



The Power Marketing Association

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The Power Marketing Association's Annual Fall Meeting

Power Markets 2002 **October 16-17, 2001 Washington, D.C.**

Energy Policy and its Impact on Energy Markets

Power and Gas will **NEVER** be deregulated.

There will always be regulated transmission and distribution companies, regulated pipelines and LDCs. Energy megaprojects, rightly and necessarily attract political attention, and are subject to shifts in public opinion and concerns. The rules of competition will tell us whether markets are free or 'make believe'. And there will be continuing reviews of 'unregulated' entities over concerns regarding market power, credit, product, and affiliate relationships. In other words, energy is and will remain a part of a decidedly mixed economy, much like its sister regulated industry, telecommunications.

With this in mind, the Power Marketing Association will be focussing this year's Washington, D.C. meeting on **Energy Policy and Its Impact on Energy Markets**. We are privileged this year to have two keynote speakers:

Energy and Telecom Convergence

On day one, **J. BENNETT JOHNSTON**, Former Chairman of the Senate Energy and Natural Resources Committee, and now Chairman of the Advisory Board for Ambient Corporation, leading power line telecommunications company, will address *Energy and Telecom Convergence*. This will be followed by a panel of experts on telecom and energy, including George Conniff, President, Bechtel Telecommunications, Mark S. Gray, PE, Manager, Telecommunications Div., Pepco, Washington DC. Chair, PLT Forum, UTC, Robert Rodi, General Manager and CEO, Cedar Falls Utilities and Hyman Schoenblum, Vice President of Corporate Planning, Consolidated Edison of New York

The Upcoming Agenda at FERC

On Day Two: **COMMISSIONER WILLIAM MASSEY**, the senior commissioner at the FERC will again address the Power Marketing Association. Commissioner Massey has addressed PMA meetings every couple of years since the mid-90's. His insights are garnered from years of experience and provide perspective on the issues of today and tomorrow.

Among the other industry luminaries scheduled to appear: • **Lynn Church**, President, Electric Power Supply Association • **Joe F. Colvin**, President and CEO, Nuclear Energy Institute • **Dave Freeman**, Senior Director, Aquila • **Kathleen Magruder**, Vice President, New Power Company • **Dr. John O'Brien**, Principal, Skipping Stone • **John Howe**, Former Chairman of the Massachusetts Department of Public Utilities, Vice President, American Superconductor • **Dariush Shirmohammadi**, Managing Consultant, Energy Economics, PA Consulting • **Don Fuller**, Director, Client Relations, California ISO • **Randy Abernathy**, Vice President, Marketing Services, California ISO • **Scott Ettien**, Vice President and **Tim Moore**, Senior Underwriter, NCM Americas: • **Buck Buckner**, Director of Marketing, Stewart & Stevenson • **Brad Leach**, Senior Director, NYMEX • **Cabell Poindexter**, President, Wyndham Mills • And More!

Join some of the 40,000 readers of the Power Marketing Association's Daily Power Report who will be attending Power Markets 2002. We look forward to seeing you then!

Warmest Regards,

Glenn Lovin

Executive Director

co-sponsored by:

The Power Marketing Association/PowerMarketers.com present



POWER MARKETS 2002



ENERGY POLICY

& ITS IMPACT ON ENERGY MARKETS

plus

The Fundamentals
of Power Marketing

ONE-DAY SEMINAR
October 15, 2001
9:00 a.m. to 5:00 p.m.

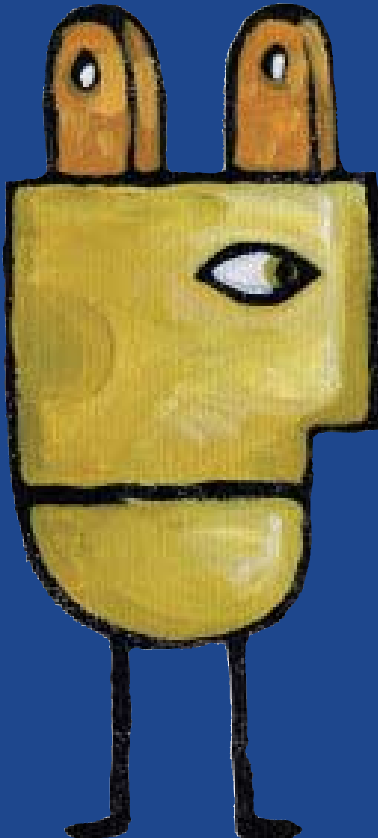
CONFERENCE & EXHIBITION

October 16-17, 2001

The Doubletree Hotel - Arlington, Virginia

including Power Markets Expo 2002

featuring the latest technologies & services designed for the deregulated energy industry



