



AGENDA

USAID/NARUC Workshop on Electricity Market Transitions and Bilateral Contracts

Under Greening the Grid (GTG) Program, a joint initiative with Ministry of Power

January 29-30, 2019
Lalit Hotel
New Delhi, India

Sponsored by the U.S. Agency for International Development (USAID)
Organized by the National Association of Regulatory Utility Commissioners (NARUC)



Tuesday, January 29, 2019

12:00 Lunch

13:00 Welcoming Remarks & Introductions – Tentative

Speakers will provide 2-3-minute welcoming remarks to preview the workshop focusing on key themes and goals. Following the opening remarks, all participants will be asked to introduce themselves and their role in their organization.

- Secretary, CERC
- Mr. Michael Satin, CLEEO Director, USAID
- Ms. Crissy Godfrey, NARUC

13:15 Electricity Market Transition in India

- Presentation: Local representative (either CERC or POSOCO)

14:00 Electricity Market Transition in the U.S. – Lessons Learned from New York

Using examples from New York, this presentation will walk through key challenges, successes, and missteps in the transition to electricity markets in the U.S. This presentation will be followed by Q&A.

- Presentation: Ms. Diane Burman, Commissioner, NYPSC

14:45 Electricity Market Transition in the U.S. – Perspectives from an RTO

This presentation will discuss the market development at the Southwest Power Pool and their transition from a spot market to a day-ahead/real-time market.

- Presentation: Mr. Richard Dillon, Southwest Power Pool

15:30 Coffee Break

15:45 Capacity Markets: Principles and Practice – Examples from Pennsylvania

This presentation will discuss key features of capacity market design in U.S. electricity markets and walk through the market-based approach to procuring capacity resources. This presentation will be followed by Q&A.

- Presentation: Mr. Glen Thomas, GT Power Group, LLC

16:30 Resource Adequacy (RA) Mechanisms – Examples from Michigan

This presentation will provide an overview on resource adequacy mechanisms, to include: how to determine the resource adequacy requirement, capacity market and settlement in the Day Ahead market, as well as best practices on demonstrating compliance and backstop procurement. This presentation will be followed by Q&A.

- Presentation: Ms. Bonnie Janssen, Michigan Public Service Commission

17:15 Procurement Planning in Wholesale Markets – Examples from Michigan

This presentation will begin with a discussion on regulatory oversight of utility procurements planning and procurement in competitive retail markets followed by an in-depth look at price signals for new generation, emerging issues such as surplus load, network planning, and distributed generation growth. This presentation will be followed by Q&A.

- Presentation: Ms. Bonnie Janssen, Michigan Public Service Commission

18:00

Coffee Break

18:15

Procurement Planning in Wholesale Markets – Examples from Pennsylvania

This presentation will focus on common financial products and procurement/hedging strategies in wholesale markets as well as cover scheduling and settlement of utility-owned generation and long-term contracts in RTO/ISO markets. This presentation will be followed by Q&A.

- Presentation: Mr. Glen Thomas, GT Power Group, LLC

19:00

Adjourn

Wednesday, January 30, 2019

- 09:00** **Recap of Day 1**
Key takeaways from day 1 to frame the discussion for day 2.
- Ms. Yejide Olutosin, NARUC
- 09:05** **Evolution of Energy and Ancillary Services Markets**
This presentation will provide a brief history on the evolution of RTO/ISO real-time and A/S markets in the U.S followed by a discussion on market interactions and key design questions. This presentation will be followed by Q&A.
- Presentation: Ms. Emma Nicholson, PhD, Concentric Energy Advisors, Inc.
- 09:45** **Marketing Monitoring: Manipulation – A Case Study from Pennsylvania**
This presentation will focus on the specific aspect of price manipulation and provide an overview of an actual market manipulation case and share lessons learned. This presentation will be followed by Q&A.
- Presentation: Mr. Glen Thomas, GT Power Group, LLC
- 10:15** Coffee Break
- 10:30** **Market Monitoring: Mitigation and Enforcement**
Building on the previous day's presentation on Market Monitoring, this presentation will cover the following themes: market power, mitigation, and enforcement. This presentation will be followed by Q&A.
- Presentation: Ms. Emma Nicholson, PhD, Concentric Energy Advisors, Inc.
- 11:15** **Long-Term Resource Adequacy in Wholesale Markets – Part I: Roles & Responsibilities – Examples from an RTO Representative**
This presentation will focus on the roles and responsibilities as well as market design options and tradeoffs as related to ensuring long-term resource adequacy in wholesale markets. This presentation will be followed by Q&A.
- Presentation: Mr. Richard Dillon, Southwest Power Pool
- 12:00** Lunch
- 13:00** **Long-Term Resource Adequacy in Wholesale Markets – Part 2: Coordination – Examples from a State Regulator**
This presentation will also provide best practices on coordinating long-term resource adequacy across state and federal jurisdictions. This presentation will be followed by Q&A.
- Presentation: Ms. Diane Burman, Commissioner, NYPSC
- 13:45** **Updates on Revised Regulatory and Market Guidelines & Facilitated Discussion on Key Insights for India**

