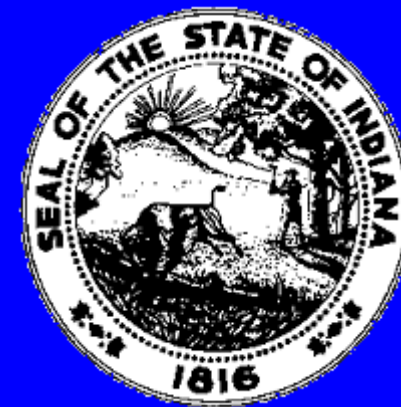


Indiana Utility Regulatory Commission



Electricity Issues Part II

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July 9, 2002



Electricity Issues

- Distributed Generation
- Transmission
- Environmental Compliance
- Service Quality



Distributed Generation

- Generation close to load
- Environmentally friendly
- New technologies
- Less reliant on transmission

Regional Transmission Organizations



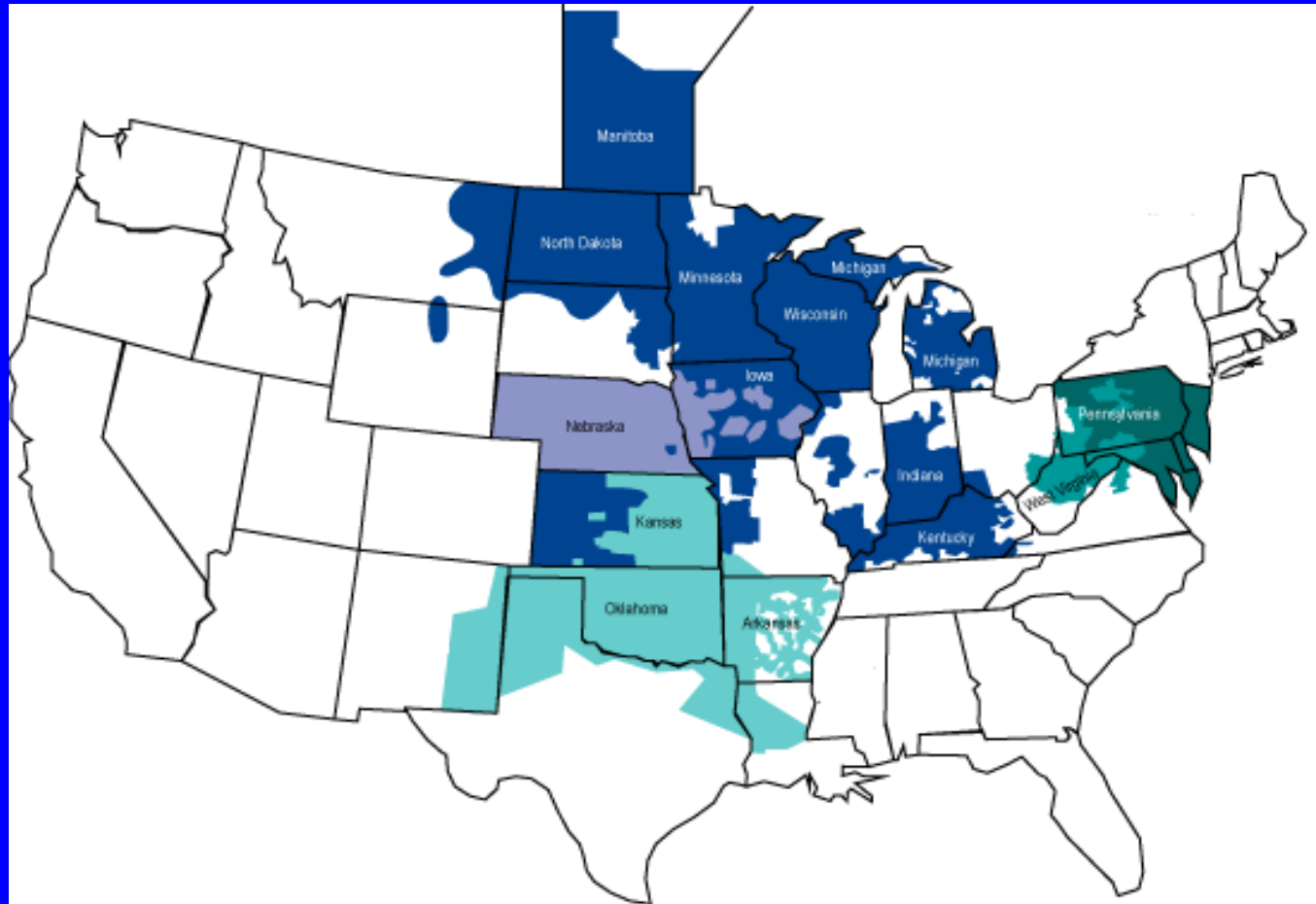
- Open access
- Lower barriers to trade
- Regional planning and coordination
- Investment opportunities
- Reduction in cost



