

The nation's energy industries are in the midst of revolutionary change. While efforts to restructure and to rely on competition, rather than cost-based rate regulation, in critical energy markets are claimed to be succeeding in some areas of the country, they have precipitated blackouts, brownouts and wild price gyrations in other regions. State and federal regulators are searching for market models that will protect consumers from exorbitant prices while encouraging needed expansion of the energy supply and transmission infrastructure. Their task is complicated by the ever-changing structure of the energy industries, where entry and exit of players, mergers, spin-offs, and exotic strategic combinations have become the order of the day, and by fluid market rules, especially in regions with organized markets. Meanwhile, the promise of new energy technologies seems largely unfulfilled, while the roles of existing technologies appear in constant flux. Nuclear power, for example, so recently scorned as uneconomic, has gained new support in the face of concerns about global warming and the adequacy and environmental impact of long-term fossil fuel supplies.

The changes sweeping the energy industries are profound, calling into question many of the assumptions that have guided utility decision-making for decades. Participants in the energy industries are challenged as never before. But, just as change imposes unforeseen challenges and uncertainties, it also offers unprecedented opportunities for consumer-owned utility systems. Spiegel & McDiarmid is in a unique position to help these systems meet the challenges and capitalize on the opportunities.

Since the Firm's formation in 1967, Spiegel & McDiarmid has represented consumer-owned utility systems and other smaller market participants in a broad range of proceedings before federal and state regulatory agencies and courts at all levels, up to and including the U.S. Supreme Court. We have addressed



and resolved issues relating to the rates, terms and conditions for the wholesale purchase of electricity and natural gas, the transmission of electric power and the transportation of natural gas, interconnections with regional electric transmission grids, power pooling and hydroelectric licensing. We have successfully

fought for transmission access, and have worked to ensure that the terms and conditions of access are fair and reasonable. We have worked with clients in resolving issues of risk and cost associated with contractual arrangements for power supply. We have been respected voices in the ongoing policy debates over regional transmission organizations, have proposed new structures for wholesale and retail electricity markets, and have worked with clients in the drafting and modification of rules for many of these markets and organizations. We have participated in most major rulemaking proceedings before the Federal Energy Regulatory Commission involving electricity, often on behalf of our client the Transmission Access Policy Study Group ("TAPS" at [www.tapsgroup.org](http://www.tapsgroup.org)), an informal association of transmission dependent utilities in more than thirty states.

We have also assisted utility systems in formulating arrangements for the ownership of energy infrastructure, such as generation and transmission facilities, as well as in the transactional work associated with contracting for power supply. We have been among the leaders in attempts to create common contract forms that will protect them. We advise clients on issues relating to the environmental implications of their electric utility

---

activities, such as compliance with federal Clean Air Act and “Superfund” laws, and matters relating to electric and magnetic fields (“EMF”). Increasingly, we advise clients on compliance with new rules against energy market manipulation, as well as the antitrust laws. We have assisted clients in protecting their rights in bankruptcy proceedings when their suppliers have entered bankruptcy and when they themselves have occasionally been forced into bankruptcy. We have been at the center of legislative battles that have established essential rights for wholesale energy customers, and we continue to fight in the legislative arena to protect and advance the interests of consumer-owned electric utilities.

Throughout Spiegel & McDiarmid’s long involvement in the energy field, our goal has been to assist our clients in becoming more competitive as energy suppliers. We have pursued that goal by seeking to remove impediments

to fair and open competition, and by helping our clients obtain the tools necessary to compete more effectively. Our commitment to that goal is strong and unshakeable, and it continues to serve as our steady guidepost during the most tumultuous periods of change.

Our involvement in assisting clients in licensing and relicensing hydroelectric power plants has led us into questions of water supply for municipal or rural water systems as well. We have worked with clients to assure protection of their own water supply and other interests as federal licenses are transferred or modified. These other related issues have been quite diverse, including the acquisition by clients of transportation systems as well as protection of parkland and municipal amenities.

1333 New Hampshire Avenue, NW | Washington, DC 20036  
Phone: 202.879.4000 | Fax: 202.393.2866 | [info@spiegelmc.com](mailto:info@spiegelmc.com)  
[www.spiegelmc.com](http://www.spiegelmc.com)