



News Release

For Immediate Release

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Statement by the American Public Power Association on JP Morgan Settlement July 31, 2013

Washington, D.C. - The American Public Power Association (APPA) commends the Federal Energy Regulatory Commission (FERC) for its recent efforts to address manipulation in centralized wholesale electricity markets operated by Regional Transmission Organizations (RTOs), including the landmark settlement announced on July 30 with JP Morgan Ventures Energy Corporation and the issuance of penalties against Barclays Bank PLC on July 16. APPA especially appreciates FERC's inclusion of disgorgement of unjust profits in recent anti-manipulation enforcement actions, in an attempt to ensure that those end use electric consumers that overpaid receive appropriate redress.

All of FERC's actions concerning market manipulation over the past two years occurred within wholesale electricity markets operated by RTOs. APPA notes its continuing concerns that RTO-administered wholesale energy markets are susceptible to such manipulation, due to their complex rules, opacity, price volatility and limited number of active players. APPA urges FERC to not only vigorously police such markets, but to examine whether their structures and rules can be improved to minimize opportunities for manipulation and abuse.

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Based in Washington, D.C., APPA is the national service organization for the nation's more than 2,000 community- and state-owned not-for-profit electric utilities serving 47 million customers.