

ELCON *PRESS* RELEASE

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ELCON TESTIFIES IN SENATE: OPEN TRANSMISSION, OPERATION OF THE GRID ARE KEY

James Rouse, chairman of the Electricity Consumers Resource Council (ELCON) testified before the Senate Energy Committee today and emphasized that consumers would benefit “from a large, seamless, interstate electricity market.”

Rouse’s testimony focused on a White Paper on electricity recently circulated by Committee Chairman Jeff Bingaman (D-NM). Rouse said that ELCON members “concur with the White Paper that FERC must have the authority and be required both to (1) promulgate rules of the independent operation of the grid and (2) compel utilities to turn over control of their transmission facilities to independent RTOs.”

Open transmission is the key to effective markets, Rouse said. He added that electricity must be able to “move freely over a transmission system under control and supervision of large RTOs.”

Rouse also praised Chairman Bingaman’s White Paper for including “demand side mechanisms.” ELCON has raised the issue of “load shedding” or “negawatts” -- enabling customers who have contracted to buy electricity the ability to reduce consumption and return that electricity to the grid in times of shortages -- in meetings and testimony before Congress and FERC.

In his testimony, Rouse, who is an executive with Praxair, a major air separation company headquartered in Danbury, Connecticut, addressed the situation in California where his company has facilities. “The experience California cannot and should not be addressed as a failure of competition,” he said. Rather, he attributed that failure to “state legislative plans that included too many political compromises.”

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ELCON, established in 1976, is the national association of large industrial users of electricity from virtually every manufacturing sector. ELCON members seek a reliable supply of electricity at competitive prices and have long supported federal and state efforts to achieve that objective.

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