The views expressed in this presentation are those of the presenter and do not necessarily reflect the views of the Federal Energy Regulatory Commission, its Chairman, any individual Commissioner, or any other member of the Commission’s staff.
The Foundation
FERC’s Traditional Jurisdiction

- Interstate Transmission
  - Meaning . . . (virtually) all transmission
  - Interconnection
  - Ancillary Services
- Wholesale Sales

Not . . .
- Distribution
- Retail Sales
What did Commissioner Kelly say?

• Order 888 (1996)
  • Proposed independent system operators
  • Did not require utilities to join them

• Order 2000 (1999)
  • Introduced the RTO concept
  • Identified minimum characteristics
  • Identified minimum functions
• Transmission/Market Tariffs
  • 888 - the OATT - fairly short & simple
  • Very different for RTOs
    • Much longer, more complex
    • Also operating/practice manuals underneath

• How to refine/improve the tariff?
  • FPA 205 – best way?
    • the stakeholder process can be hard
  • FPA 206 – Commission can initiate
  • FPA 206 – individual market participants can initiate
• Regulation of the RTO itself is fine, but some oversight of the market is necessary too . . .

• FPA 215 - Reliability
  • The “ERO” and regional entities
  • “all users, owners and operators of the bulk power system”

• FPA 222 – Compliance (Manipulation)
  • “unlawful for any entity”
We work closely with RTOs . . .

- They visit us
- We visit them
- Standing phone calls
- Ad hoc phone calls

Discussing . . .

- market structure
- market dynamics
- market participants
- Self Reports / Referrals
OE’s Relationship with RTOs/MMUs

- **OE Liaison Teams**
  - DEMO – overall market structure & dynamics
  - DAS – analysis of particular market behavior
  - DOI – lawyers

- **Public Reports**

- **Non-Public Inquiries/Investigations**
  - SPP, 137 FERC ¶ 61,046 (2011)
Thank You

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