

- A top lobbyist for the state's electric-generating industry admitted yesterday his pride in winning the FERC ruling, which greatly fattens his clients' wallets at the expense of regular New Yorkers.
- "I'm not bashful about it," said Gavin Donohue, president of the Independent Power Producers of New York, who boasted of his success in an e-mail that sources said called the ruling a great victory.
- "The result was a FERC decision that was better than I ever expected to get," Donohue told The Post, while admitting the e-mail he sent "was sort of hyperbole."
- IPPNY also says the impact of the ruling has been "misrepresented in an attempt to conduct this utility case in the court of public opinion, rather than in the forum where it belongs."
- "We think it's a windfall," Bloomberg said. "We don't think it has any benefit to New Yorkers. We think it's going to drive up energy costs."
- The company has joined Bloomberg and Sen. [Chuck Schumer](#) in asking FERC to reconsider, as did New York's congressional delegation, which sent a letter to the agency.

Source:

http://www.nypost.com/p/news/local/mike_to_rate_lapped_nyers_turn_down_bLBlcAxLRmvTjAm870bObO#ixzz1IfM0E3AX

- A controversial bill that would subsidize the construction of 2,000 MW of baseload capacity for up to 10 years is expected to pass the New Jersey Legislature today and be sent to Governor Chris Christie for his signature.
- The bill, A. 3442, is a reaction to the PJM Interconnection's reliability pricing model that is, designed, among other things, to encourage the construction of generation through incentive rates. The bill says the state must take action to ensure that enough generation is available in the region because the incentives under the PJM RPM have failed.
- "This is the latest saga in the continuing battle over PJM's reliability pricing model. Policy makers are growing increasingly concerned about the ability of the wholesale markets to provide adequate reliability," Paul Patterson, an analyst with Glenrock Associates, said Friday in an interview.
- Source: Platts' [Electric Power Daily \(10-Jan-11\)](#)

- The Illinois Senate on Wednesday rejected Tenaska's proposed \$3.5 billion Taylorville coal-to-gas-fired power plant, a spokesman for Tenaska told Reuters Wednesday.
- The project required state approval because Tenaska, of Omaha, Nebraska, was seeking to recover costs for building and operating the plant from power ratepayers.
- But since Illinois restructured its power market in the late 1990s, the cost of building and operating power plants is the responsibility of the generation owners, not ratepayers.
- Those generation owners have built new, mostly natural gas-fired power plants in Illinois over the past decade, but no baseload coal or nuclear plants have entered service since the late 1990s when what is now Exelon Corp ([EXC.N](#)) completed some nuclear reactors started before the Three Mile Island accident in 1979.
- The Tenaska spokesman could not immediately say what the company planned to do next with the Taylorville project.

• Source: Reuters News Service , Jan 12, 2011 (Reuters)-

TABLE RFC-4 RFC PROJECTED RESERVE MARGINS SUMMER 2010

	<u>JUNE</u>	<u>JULY</u>	<u>AUGUST</u>	<u>SEPTEMBER</u>
NET INTERNAL DEMAND (MW)	159,100	170,800	165,800	144,900
NET CAPACITY RESOURCES (MW)	219,600	219,600	219,600	219,600
NID RESERVE MARGINS				
-- MW	60,500	48,800	53,800	74,700
-- Percent of NID	38.0%	28.6%	32.4%	51.6%

The projected reserve margin for the Reliability*First* region is 28.0 percent (48,000 MW) in 2010 and 25.8 percent (49,400) in 2019, based on NID and existing, future and conceptual Net Capacity Resources. Both Midwest ISO and PJM have sufficient resources to satisfy their planning reserve requirements throughout the assessment period. Therefore, the resulting reserve margins for the Reliability*First* region are adequate throughout the assessment period. Comparable reserve margins in last year's long term assessment were 27.2 percent in 2009 and 18.2 percent in 2018.