

Regional Electricity Markets in the U.S.

THE RTO MODEL



Federal Energy Regulatory Commission

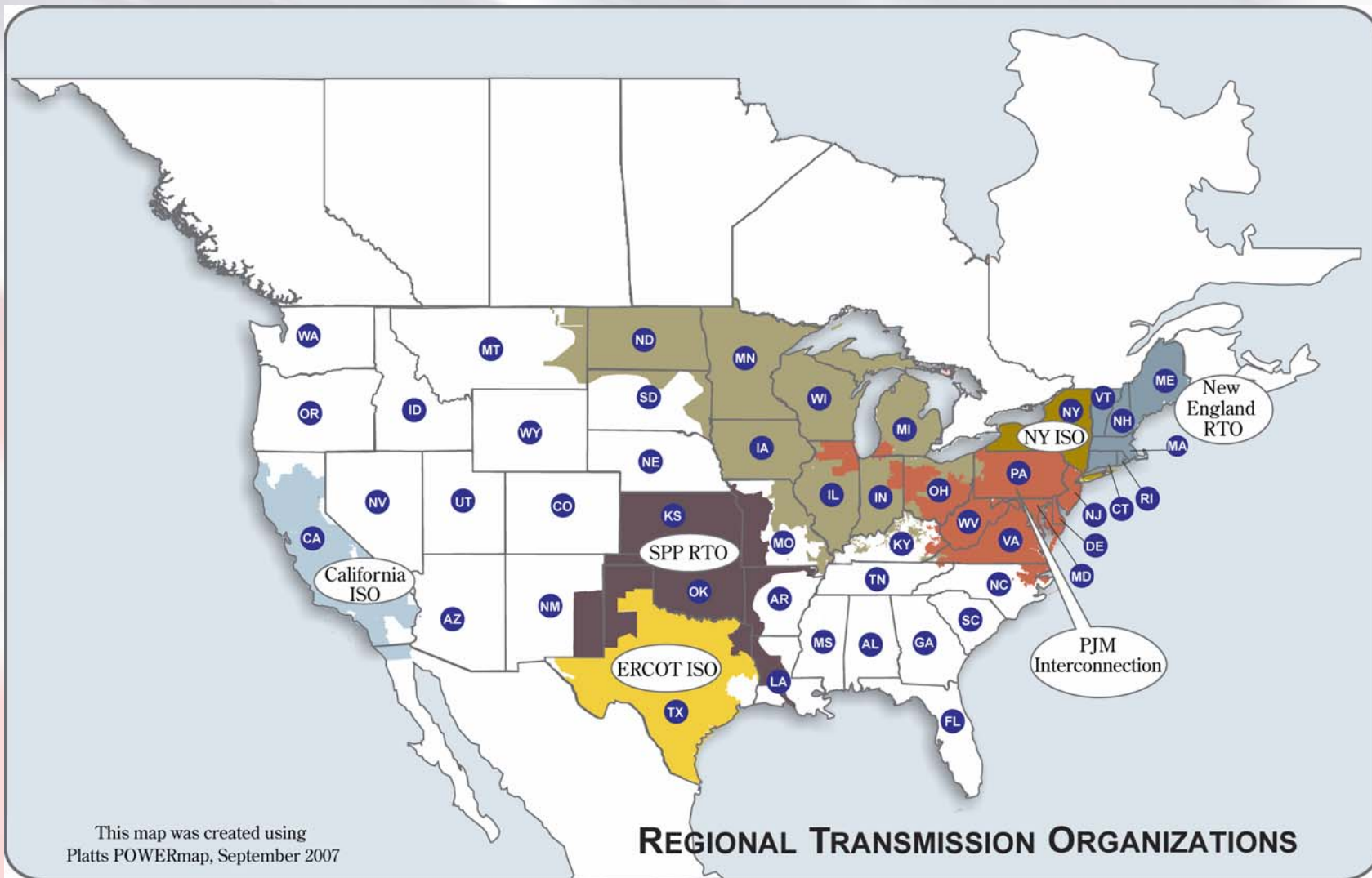
Joseph T. Kelliher, Chairman
Federal Energy Regulatory Commission

