

21st Century Grid

Pat Wood, III

ACORE Phase II Policy Conference

December 4, 2008

Washington DC

Power, 2100 A.D.



WIND

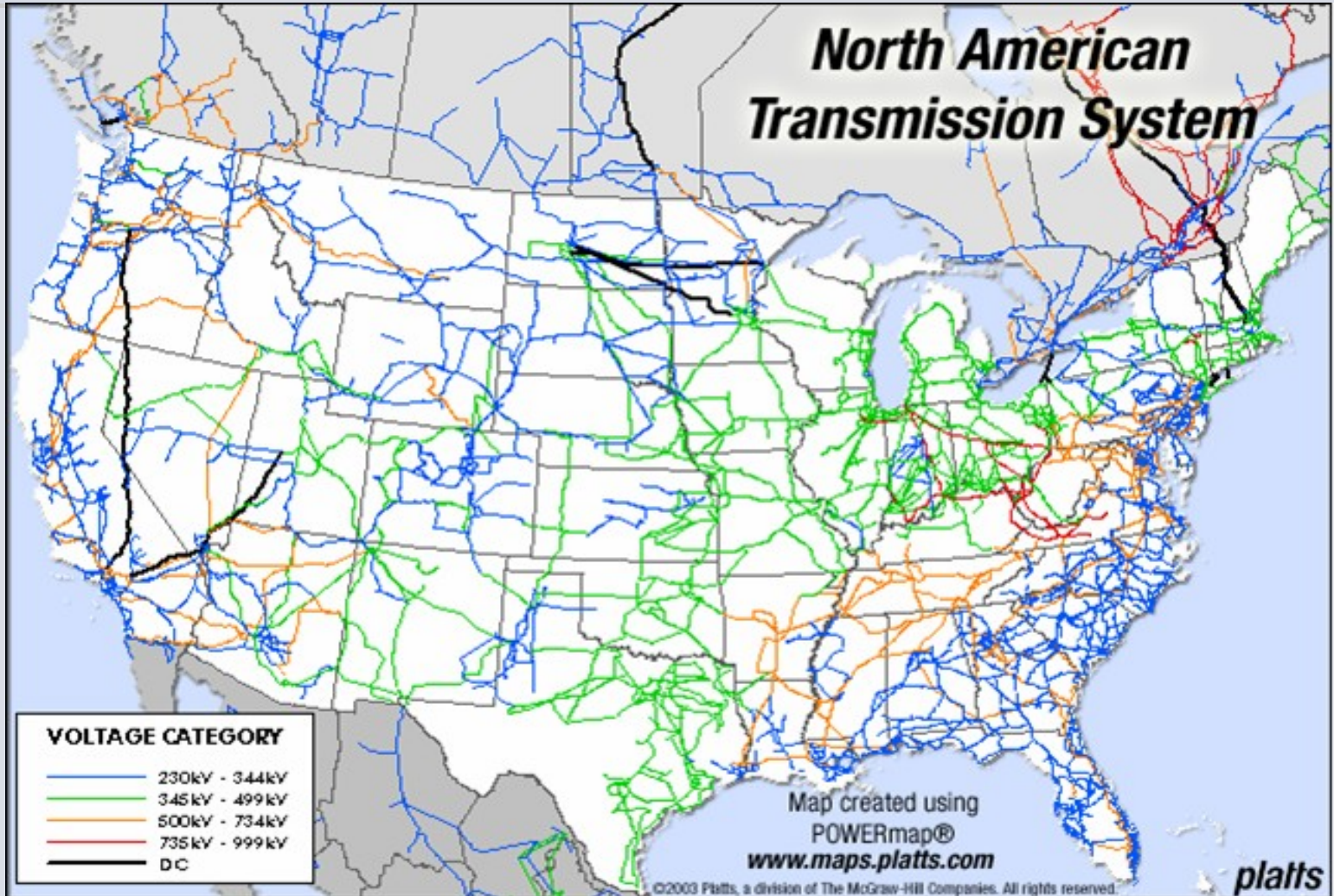


NUCLEAR

SOLAR



U.S. Electricity Grid



Why Are We Having Trouble Getting The Grid Built???