POWER MARKETS 2002: ENERGY POLICY/ENERGY MARKETS

DAY ONE: Tuesday, OCT 16, 2001

8:00 a.m. - 9:00 a.m. — Continental Breakfast in Exhibition Hall

— Opening Plenary Session —

8:30 a.m. — **WELCOME: WHAT'S IN STORE FOR THE NEXT TWO DAYS?**

8:40 a.m. — **POWER MARKETING, RISK MANAGEMENT AND PUBLIC POLICY** - Dave Freeman, Senior Director, Aquila

Power marketing is largely the business of price risk management for the energy industry. Energy policy at the state and Federal level can act to facilitate, or cripple the ability of the market to respond to and mitigate threats to price stability.

9:20 a.m. — **THE SUPPLY RESPONSE: ADDING NEW GENERATING CAPACITY** - Lynn H. Church, President, Electric Power Supply Association

The ability to add new generating capacity in a timely fashion is key to avoiding future energy crises. Balancing environmental concerns, NIMBY and public accountability with the need for additional generating capacity.

10:00 a.m. — **THE NUCLEAR RESURGENCE** - Joe F. Colvin, President and CEO, Nuclear Energy Institute

After coal, nuclear power remains the most important source of electricity in the US, and with license renewals, and proposed facility expansions, is likely to hold that position for some time to come. Nuclear power economics and opportunities in today's competitive markets.

10:45 a.m. to 11:15 a.m. — Break — Visit Exhibits

* * KEYNOTE ADDRESS * *

11:15 a.m. — **ENERGY AND TELECOM CONVERGENCE: J. BENNETT JOHNSTON -**

Former US Senator and Chairman of the Senate's Energy and Natural Resources Committee and Chairman, Advisory Board, Ambient Corp.

11:45-12:30 A panel of industry experts will address the issues and opportunities in power and telecom convergence: the use of existing fiber, rights of way, broadband trading and commoditization and powerline telecom technology.

Moderator: Mark Isaacson, CEO, Ambient Corp.

George Conniff, President, Bechtel Telecommunications
Mark S. Gray, PE, Manager, Telecommunications Div.,
Peppo, Washington DC. Chair, PLTForum, UTC

Robert Rodi, General Manager and CEO, Cedar Falls Utilities
Hyman Schoenblum, Vice President of Corporate Planning,
Consolidated Edison of New York

12:30 to 2:00 p.m. — Luncheon --

— Concurrent Sessions —

WHOLESALE

2:00 p.m. — **BUILDING COAL-FIRED POWERPLANTS --**
Dr. John O'Brien, Principal, Skipping Stone

The US isn't the Saudi Arabia of coal-- it's the whole OPEC of coal. Most power generated in the US is coal-fired, and is likely to remain so. It is not the fuel of the past, it is the fuel of the present and future, with more coal-fired plants planned now than any time in decades. The economics and political realities of coal plant construction.

2:45 p.m. — **NATURAL GAS AND POWER--**
representative, PG&E National Energy Group

Gas is the dominant fuel for new powerplants, and new powerplants are the dominant source of growth for gas markets. How gas and power interrelate, and the public policy implications of market power in both/either markets.

RETAIL

2:00 p.m. — **RETAIL MARKETS OVERVIEW --** Kathleen Magruder, Vice President, Law and Government Affairs, The New Power Company

What works, and what doesn't, in retail markets. A market-by-market overview of the key opportunities in electric deregulation today.

2:45 p.m. — **TEXAS MARKETS --** Stephanie Kroger, Partner, Mayor, Day, Caldwell and Keeton

With the pilots launched and full access in two months, all eyes are on Texas retail markets-- the biggest retail markets in America. How these markets work, how to take advantage of the opportunities they present.

Break Visit Exhibits: 3:30-4:15 P.M

— Concurrent Sessions —

WHOLESALE

4:15 p.m. — PRIVATIZING TRANSMISSION – John Howe, Former Chairman of the Massachusetts Department of Public Utilities, Vice President, Electric Industry Affairs, American Superconductor

New transmission technologies and the massive growth in electric demand are creating opportunities for investment in transmission. What are the opportunities? How does regulatory policy impact the siting of transmission facilities and their operation?

