

### PJM asks for FERC approval of manipulation fix

PJM asked FERC, at the beginning of September, to approve its fix for recent manipulative activities in its market and suggested that its market monitor's preferred approach would be better taken up in a stakeholder process. The monitor, Monitoring Analytics, wants PJM to revamp the rules on allocating marginal loss surpluses rather than setting new limits aimed at preventing manipulation. The monitor's proposal and

PJM's were put to a stakeholder vote that accepted the RTO's but asked it to set up a process to study further revisions to its rules on the marginal loss surpluses that were probed. That Transaction Issues Task Force met for the first time on September 30<sup>th</sup>. PJM invited its monitor to raise its concerns on marginal loss allocations with that stakeholder process but it noted that a majority of its stakeholders have repeatedly Expressed an unwillingness to

reopen the issue due to the time and effort spent in drafting current rules. The RTO wants to limit the amount of marginal loss allocation that goes to non-firm transmission owners and stop "up-to congestion" transactions from reserving transmission service. Those types of transactions were used to run-up allocations in the manipulation scheme.

To read this article in its entirety please go to:  
<http://www.restructuringtoday.com/public/main.cfm> -September 13, 2010

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### Energy Commission Approves 959 MW of Solar Power in California Desert

Following the recent success of licensing solar energy facilities, the California Energy Commission today approved nearly 1,000 megawatts (MW) of solar power in Southern California.

The Genesis Solar Energy Project and the Imperial Valley Solar Project, totaling 959 MW, are now the fifth and sixth solar power plants that the Energy Commission has licensed in the past five weeks. Since late August, the

Commission has licensed 2,829 MW of renewable solar power in the California desert.

"These approved solar projects continue to demonstrate the importance of harnessing the power of the sun for clean, renewable energy for California's communities," said Energy Commission Chairman Karen Douglas. "By adding nearly 1,000 megawatts of renewable power we will reduce the consumption of fossil fuels and get the State closer to its

goals of using more renewables by 2020. Today's actions show how California is leading the nation by licensing nearly 3,000 megawatts this year with large-scale solar power plants," Douglas added.

To read this Press Release in its entirety please go to:  
[http://www.energy.ca.gov/releases/2010\\_releases/2010-09-29\\_genesis-imperial\\_valley.html](http://www.energy.ca.gov/releases/2010_releases/2010-09-29_genesis-imperial_valley.html)

### COMING SOON...

- Update and Status on Direct Access
- Legislative News
- Elections Updates
- CAISO's Implementation of Load Granularity Program

# LEGISLATIVE UPDATE

## Legislative BILLS OF PRIMARY Interest

### **SB 722 (Simitian) Renewable Portfolio Standard (RPS) Reform**

This bill would have reformed the current RPS requirement rules and codified in law, the RPS target of 33% by 2020 which is currently being developed per an Executive Order issued to the California Air Resources Board (CARB) in 2009. We expect this issue to be resurrected in the 2011 Legislative Session and are already working in the interim on language with key Legislators.

**Status: Failed Passage, Senate Floor**

### **AB 2514 (Skinner) Energy Storage Systems**

This bill would require the CPUC, by March 1, 2012, to open a proceeding to determine appropriate targets, if any, for each load-serving entity to procure viable and cost-effective energy storage systems and, by October 1, 2013, to adopt an energy storage system procurement target, if determined to be appropriate, to be achieved by each load-serving entity by December 31, 2015, and a 2nd target to be achieved by December 31, 2020.

**Status: Governor's Desk**

## ADDITIONAL BILLS OF Interest

### **AB 1405 (De Leon) AB 32 Community Benefits Fund**

Directs 10 percent of revenues collected by CARB from a cap and trade program for use in a Community Benefits Trust Fund to achieve emission reductions in impacted communities and mitigate direct health impacts of climate change.

**Status: Governor's Desk**

### **SB 675 (Steinberg) Energy Job Training**

Allows the legislature to appropriate up to \$8 million raised by the existing authority to tax on utility service for education purposes that support California energy policies.

**Status: Governor's Desk**

### **SB 1435 (Padilla) Electric Cars**

Expands CPUC jurisdiction to include regulation of utility customers and purchasers from competitive electricity purchasers as it concerns charging electric vehicles. The bill is overly broad, premature and not necessary to achieve the bill's goals.

**Status: Failed Passage, Assembly Floor, Inactive**