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FORMER REGULATORS SEEKING ELECTRIC CHOICE

Former Public Service Commission members Laura Chappelle, Robert Nelson, Ronald Russell and David Svanda have joined 34 of their counterparts from across the nation calling on state and federal lawmakers and regulators not to return monopoly control of power markets to the utilities.

The letter, noting a number of reports showing customers saving money or power using the competitive market, argued customers are learning to take advantage of the markets. "Empowered consumers have an amazing history of driving the American economy - electricity markets are no different," the letter said. "If given a chance, consumers will tell the market what they want and the market will respond."

The also argued the markets have provided additional power not available under regulated monopolies.

"For instance, nationally nearly 80 percent of the nation's wind turbines are located in organized competitive electricity markets, even though only 44 percent of the nation's wind potential is in those areas," the letter said. "Generation output at existing power plants is far higher than before markets opened, providing environmental as well as economic benefits by producing more electricity from existing plants."

But they admitted it will take some more time for competitive markets to fully develop, and they urged policy makers to give the markets that time.

The former regulators also argued that recent electric rate increases have more to do with increasing fuel costs than with the affects of competitive markets. And they said customers should have choices in how they respond to those increases.

GREEN CHOICE: At the same time the Customer Choice Coalition released a new proposal for using electric choice to promote alternative and renewable energy providers. Under the plan, the PSC would set targets for power demand and all providers, including alternatives and conservation plans, would be able to compete to meet that demand.

The plan also includes adoption of a renewable portfolio standard and would require utilities to purchase renewable power to meet that standard as long as the cost of that power was no more than 3 percent greater than the cost of traditional power.

The group argued that, given projected construction costs for new coal-fired plants proposed by the utilities, some alternative providers could be less expensive.