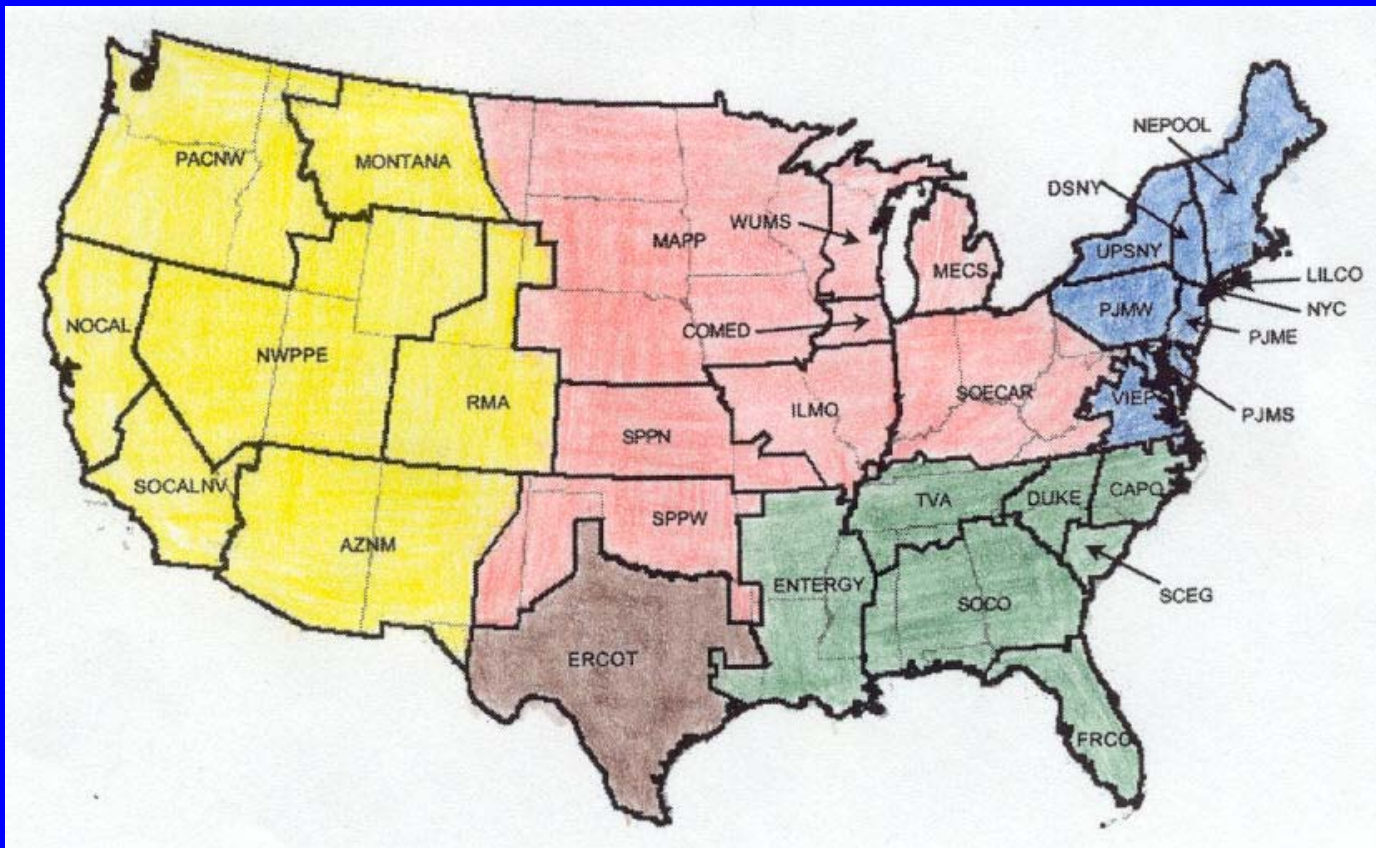
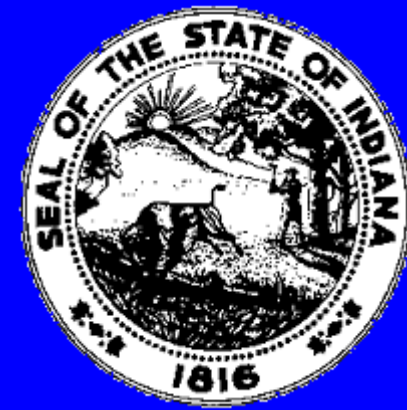
Transmission System

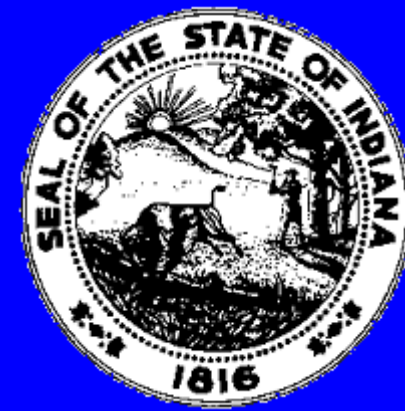
- Transition period
- Control areas
- Wholesale market
- Inter state commerce

Midwest Market



Regional Developments





Transmission System in UK

- From government owned to privatization
- Generation
 - Fossil fuel plants and nuclear
- Transmission
 - National Grid Company
- Suppliers
 - Regional supply areas





Environmental Compliance

- Federal environmental rules
- Compliant related outages
- Coordination between different governmental agencies
- Rate implications



Service Quality

- Statutory requirement
- Reliability
- Safety
- Customer service



Service Quality

- Changes in Industry
- Globalization
- Reorganizations



Service Quality

- Access to utility
- Customer service
- Performance standards
- Enforcement



Opportunities for Albania

- Siting of generation where needed
- Use of new technologies
- Structure of rates
- Regional transmission system