The Problem Is Regulatory

NOT Physics

NOT Money

Tale of Two Countries



Organized Markets	Other
Balancing energy markets	Imbalance penalties
Region-wide rate tariffs	Pancaked utility rates
Financial transmission rights	Physical transmission rights
Regional transmission plan	Lack of planning/Cost recovery policy
Large control areas	Small control areas

Texas Experience

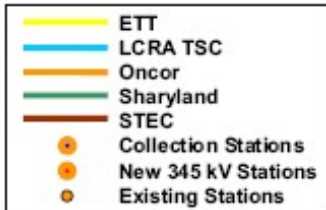


- \$5b+ grid expansion under way
- Single regulator for rates and permitting
- Clear Transmission rate recovery
- Bipartisan political commitment to power diversity
- Open power markets

PUCT Transmission Plan

Docket 35665
UPDATED STATEMENT
OF INTEREST

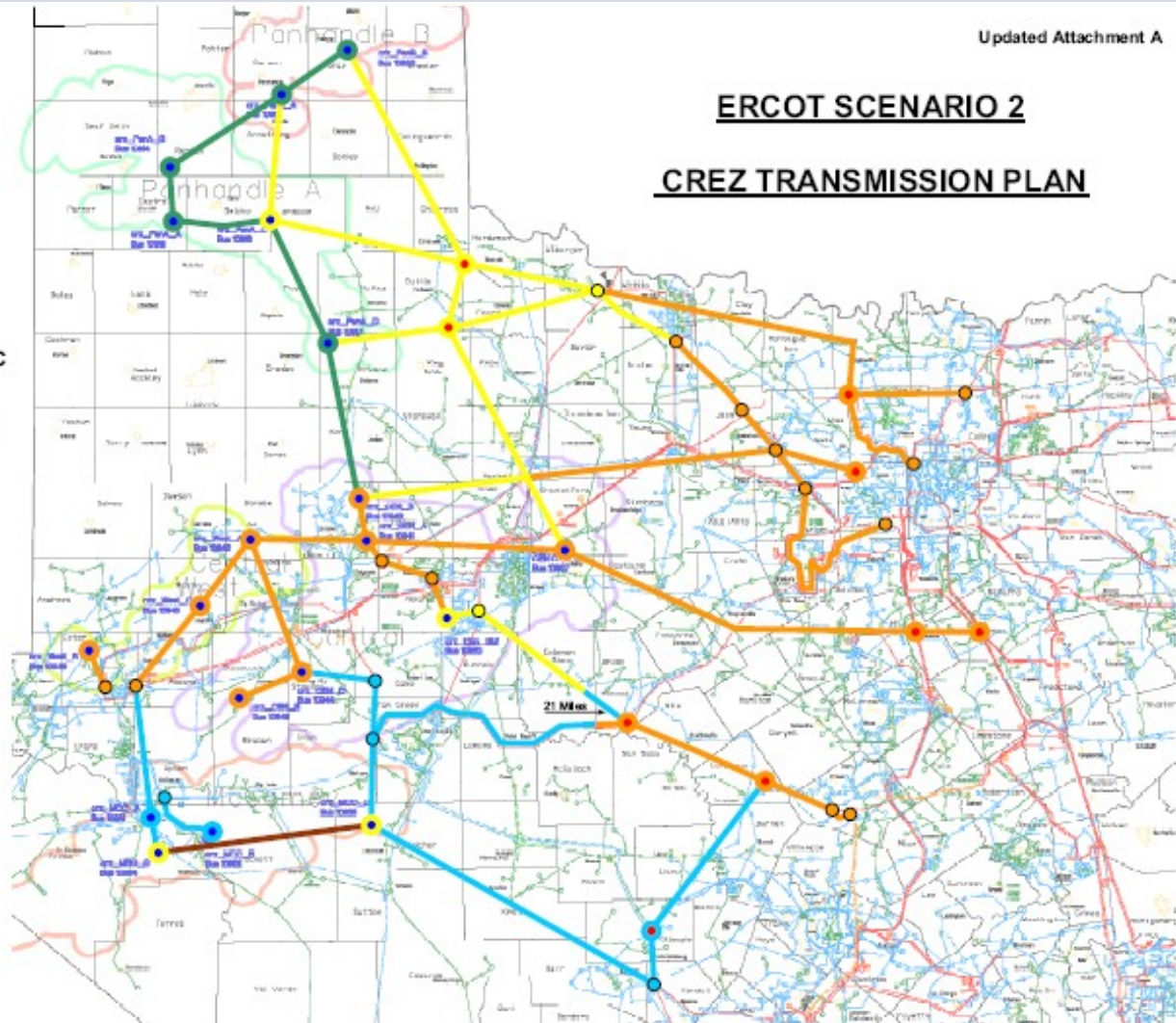
ELECTRIC TRANSMISSION TEXAS LLC
LCRA TRANSMISSION SERVICES CORP.
ONCOR ELECTRIC DELIVERY COMPANY LLC
SHARYLAND UTILITIES LP
SOUTH TEXAS ELECTRIC COOPERATIVE