EU-US Regulators Roundtable
5 December 2007 • Athens, Greece

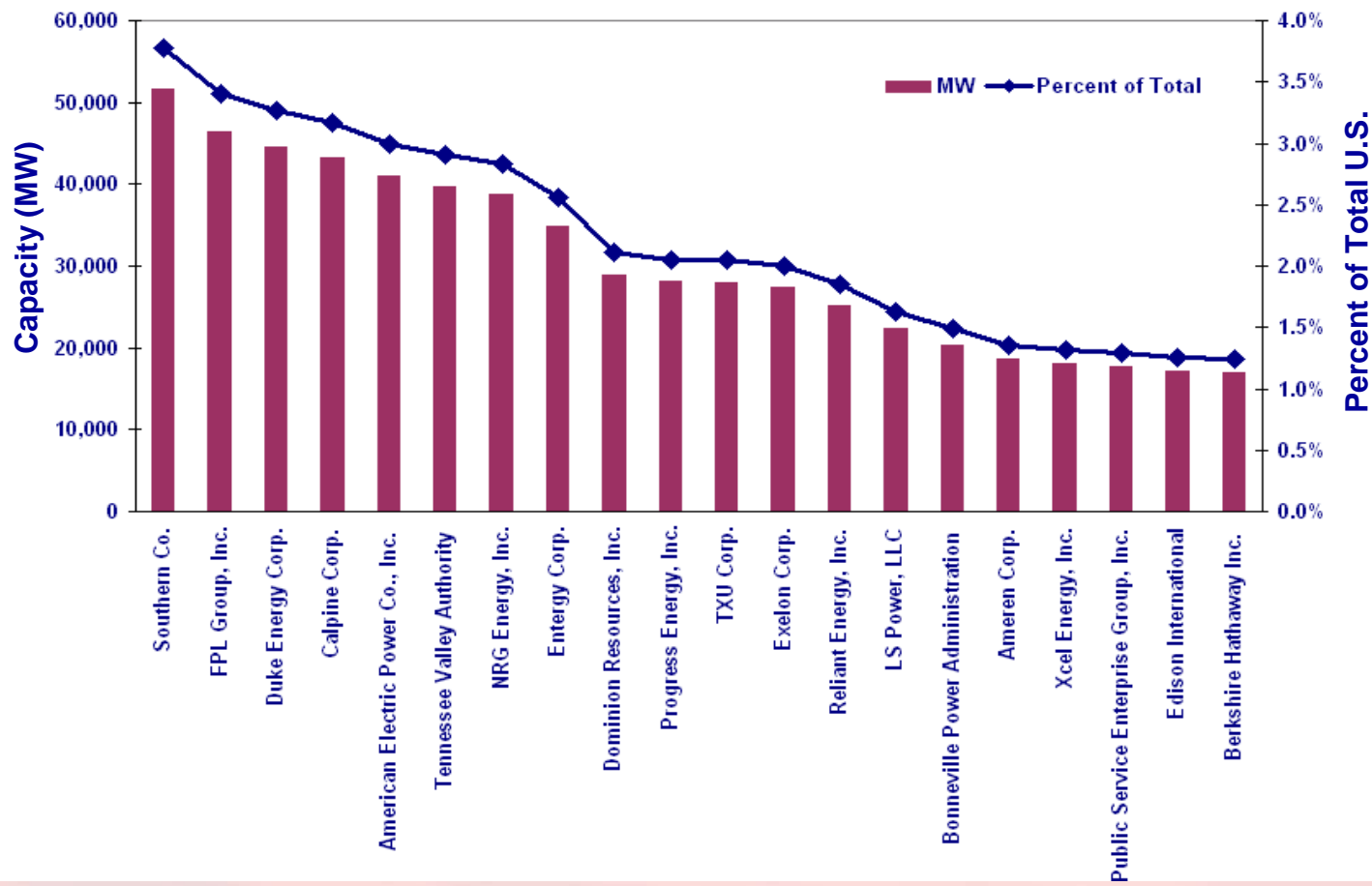
Federal Electric Market Regulation

- **National Policy**
 - Competition – not Deregulation
 - Mix of Competition and Regulation
- **FERC Jurisdiction**
 - Interstate Commerce
 - Sales for Resale
 - Transmission
- **FERC Role**
 - Market Rules
 - Market Oversight and Enforcement
 - Building Needed Infrastructure
 - Reliability

