

**Federal Energy Regulatory Commission
March 16, 2006 Commission Meeting
Statement of
Commissioner Suedeen Kelly**

E-5 Southwest Power Pool (SPP) Imbalance Market (ER06-451-000)

"As staff's presentation summarized, this order addresses SPP's revised imbalance market proposal in part by suspending it for five months so that the effective date must move from the proposed date in May to October.

As staff and the draft order note, this action is taken to give SPP and its stakeholders more time to fill in needed components of the proposal *before* the market goes live.

I realize that there are many parties who wish to gain the benefits of this imbalance market as soon as possible and I want to stress that we absolutely share that goal.

Once the details of this imbalance market proposal are fully fleshed out, I believe it will benefit the SPP region as its proponents argue, and I look forward to ultimately being able to vote for the launch of this SPP organized market.

Nevertheless, setting up an organized market is a complex undertaking with potentially far-reaching implications for reliability and even for the economic health of the region involved.

We want to make sure everything that can be done in advance, is done before we permit a new market structure to launch.

Indeed, we delayed the launch date for the organized market in the Midwest ISO for very similar reasons.

The people of the SPP region deserve the same careful and thorough review and I believe our emphasis on a reliable market launch will be in the best interests of all involved and I support this order on that basis."