

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Electricity Market Transparency Provisions) Docket No. RM10-12-000
of Section 220 of the Federal Power Act)

Comments of the Public Power Council

On January 21, 2010, the Federal Energy Regulatory Commission published in this docket a Notice of Inquiry regarding the application of the Commission's Electric Quarterly Report filing requirements to market participants excluded from the Commission's jurisdiction under section 205 of the Federal Power Act. The Public Power Council (PPC) files these comments pursuant to the Commission's Federal Register notice of January 29, 2010.¹

Interest of PPC in this Rulemaking

PPC is a non-profit trade association that represents the common interests of the over 100 consumer-owned electric utilities in the Pacific Northwest that are requirements power and transmission customers of the Bonneville Power Administration (BPA). PPC's members are located and serve retail customers in Washington, Oregon, Idaho, Montana and Nevada. In addition to purchasing wholesale power from BPA, many PPC member utilities either purchase wholesale power from non-federal entities or generate power with their own resources. Some PPC members sell power at wholesale that is surplus to their needs. More may do so in the future.

¹ Notice of Inquiry, *Electricity Market Transparency Provisions of Section 220 of the Federal Power Act*, RM10-12-000, 75 Fed. Reg. 4805 (Jan. 29, 2010).

Communications

PPC requests that service in this proceeding be made upon, and communications directed to, the following persons:

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Comments

The question posed by the Commission is whether it should by rule apply its Electric Quarterly Report filing requirements to market participants excluded from the Commission's jurisdiction under section 205 of the Federal Power Act. PPC suggests that taking this action by rulemaking is unnecessary and the value of the information provided to the Commission would be unlikely to be of sufficient benefit as to outweigh the costs imposed on the utilities involved.

PPC supports the analysis and conclusions detailed in the comments of the American Public Power Association filed in this docket² in regard to the amount of useful information that might be provided to the Commission by requiring EQR filings by non-jurisdictional entities. APPA concludes that less than 14 percent of all wholesale sales are made by public bodies and cooperatives and of those sales, a very substantial proportion of wholesale sales are cost-based, long-term sales made by joint action

² *Comments of the American Public Power Assn.*, RM10-12-000 (March 30, 2010) (APPA Comments).

agencies to their members and by state agencies and power or water districts to neighboring distribution companies.³

A minority of the consumer-owned utilities in the Northwest make power sales at the wholesale level. The majority of PPC's member utilities do not currently own generating resources; of those, we expect that few will ever develop resources and sell excess energy into the wholesale power markets. The EQR requirements are burdensome and the value of the information that the Commission would collect from most Northwest publics does not justify the cost that would be imposed on utilities to produce the information.

If the Commission does decide that consumer-owned utilities must file EQRs, despite the small amount of information they would provide, PPC believes that the Commission should adopt the following exceptions to application of the reporting requirements:

- If a utility sells less than or equal to 4,000,000 MWh of energy in a year, the utility should not be required to report any transactional information. Small sellers do not affect the markets and the application of the exception would still provide the Commission with information on the large majority of wholesale transactions by non-jurisdictional entities.
- Joint-action agencies should not be required to report transactional information on the long-term, wholesale sales of power to their member utilities. These transactions do not affect price formation in the wholesale markets.

³ APPA Comments at p. 6-7.