U.S. Regional Power Markets



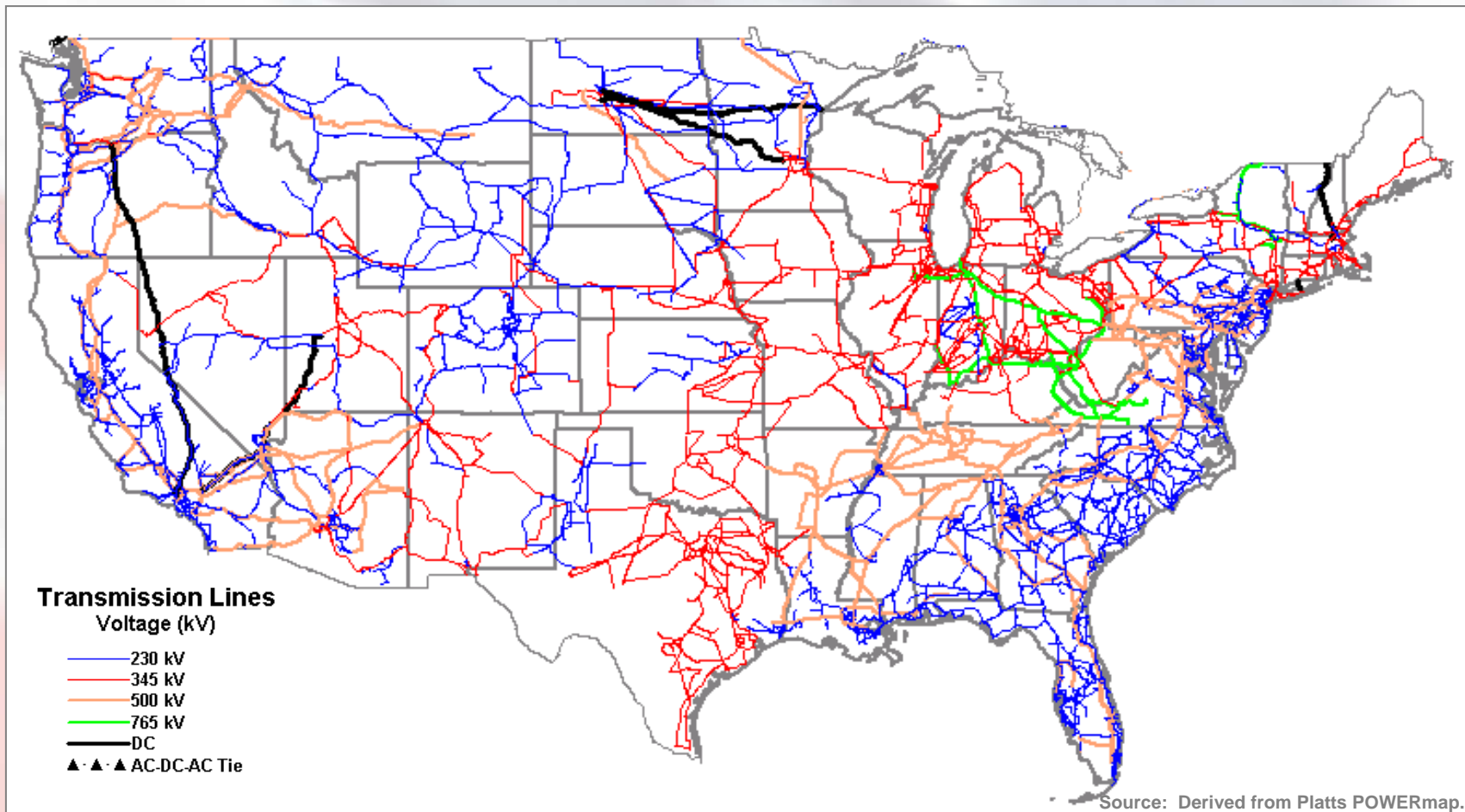
Top Twenty Generation Companies in the United States



