

Will New England Find Harmony? State Laws & Regional Electric Mkts

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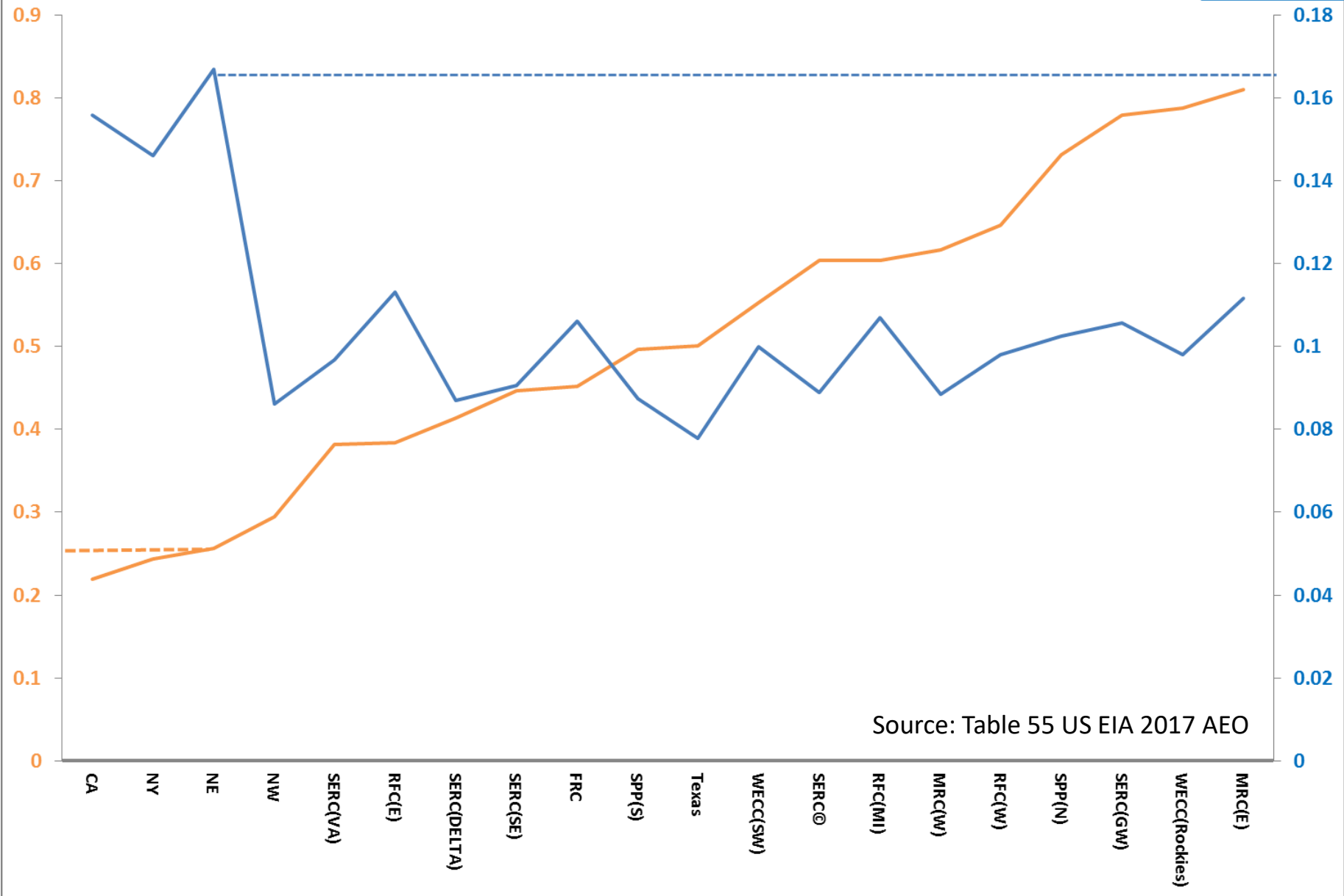
Restructuring Goals

- Shifting risk from ratepayers to merchant generator shareholders regarding long-lived generation assets and investment decisions
- Open access, technology neutral, competitive system that yields efficient pricing signals which in turn provide the incentives for new resources and innovation.

Carbon Intensity vs Electric Prices of Electric Market Areas

Tons/Mwh

\$/kWh



Source: Table 55 US EIA 2017 AEO

Assessing Potential IMAPP Solutions

Threshold Criteria

- ✓ **Cost-effectiveness** relative to other mechanisms
- ✓ **State self-determination** – uncompromised individual state determinations about setting those mandates for which it will incur costs
 - neither FERC nor ISO-NE may define, interpret, impose or attempt to create or confer authority about the requirements or implementation of state laws
- ✓ **Cost allocation** - no state may be compelled to fund other states' mandates
 - whether through the operation of the mechanism or by the result of a federal regulatory order