5:00 p.m. — ISOs, RTO's TRANSCOS & STATUS QUOs
Dariush Shirmohammadi, PA Consulting.

How are the various structures of transmission organizations working? What are the prospects for progress in creating superregional, independent transmission organizations?

RETAIL

4:15 p.m. — CALIFORNIA UPDATE – Randy Abernathy, Vice President, Marketing Services, California ISO

Beyond the hype and headlines-- what's being done to maintain and guarantee continued reliable service in California.

5:00 p.m. — CONSERVATION AND LOAD MANAGEMENT IN URGENT SITUATIONS – Don Fuller, Director, Client Relations, California ISO

California has recently become a testing ground for mechanisms to manage the demand-side of the supply-demand equation, with dramatically effective results. What went right.

6:00 p.m. to 7:30 p.m. — Reception

DAY TWO: Wednesday, Oct. 17, 2001

7:30 a.m. to 8:30 a.m. — Continental Breakfast in Exhibition Hall

8:30 a.m. CREDIT RISK AND ITS MANAGEMENT - (Special early morning session)

Scott Ettien, Vice President and Tim Moore, Senior Underwriter, NCM Americas.

Price differentials aren't always about time and location-- sometimes they are about the likelihood of being paid. Utilities have traditionally finessed credit requirements by spreading uncollectables among their customer base, and until recently, this was enough to make the utilities themselves bulletproof credit risks. No more. Using credit insurance and internal controls to manage the final frontier in risk management.

*** * KEYNOTE ADDRESS * ***

9:15 a.m. - WILLIAM MASSEY, COMMISSIONER, FERC

The senior commissioner at the FERC is seeing many of his views on transmission become the majority position in the new administration.

10:00 a.m. to 10:30 a.m. - Break -Visit Exhibits

10:30 a.m. DISTRIBUTED GENERATION - Buck Buckner, Director of Marketing, Stewart & Stevenson

Power shortages have caused revisitation of the issues associated with distributed generation-- interconnection policy, limits on operations, gas tariffs, siting review, net metering and a plethora of lesser issues. With these changes, the potential for distributed generation has grown significantly.

11:10 a.m. COMMODITY EXCHANGES: REGULATED AND UNREGULATED - Brad Leach, Senior Director, NYMEX

As power markets continue to mature, commodity exchanges are slowly beginning to develop, with varying characteristics of liquidity, neutrality and regulatory status. Where exchanges stand today, and where they are heading in the future.

11:50 a.m. – CAREER TRENDS - Cabell Poindexter, President, Wyndham Mills International

What jobs will last? What skills become more valuable? How do I build my career in the evolving energy industry?

12:30 p.m. — CONFERENCE ADJOURNS

Certified Power Marketer Program

PMA now offers the "Certified Power Marketer" certification program **FREE**, to PMA members and employees of corporate members. The certificate is evidence that the recipient is familiar with the fundamental elements of both the wholesale and retail power marketing industries and can therefore more readily be utilized in a power marketing organization in positions of responsibility.

Program consists of assigned readings and web-based presentations, attendance at the Fundamentals of Power Marketing seminar, and successful completion of the Power Marketers examination.

Call (703) 892-0010 for details, or download brochure at:
<http://www.powermarketers.com/cpm.pdf>

Come a day early for PMA's most popular, in-depth seminar:

THE FUNDAMENTALS OF POWER MARKETING

Monday, October 15, 2001; 9:00 a.m. to 5:00 p.m.

There are two distinct markets for power—wholesale and retail. The skills and capabilities, the products required in each differ dramatically. This one program will introduce you to what you need to know to succeed in either— as buyer or seller.

1. Introduction to the Power Industry. A brief history of today's power industry— private, public, regulated and independent. The physical plant: powerplants, transmission and distribution lines. The institutional structures: Federal and state rate regulation, Independent System Operators and control areas, FERC Order 888.

2. Getting Started as a Marketer. Obtaining power marketer status; the importance of membership in the Western Systems Power Pool; how and why to enter into "pro forma" transmission tariffs, and standardized interchange agreements. Review capital, personnel and software and equipment requirements.

