



# FEDERAL ENERGY REGULATORY COMMISSION

NEWS

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Docket No. EL10-56-000

NEWS MEDIA CONTACT

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## **FERC Launches Inquiry into Spot Market Price Caps in WECC**

The Federal Energy Regulatory Commission (FERC) today launched an inquiry into the spot market energy price cap in the Western Electricity Coordinating Council (WECC) outside of California to ensure that market distortions do not develop between the two markets.

FERC is pursuing the inquiry to remove any potential market distortions created by the difference between the current and future bid caps in the California Independent System Operator (CAISO) energy markets and the spot market price cap in the rest of WECC.

The bid cap in the CAISO market is \$750 per megawatt hour (Mwh) and unless otherwise directed by the Commission, the CAISO energy bid cap will increase automatically to \$1,000 per Mwh on April 1, 2011. Spot market prices in WECC outside of the CAISO are capped at \$400/MWh.

Today's order proposes to increase the cap to a \$750/MWh soft cap for all spot market sales in the WECC outside the CAISO. In addition, the order proposes to further increase the price cap to a \$1,000/MWh soft cap for all spot market sales in the WECC outside the CAISO on April 1, 2011.

Entities have 30 days from today's order to submit comments on the proposed changes to the WECC price cap.

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