

June 19, 2008 Item Nos. A-3 FEDERAL ENERGY REGULATORY COMMISSION

Commissioner Jon Wellinghoff

STATEMENT

Statement of Commissioner Jon Wellinghoff on Cost of Electric Generation Staff Presentation

"We face major challenges from increasing fuel and capital costs in our electricity markets, as today's staff presentation makes clear. Staff's presentation -- which highlights the comparative economic advantages of energy efficiency, demand response, and renewables -- suggests several important steps that we should and, indeed, must take now to confront those challenges. Investing in energy efficiency and demand resources and bolstering our commitment to renewable energy resources that do not have fuel costs are essential to stabilizing our country's energy prices."

