



EYE ON THE INDUSTRY

Monthly Notes on Issues
Affecting Wisconsin Consumers

Maryland Makeover.... Calling their state's restructured electricity market "dysfunctional," Maryland regulators ponder a redesign that could include a **state power authority** to buy and sell electricity to distribution utilities, possibly also to build and own power plants. **Not on the table** is a return to the pre-1999 status quo. Why not? A restructuring law forced utilities to sell off generation facilities that have since doubled in value, and the state would have to condemn and pay fair market price in order to restore original ownership. **Energy prices drive inflation** as '07 closed with three consecutive months of rising energy costs, ending more than **'21-percent higher** than a year ago, federal monitors say. **Oil** is the biggest culprit as electricity prices, though rising, climbed only about 2 percent in '07. Meanwhile, the *Wall Street Journal* editorial page has its own view, pinning **\$100 oil** on the falling value of the dollar, not rising value/scarcity of oil; if the dollar kept pace with Euro this decade, the *Journal* says, oil would be about **\$57 a barrel**. Wisconsin theme for '08: R&D, says Governor **Doyle**, announcing a **\$150 million** research plan to make state a leader in alternative fuels.