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Agenda Item No. E-2

## FERC Looks at Fuel Assurance Issues Following Technical Conferences

The Federal Energy Regulatory Commission (FERC) today directed regional electric power market operators to file reports on their efforts to address the need for fuel assurance.

Fuel assurance describes the broad set of issues in regional transmission organizations (RTOs) and independent system operators (ISOs) associated with generator access to sufficient fuel supplies and the firmness of generator fuel arrangements. Failure to address this issue now could lead to volatile and high fuel prices or costly RTO/ISO actions to ensure reliability, FERC said.

Fuel assurance was a consistent theme at two recent technical conferences conducted by the Commission, and has a direct and immediate impact on generator performance and system reliability, the Commission said. The first technical conference, on regional centralized capacity markets, took place Sept. 25, 2013; the second technical conference, on winter 2013-14 regional market operations and performance, took place April 1, 2014.

"We learned from the technical conferences, the events of last winter, and our efforts on gas-electric coordination that fuel assurance is critical to ensuring energy markets support reliability at just and reasonable rates," FERC Chairman Cheryl LaFleur said. "This order will provide the Commission with market-specific information that will inform our continued work on this important issue."

The reports by the RTOs/ISOs are due within 90 days of the date of today's order.

R-15-06

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