



FACTS

NEWS

STATEMENT

BIOS

December 20, 2012

Chairman Jon Wellinghoff

STATEMENT

FEDERAL ENERGY REGULATORY COMMISSION

Docket Nos. RM11-12-000

Item No. E-4

Statement of Chairman Jon Wellinghoff on Availability of E-Tag Information to Commission Staff

"Thank you very much for that presentation. I thank the staff for the work on this Final Rule.

"Access to the information made available under this Final Rule will not only support the Commission's market surveillance and analysis efforts but will also help in monitoring the efficiency of markets we regulate. On-going access to e-Tags for power flows across interchanges will make it possible for the Commission to identify or analyze various behaviors by market participants to determine if they are part of a potentially manipulative scheme. E-Tag information will also allow the Commission to better understand how transmission is used and the relationship between transmission scheduling practices and market rules. This could, for example, help us to understand how interchange pricing methodologies between RTOs may create incentives to schedule interchange transactions in ways that create loop flows and resulting market inefficiencies. Similarly, access to E-Tags will enable the Commission to identify the extent to which the contract path system in bilateral markets results in loop flows such that market efficiencies are compromised."