

Google Energy is a wholly-owned subsidiary of Google, Inc., a technology company focused on web-based services.

Google Energy filed an application for market-based rate authority and accompanying tariff providing for the sale of energy, capacity and ancillary services at market-based rates.

Google Energy states that it was formed to identify and develop opportunities to contain and manage the cost of energy for Google, Inc. Google Energy states that it intends to act as a power marketer, purchasing electricity and reselling it to wholesale customers.

In its application, Google Energy represents that neither it nor its affiliates own or control wholesale electric generation or transmission facilities, nor do they have a franchised service area for the sale of electricity to captive customers. Google Energy also represents that neither it nor any of its affiliates own or control inputs to electric power production that could be used to restrict market entry by competing power suppliers.

The draft order determines that Google Energy satisfies the standards for market-based rate authority.

Like other market-based rate sellers, Google Energy will be required to file with the Commission Electric Quarterly Reports containing: (1) a summary of the contractual terms and conditions in every effective service agreement for market-based power sales; and (2) transaction information for effective short-term and long-term market-based power sales during the most recent calendar quarter. Additionally, as is the case with other market-based rate sellers, Google Energy will be required to report to the Commission any change in status that would reflect a departure from the conditions the Commission relied upon in granting market-based rate authority.

This concludes my presentation."