UPDATED
08-25-08

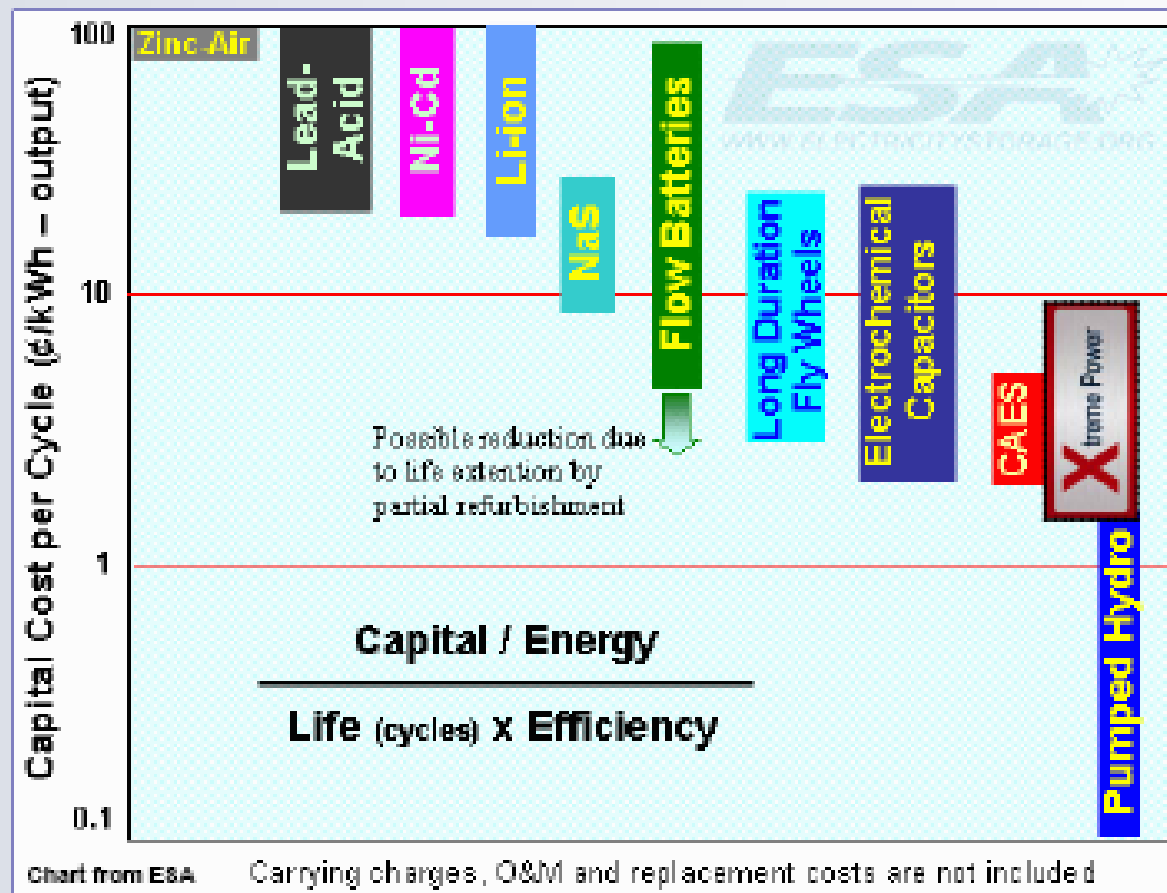


50 Miles



Updated Attachment A

Utility Scale Storage



When They Grow Up...

