

**THE NATIONAL ASSOCIATION OF
STATE UTILITY CONSUMER ADVOCATES
RESOLUTION 2009-09**

**MODEL CORPORATE GOVERNANCE FOR REGIONAL TRANSMISSION
ORGANIZATIONS AND INDEPENDENT SYSTEM OPERATORS**

Whereas, reliable and affordable electric service is a basic necessity of modern life;

Whereas the goal of restructuring the electric industry by the Federal Energy Regulatory Commission (FERC) was to provide lower prices and a better array of services for retail consumers by the creation of a marketplace where electricity prices were the result of vibrant and vigorous competition;

Whereas, the design of wholesale markets in regions whose wholesale electric operations are governed by regional transmission organizations is crucial to ensuring that wholesale and retail electricity prices are just and reasonable;

Whereas, ensuring that wholesale and retail electricity prices are just and reasonable requires the corporate governance of regional transmission organizations to be conducted in a manner that is competitively neutral and does not favor any particular industry segment or industry participant;

Whereas, the corporate governance of regional transmission organizations must meet the highest standards of independence and must include board members with electric industry expertise as well as expertise in retail consumer advocacy issues, including retail residential consumer advocacy issues;

Whereas, the corporate governance of a regional transmission organizations must be conducted in such a way as to ensure that retail consumers, including residential retail consumers, are provided a meaningful voice through board members to ensure access to reliable electric service at fair and affordable prices;

Whereas the NASUCA Special Committee on Model RTOs has prepared a report entitled “Model Corporate Governance for Regional Transmission Organizations and Independent System Operators” that incorporates the concepts enumerated above; and

NOW THEREFORE, NASUCA RESOLVES:

To support the and adopt the attached report entitled “Model Corporate Governance for Regional Transmission Organizations and Independent System Operators” which among other things, supports inclusion on the boards of regional transmission organizations members with expertise in retail consumer advocacy issues, including residential retail consumer advocacy issues; and

BE IT FURTHER RESOLVED

that NASUCA authorizes its Executive Committee to develop specific positions and to take appropriate actions consistent with the terms of this resolution. The Executive Committee shall advise the membership of any proposed action prior to taking action if possible. In any event the Executive Committee shall notify the membership of any action pursuant to this resolution.

Approved by NASUCA via E-mail:

Submitted by:

Date: June 16, 2009

NASUCA Special Committee on Model
RTO

Abstained:

Florida

Nebraska

Michigan

North Carolina

Massachusetts

Pennsylvania Small Business Advocate

Washington

Virginia