

Hedging locational price risk under LMP: Experiences from North America

 Tuesday, **October 7th**, 2025 |  **17:00-19:00 CEST**

 **Virtually** via Microsoft Teams

 **Organizers:** [Future Power Market Forum](#) and [Future Power Market Platform](#)

With a potential transition to locational marginal pricing (LMP) in Europe—as an alternative to bidding zone splits—two key questions arise. First, instead of paying for redispatch in large zones, market operators will obtain congestion revenue from LMP pricing. How can these revenues be used to address distributional concerns from the introduction of LMP? Second, how can market participants hedge locational price risk (or “basis risk”) stemming from price differences across nodes?

We want to learn from North American markets that adopted LMP over the past decades, where Financial Transmission Rights (FTRs)/Congestion Revenue Rights (CRRs) have become the central solution to both challenges. Three experts share implementation and operational insights.

17:00-17:05: Welcome

17:05-17:15: Jonas Böschmeier and Leon Stolle

Introduction to Hedging in North America using FTRs/CRRs. Experiences and identified challenges – findings from a new interview-based study

17:15 – 18:15: Three expert comments

- **Anna McKenna** (Vice President Market Design and Analysis, California Independent System Operator)
- **Julia Frayer** (Managing Director, London Economics International LLC)
- **Abram Klein** (Managing Partner, Appian Way Energy Partners)

18:15 – 18:45: Panel Discussion and Q&A

18:45: Closing Remarks

Julia Frayer is a Managing Director with London Economics International LLC (“LEI”), specializing in economic analysis for the electricity sector, implementation of innovative regulation, evaluation of infrastructure assets, such as power plants, natural gas-related infrastructure, electricity transmission and distribution systems, and utilities, as well as market design and expert economic advisory services for regulated and competitive power markets. She has worked extensively in the US, Canada, Europe, and Asia. Julia is an advisory board member with Institute of Global Sustainability (“IGS”) at Boston University, and a board member for Northeast Energy & Commerce Association (“NECA”), one of the oldest trade associations in the Northeast U.S. focused on energy-related matters.



Anna McKenna is the Vice President of Market Design and Analysis at the California Independent System Operator (ISO), where she leads initiatives in market and infrastructure policy, performance analysis, forecasting, and regulatory affairs. Since joining the ISO in 2005, she has held key roles including Regulatory Assistant General Counsel, guiding the organization through significant policy and compliance developments. Prior to her tenure at the ISO, Ms. McKenna practiced energy law in Washington, D.C., focusing on market development and transmission congestion management. She holds degrees in Economics and Industrial Relations, a Master’s in Economics from McGill University, and a Juris Doctor from American University’s Washington College of Law.

Abram Klein is a Managing Partner for Appian Way Energy Partners, founded in 2014, among the leading financial marketers focused on congestion trading in US RTO markets. Prior to co-founding Appian Way, he was Head of Trading for a US IPP, Edison Mission Marketing and Trading, responsible for EMMT's proprietary trading and basis risk management in US RTO/LMP-based wholesale competitive markets from 2001-2014. Abram began his career as an electricity market consultant working on electricity market design, LMP modelling and price forecasting after obtaining his MPP from the Kennedy School of Government. Abram has spoken and testified on electricity market design, price formation, capacity markets and transmission congestion trading and policy, among other topics. Abram is also a board member of the Energy Trading Institute, a trade association that advocates for open, transparent, and competitive markets that benefit consumers.

