



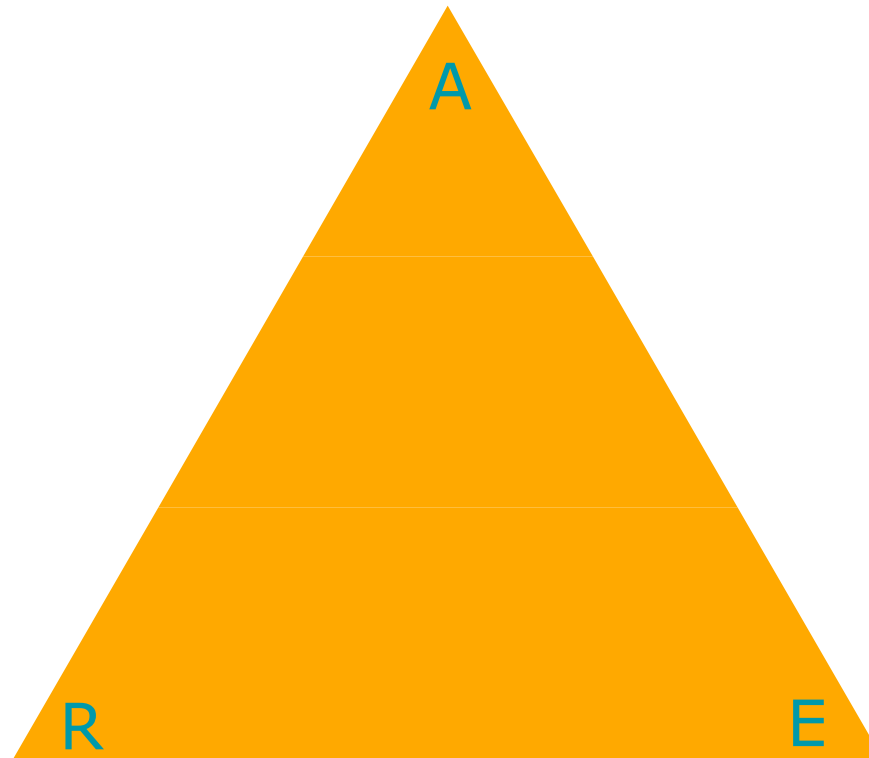
ISO New England 2008 Regional Energy Conference

Bruce Levy, President
International Power America

Balancing Priorities



Affordability of Energy



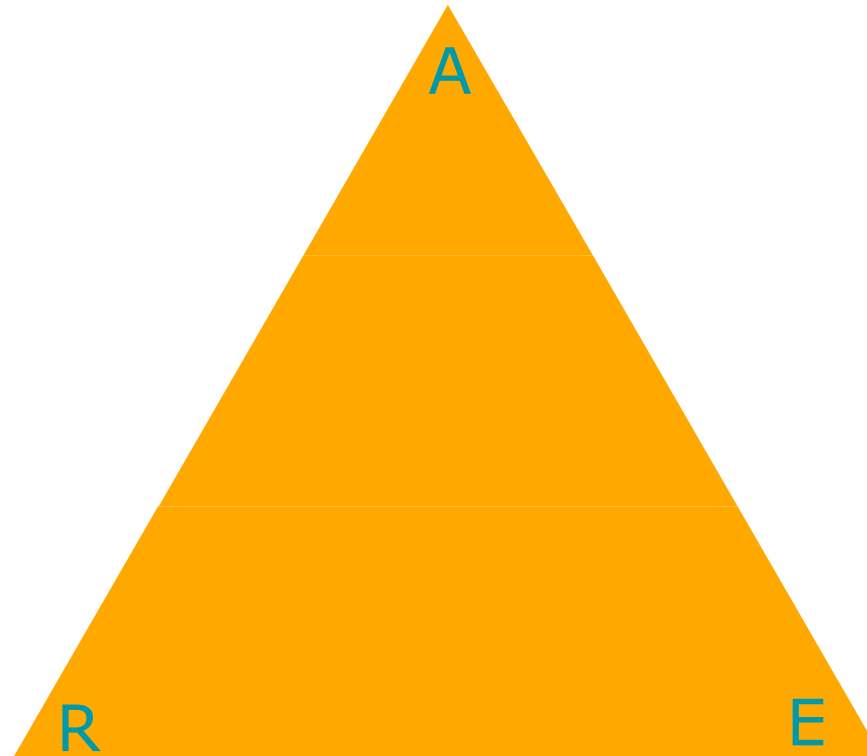
Sufficiency of Supply
Reliability

Environmental Performance
Reduced Emissions

Desirable Goals



Select Lowest Cost Generation
Optimize Dispatch



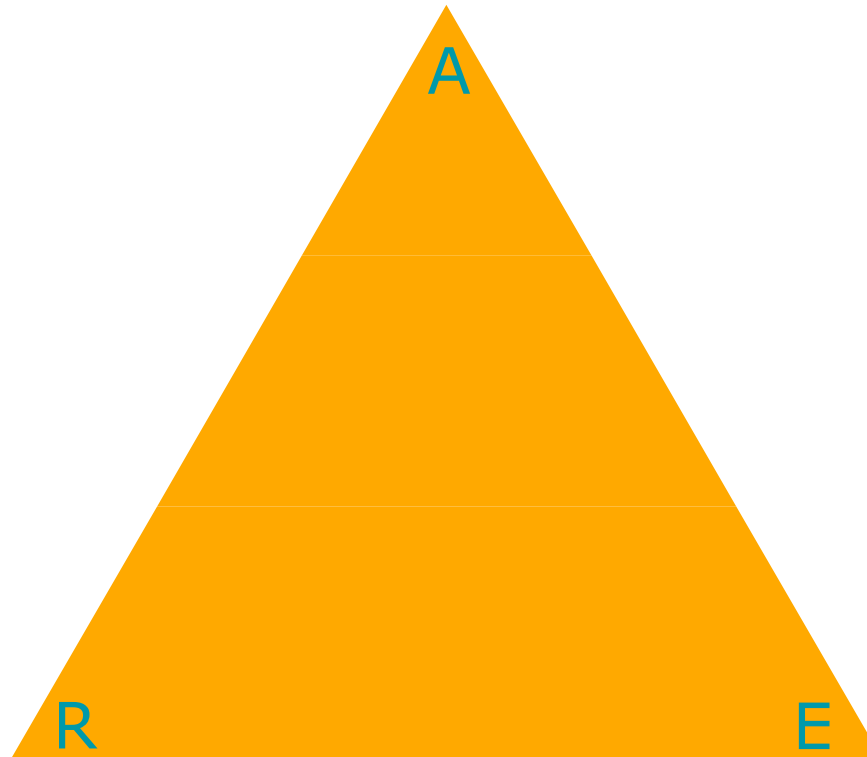
Build New Capacity Needed
Maintain High Reliability of Plant
Use Renewable/DSM Where Possible

Encourage Clean Generation
Replace End of Life Plant
Increase Renewable/DSM Role

Challenges



Transmission Constraints Limit Dispatch
New Plant Cost Increasing



Wind Power Operations
Prices Don't Support New Build
Interconnection Queue Issues

Older Plant Needed for Reliability
Renewables Often Need Subsidy

Discussion Points



- Can Renewable/DSM resources meet all future needs
- How can we prepare for retirement of older plant
- Can improved intra-ISO transmission improve environmental performance
- Are incentives for renewable plants delaying retirement of older fossil units
- Will climate change programs (RGGI) work without changes to market structure and rules