3. Lexicon of Power Marketing. The major price indices; the forward curve; NYMEX electricity futures contracts; basis contracts; puts and calls; collars; callable contracts; swaps; arbitrage; tolling agreements.

4. Marketer Products & Their Applications:

Indexed Transactions. The simplest, lowest

margin product is the index transaction. Distinguish between market indices and artificial indices, when indexed transactions make sense and when to convert to fixed.

Swaps. Any expense or revenue stream can be converted into another expense or revenue stream to create custom products.

Tolling Agreements. How to design and price and agreement under which you "rent" the use of a powerplant to convert fuel to electricity, or vice versa, on both a physical and financial basis.

Option-Type transactions. Options can be used to create price floors and ceilings, to devise no-cost "collars", and callable contracts. How to price and design option contracts.

Finance-Type Transactions. Project finance; valuation of generation capacity; mark-to-market accounting; long-term purchase agreements; Unwinding existing agreements

Serving the Retail Power Market. 90% of all customers simply want a price, fixed, for the year. How to provide it using a combination of futures, basis contracts, options and swaps.

5. Retail Power Marketing: Lessons From the First Open Access Markets: Review of the highlights of the experiences in the pioneer jurisdictions-- the missteps, the right steps.

6. Key issues in Retail Access: Stranded investment ; practicable tariff design; utility affiliate abuses; fly-by-night competitors; tax issues; metering requirements; information flow and market structure..

7. Nuts and Bolts of Retail Marketing: Marketing and Sales:

Branding, multiple product lines, sales force management;

Customer analysis and pricing.

The key functions: scheduling, nominations, balancing and billing.

8. Wrapup: The \$2 trillion deregulated electric power market of tomorrow will hold plenty of opportunities for companies of all sizes and capabilities. What will the industry look like tomorrow? Where will the profit opportunities lie, and for whom?

Instructor:

Scott Spiewak has acted as advisor to many of the largest power marketing firms in their efforts to establish themselves as leaders in this new market. His clients have included Enron, Natural Gas Clearinghouse, Utilicorp, Williams, and Peabody Coal. Mr. Spiewak's retail energy marketing firm, Metromedia Energy, markets natural gas and electricity in deregulated retail markets in the N.Y. region. He is a member of the NYMEX Advisory Committee on electric power contracts and Secretary of the Power Marketing Association. Mr. Spiewak may be contacted at 201 784-5349; spiewak@metromediaenergy.com

POWER MARKETS 2002: ENERGY POLICY/ENERGY MARKETS

Please enter my registration for the following sessions (circle appropriate rate below):

	PMA Individual Members*		Non-Members	
<input type="checkbox"/> POWER MARKETS 2002 Conference:	\$490	(\$445*)	\$640	(\$595*)
<input type="checkbox"/> Fundamentals of Power Marketing Seminar:	\$470	(\$425*)	\$570	(\$525*)
<input type="checkbox"/> Both the conference and the seminar:	\$795	(\$750*)	\$995	(\$950*)

☐ Please begin my Power Marketing Association membership at the following level:

☐ Corporate Member (\$9,000)** ☐ Associate Member (\$4,500)** ☐ Individual Member (\$300)

* As a newly-registered member, you will receive the member registration discounts immediately.

** Registration fees are waived for 4 attendees from Corporate Members; 2 attendees from Associate Members.

Charge my ☐ Visa, ☐ Master Card, ☐ AMEX credit card for the items selected above:

Account Number: _____ Expiration Date: _____

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☐ Check enclosed for the selected registration and/or membership dues. ☐ Bill Me

☐ Please send me information on *The PMA Certified Power Marketer (CPM) Program*.

Name: _____

Title: _____

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Telephone: _____ Fax: _____ E-Mail: _____

*** SAVE BY PRE-PAYING!** Receive the discounted rate shown in blue above when paying by credit card, or when your payment is received by PMA on or before October 1, 2001

REGISTRATION IS EASY!

• Register By Mail

Mail the registration form printed at left to:
PMA Power Markets 2002 Conference
The Power Marketing Association
PO Box 2303
Falls Church, VA 22042

• Register By Fax

Fax your registration form to
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• Register Online

www.powermarketers.com/reg2001.htm

• Register By Telephone

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The discounted room rate ends Sept. 20
That's the hotel's call, not ours.
Exhibition rate for attendees is:
\$149/night (single) or \$169/night (double)

Membership Information: For details, click on "membership" at powermarketers.com