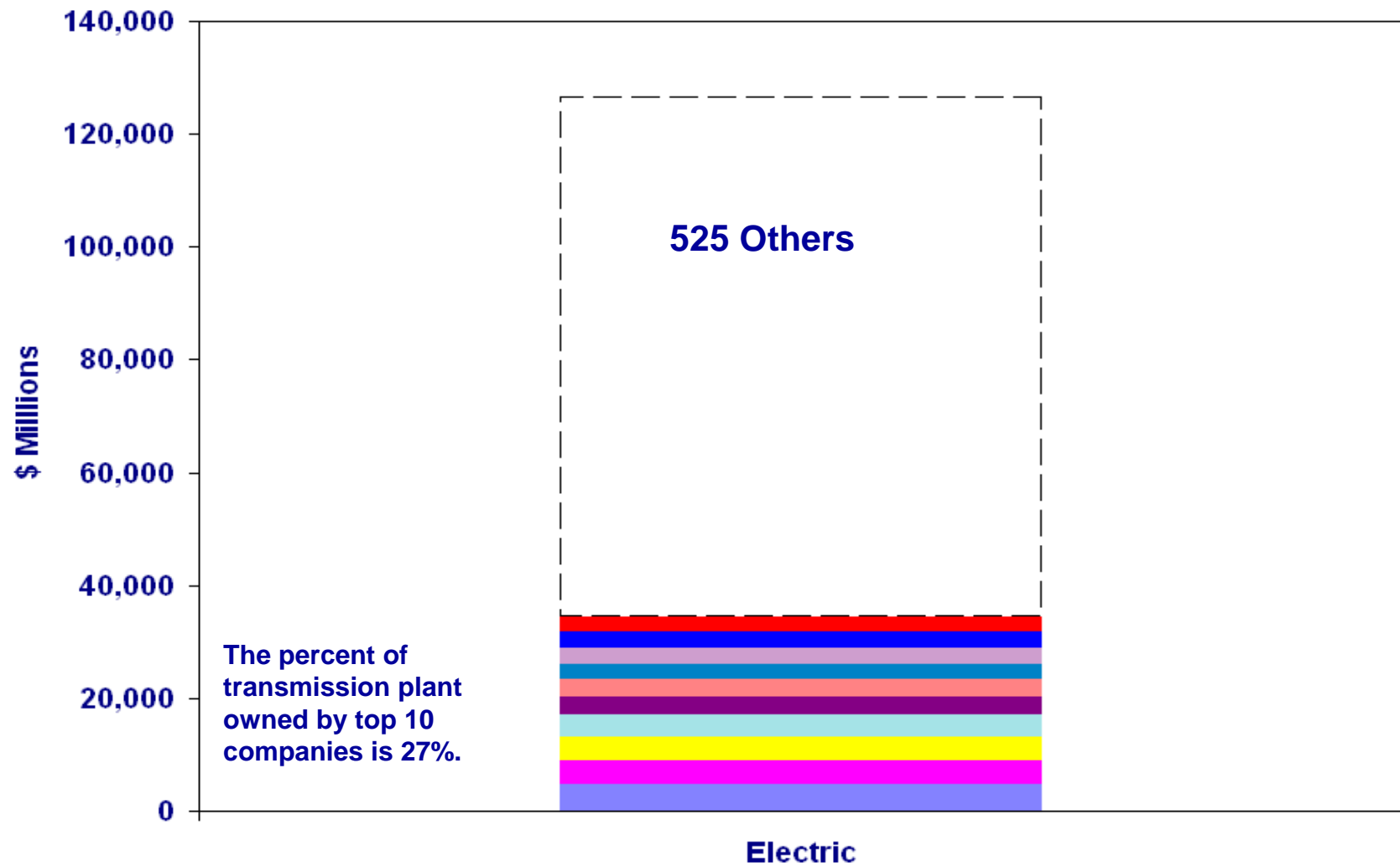
Source: Derived from Platts Powerdat.

Note: Only generation facilities with a nameplate capacity of 20 MW and greater were included.

Existing Interstate Transmission System



Electric Transmission Ownership (US Total and Top 10 Companies Indicated)



Source: Platts PowerDat, Financials, Balance Sheet, End of Year 2005 Transmission Plant in Service

RTO Model

- **What is an RTO?**
- **Goals**
 - Promote Competition
 - Reduce Potential for Undue Discrimination
 - Improve Transmission Access
 - Greater Market Access
 - Greater Market Transparency
 - Improve Reliability
- **Functional Unbundling**