



# COMPETE

Electricity Competition **IS** the Public Interest

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*For Immediate Release*

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## **Environmental/Renewable Groups to FERC Chairman: Competitive Electricity Markets Best Bet for Renewables and Demand Response**

### *Letter to Kelliher Echoes FERC Conference Testimony and Findings of New **COMPETE** Issue Brief*

Washington, D.C., March 1, 2007 **COMPETE**, a national coalition promoting the public interest benefits of competitive electricity markets, today praised a group of national environmental groups and renewable energy advocates for highlighting the benefits that competitive wholesale electricity markets provide in bringing more renewable energy and demand response into the nation's energy resource portfolio.

In a February 26<sup>th</sup> letter to Federal Energy Regulatory Commission (FERC) Chairman Joseph T. Kelliher, 22 organizations and associations underscored the link between properly structured competitive wholesale markets and the "critical national goals related to fuel diversity, energy security, and environmental protection."

"Well-structured regional wholesale electricity markets operated independently allow far greater amounts of renewable energy and demand response resources to be integrated into the nation's electric grid," the letter stated. "In fact, approximately 73 percent of installed wind capacity is now located in regions with such markets, while only 44 percent of wind energy potential is found in these areas."

Signatories to the letter to Chairman Kelliher included the *American Wind Energy Association, Natural Resources Defense Council, Conservation Law Foundation, PPM Energy, EnerNOC, Horizon Wind Energy, Environmental Law and Policy Center, Citizens for Pennsylvania's Future, Wind on the Wires, Environment Northeast, Renewable Northwest Project, West Wind Wires, California Wind Energy Association, Center for Energy Efficiency and Renewable Technologies, NW Energy Coalition, RENEW Wisconsin, Project for Sustainable FERC Energy Policy, Citizens Action Coalition of Indiana, Energy Unlimited, Inc., Fresh Energy, Iberdrola Renewable Energies USA, and Babcock and Brown.*

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"Recently, much of the media and policymaker attention devoted to competitive electricity markets has focused on prices, often to the exclusion of other, equally vital benefits of competition," said former U.S. Senator Don Nickles, **COMPETE's** chairman. "With this letter, we have a more complete picture of what competition means for our nation and for America's electricity consumers: it means greater access to environmentally friendly energy resources and an enhanced customer ability to conserve energy, a conclusion echoed by many of the witnesses at this week's FERC conference," Senator Nickles added.

On February 27<sup>th</sup>, FERC held the first in a series of public conferences on competition in wholesale power markets. Among those testifying at the FERC conference were Angela Beehler, Director of Energy Regulation at Wal-Mart Stores, Inc. (a **COMPETE** member) and former FERC Commissioner and **COMPETE** counsel William L. Massey.

"Lee Scott, our CEO, announced a corporate objective of Wal-Mart ultimately getting 100% of its power from renewable resources," Ms. Beehler said. "Wal-Mart believes that increased customer choice facilitates investment in renewable resources."

"Looking to the future, policymakers at the federal and state levels are working in a bipartisan manner to promote renewable energy resources, technological innovation, energy efficiency, demand response and energy independence," Commissioner Massey testified. "I can't imagine these goals will be met in our nation without large, organized competitive electricity markets."

The Beehler and Massey testimonies were consistent with the findings of a newly-released **COMPETE** issue brief, "Meeting the Challenges Ahead: Competitive Electricity Markets Foster America's Energy Independence and Security." Those findings include:

- Well-structured markets for electricity enhance our ability to deliver energy services without increasing our dependence on foreign sources of energy and without doing further damage to our environment;
- Competitive markets incentivize key stakeholders to find new and better ways to meet the challenging energy demands of a dynamic and growing economy without simply defaulting to the traditional approach of building more capacity;
- Competitive markets provide the proper signals and shift resource allocation decisions toward a leaner, and less carbon-intensive energy system;
- Competitive markets provide the only viable approach to creating the necessary information flows that will allow electricity suppliers, transmission system operators, and millions of end users to navigate collectively a transition to a new energy system.

A copy of the February 26 letter to Chairman Kelliher and the new **COMPETE** issue brief can be found at [www.competecoalition.com](http://www.competecoalition.com).

**COMPETE** is a coalition of 150 electricity stakeholders representing all aspects of electricity generation, transmission, distribution, and consumption who support the continued evolution of competitive electricity markets for the benefit of consumers. For more information, please visit [www.competecoalition.com](http://www.competecoalition.com)

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