Building off the feedback from the May 2018 meetings, this presentation will provide an overview of the revisions, particularly highlighting electricity contracting in the U.S. through the use of two case studies, California and New York. This presentation will be followed by Q&A.

- Presentation: Ms. Lakshmi Alagappan, E3

14:15 Coffee Break

14:30 Inauguration

15:00 Closing Remarks

Speakers will provide 2-3 minute closing remarks to conclude the workshop.

- Dr. S. K. Chatterjee, CERC
- Ms. Julia Kennedy, Deputy Director, USAID
- Ms. Crissy Godfrey, NARUC

15:15 Workshop Concludes

Biographies of NARUC Experts

Diane Burman serves as a Commissioner of the New York State Public Service Commission. Ms. Burman is an active member of the NARUC – currently serving Board of Directors; is Chair of the NARUC Gas Committee; a member of NARUC’s Committee on Critical Infrastructure and Special Subcommittee on Pipeline Safety. She has engaged with India as a member of the U.S.-India Gas Task Force convened by the U.S. Department of Energy focused on Natural Gas Grid Strengthening, Gas to Power, and Gas Pricing. That engagement led to meetings with visiting delegation on the sidelines of the World Gas Conference in Washington DC in June 2018.

Richard Dillon is the Director of Market Design at Southwest Power Pool (SPP). He has been in the electric industry since 1985 at both integrated utilities and a Regional Transmission Organization. His experience includes forecasting, IT, project management, system design, economics, market monitoring, regulatory testimony and analysis, audit, and programming. Since 1999, Richard has been involved in the development of energy markets in the Electric Reliability Council of Texas (ERCOT), Mid Continent Independent System Operator (MISO), and SPP. In his current role, he is responsible for the design and development of energy and transmission markets within SPP.

Bonnie Janssen is the Manager of the Energy Markets Section for the Michigan Public Service Commission. Currently Bonnie serves as the state’s expert on transmission and capacity issues pertaining to MISO. She is also the state’s expert on interstate natural gas pipelines cost of service, rates and tariffs. She serves as a co-chair of the Organization of MISO States (OMS) Resource Adequacy Working Group and on Michigan’s Energy Emergency Team. Bonnie’s past responsibilities as an Engineer Specialist for the Commission have included the following: filed testimony and served as an expert witness in complex cases such as natural gas and electric rate cases including cost of service, rate design, sales forecasts, tariffs, infrastructure, capacity and refund mechanisms, and tariffs; gas cost recovery plan and reconciliation cases, natural gas pipeline, storage rates, and purchase contract cases. She has previously participated in NARUC International activities in Kenya, Rwanda and Georgia. Bonnie graduated from Michigan Technological University with a B.S. in geological engineering.

Emma Nicholson is a Senior Project Manager at Concentric Energy Advisors, Inc. Previously, she was an economist at the Office of Energy Policy and Innovation at the Federal Energy Regulatory Commission (FERC). At FERC, she analyzed proposed regional transmission organization (RTO) tariff revisions and their expected impacts on market outcomes, including efficiency, market participant incentives and behavior, and market prices. She served as technical advisor to Chairman Norman Bay, providing strategic and technical advice on FERC rulemakings, natural gas certificate orders, and RTO proposals. Emma has published technical papers on subjects directly related to this workshop including one on RTO/ISO market power mitigation and another on resource scheduling in RTO/ISO day-ahead and real-time markets. Prior to FERC, Emma was a Senior Economist at Exeter Associates, Inc. She received an M.A. and Ph.D. in Economics from Georgetown University.

Glen Thomas is the former chairman of the Pennsylvania Utility Commission (PUC), where he oversaw the restructuring of Pennsylvania's electricity, natural gas, and local telephone markets. Before his appointment to the PUC, he served as deputy director of Governor Tom Ridge's Policy Office, where he advised the governor on energy and environmental issues. In addition, he was appointed by California Governor Arnold Schwarzenegger to serve on the governor's transition team for energy related issues in 2003. Glen currently serves as President of the PJM Power Providers Group, a non-profit organization dedicated to properly designed and well-functioning markets in the PJM region.