

RTO Car Talk – May 18, 2001

CONGESTION MANAGEMENT

Two small groups met this week to discuss "anti-hoarding" and "anti-gaming". Attendance was sparse; so, apparently, were conclusions. A real discussion may occur next week at the y'all-come, two-day session of the entire Congestion Management Content Group.

LEGAL CONTENT GROUP

The Liability subgroup of the Legal Content Group met this week. Many issues were raised, for example:

**Is RTO West a joint venture, and, if so, what impact does this have on insurance/liability? (BPA took on the assignment of figuring out whether RTO West looks like a joint venture.)

**Has RTO West changed the obligations of the Participating Transmission Owner and/or Distribution Company?

**What's different (in terms of liability) with RTO West that's either better or worse than what we have right now, and how would claims be resolved with RTO West vs. now?

**If reliability is one of the benefits of having an RTO, but if reliability drops (i.e., insurance rates increase), then why are we establishing an RTO?

**If it is the case that RTOs are being formed (per FERC) in order to benefit loads and marketers -- not transmission owners, shouldn't the loads and marketers (and not transmission owners) be responsible for the costs and risks?

[Ed. note: I've heard that BPA hopes to win public power's support of RTO West in two ways: by dividing and conquering; and by sending out more information.]