



# FEDERAL ENERGY REGULATORY COMMISSION

NEWS

October 18, 2007

Docket No. ER07-1245-000

NEWS MEDIA CONTACT

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## Commission Improves Market Transparency in New England

The Federal Energy Regulatory Commission today approved a proposal from ISO New England Inc. (ISO-NE) and the New England Power Pool that will help improve market transparency by reducing the lag time for posting of demand bid and supply offer data on the ISO-NE website.

The ISO-NE plan mirrors a proposal the Commission outlined in the advance notice of proposed rulemaking (ANOPR) on competition, issued in June. That proposal sought industry comment on a requirement for all regional transmission organizations (RTOs) and independent system operators (ISOs) to post offer and bid data, without identification of the market participants, on their websites with a lag time of three months.

“The Commission is committed to strengthening competitive wholesale power markets,” Commission Chairman Joseph T. Kelliher said. “Improved market transparency should improve market performance, to the mutual advantage of buyers and sellers. Today we act to improve market transparency in New England, and we are considering similar action in other regions.”

Bid data now are released after 180 days, and the ISO-NE plan will shorten that time to three months. Earlier release of the data is intended to add transparency to the market operations, help the public understand wholesale electricity markets, improve market confidence and allow market participants and state regulators to supplement market monitoring functions.

The Commission earlier this year had rejected a similar proposal by ISO-NE, saying it lacked assurances that the proposed tariff revision would be just and reasonable and because ISO-NE did not adequately refute claims that a shorter lag may increase opportunities for inappropriate strategic behavior in the market. In today's order, the Commission said that the supporting information provided by Hung-Po Chao, director of ISO-NE's internal market monitoring unit, had persuasively addressed concerns about collusion by explaining that a three-month release lag adds notable market transparency without a commensurate increase in the risk of collusive market power.

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R-07-61

