

June 2016

Commission Meeting Summaries

These are summaries of orders voted by the Federal Energy Regulatory Commission at its June 16, 2016 public meeting. The summaries are produced by FERC's Office of External Affairs and are intended to provide only a general synopsis of the orders. These summaries are not intended as a substitute for the Commission's official orders. To determine the specific actions and the Commission's reasoning, please consult the individual orders when they are posted to FERC's eLibrary found at www.ferc.gov.

E-2 – Press Release

E-3, E-4, & E-1 - Press Release

FERC issues an order to show cause

E-5, *Midcontinent Independent System Operator, Inc.*, Docket No. EL16-61-000. This order directs MISO to either (1) revise the MISO tariff to ensure that a generation or non-generation resource owner will no longer receive compensation for reactive service after it has deactivated its unit(s) or after it has transferred its unit(s) to another owner, and to clarify the treatment of reactive service revenue requirements for said unit(s), or (2) show cause why MISO should not be required to do so. The order also directs MISO to post to its website and maintain a chart that lists all resource owners that receive compensation for reactive service along with their respective current reactive service revenue requirements.

FERC denies a complaint

E-6, *NextEra Energy Marketing, LLC, Northeast Energy Associates, LP v. ISO New England Inc.*, Docket No. EL16-48-000. The order denies NextEra's complaint that ISO-NE violated its tariff when it disqualified NextEra's incremental capacity increase from participating in the tenth Forward Capacity Auction. The order finds that ISO-NE's tariff is clear that the increase at issue here must abide by the provisions applicable to a New Generating Capacity Resource that met the applicable thresholds.

FERC clarifies reporting requirements

E-7, *Filing Requirements for Electric Utility Service Agreements*, Docket No. RM01-8-000, *et al.* This order implements certain clarifications to the existing Electric Quarterly Report (EQR) reporting requirements and the EQR Data Dictionary. Specifically, the order clarifies reporting requirements and associated fields in the EQR Data Dictionary related to “Increment Name” and “Commencement Date of Contract Terms.” The order also affirms the requirement that transmission providers must report transmission-related data in their EQRs. In addition, the order makes certain updates to the EQR Data Dictionary with respect to the “Time Zone” field options and deletes fields associated with reporting e-Tag ID data. The order also clarifies that future minor or non-material changes to EQR reporting requirements and the EQR Data Dictionary will be posted directly to the Commission’s website and EQR users will be alerted via email of these changes. The updated EQR Data Dictionary adopted in this order will be used beginning with the filing of the EQR for the fourth quarter of 2016.

FERC decides not to initiate an enforcement action

E-8, *Interconnect Solar Development, LLC*, Docket No. EL16-55-000. This order is a Notice of Intent Not to Act, in which the Commission declines to initiate its own enforcement action in response to a petition filed by Interconnect Solar Development for enforcement of the Public Utility Regulatory Policies Act of 1978 against Idaho Power Company and the Idaho Public Utilities Commission. The petitioner alleges that Idaho Power failed to timely disclose certain information pertaining to a designated right-of-way for a transmission line impacting its proposed qualifying facility and resulting in the termination of a firm energy sales agreement with Idaho Power, and for the Idaho Commission’s failure to hold a hearing on the matter.

FERC accepts a revised, decreased revenue requirement, but orders a hearing

E-9, *NRG Power Midwest, LP*, Docket No. ER16-1443-000, *et al.* This order accepts a revised, decreased revenue requirement for reactive supply and voltage control service filed by NRG. The revised revenue requirement reflects the deactivation of a unit for which NRG receives reactive power compensation. In addition, the order grants a one-time waiver of the prior notice requirement under Schedule 2 of the PJM Interconnection, L.L.C. Open Access Transmission Tariff, so that the effective date of the revised schedule can coincide with the deactivation date of the unit in question. Because a further rate decrease may be appropriate, however, the order also institutes a proceeding under section 206 of the Federal Power Act into the justness and reasonableness of NRG’s revised, decreased revenue requirement and establishes hearing and settlement judge procedures.

FERC rejects a filing

E-10, *Arizona Public Service Company*, Docket No. OA16-1-000. The order rejects Arizona Public Service Company's (APS) notification filing of late transmission studies as unnecessary. The order finds that APS was not required to make a notification filing at this time because APS included incomplete studies as part of its study completion performance metrics.

FERC accepts, in part, and rejects, in part, proposed tariff revisions

E-12, *Midwest Independent Transmission System Operator, Inc.*, Docket No. ER12-2302-004. This order accepts, in part, and rejects, in part, MISO's proposed tariff revisions regarding its System Support Resource procedures, which were made on compliance to the Commission's December 17, 2015 order. MISO's proposed revisions relate to, among other things, the retention and transfer of interconnection service.

FERC accepts, in part, tariff revisions

E-13, *Entergy Arkansas, Inc.*, Docket No. ER16-644-000. This order addresses Entergy Services, Inc.'s (Entergy) request that Entergy Arkansas, Inc. (Entergy Arkansas) collect, under the MSS-4 Replacement Tariff, the wholesale portion of the total company decommissioning revenue requirement that the Arkansas Public Service Commission annually approves for Entergy Arkansas' Arkansas Nuclear One Unit 2 (ANO-2) generating plant. The order accepts the increased annual decommissioning revenue requirement. However, the order finds that, for any future changes in ANO-2's annual decommissioning revenue requirement, Entergy would be required to make a new filing, with an updated decommissioning study and underlying work papers and cost support.

FERC accepts a filing

E-14, *ISO New England Inc.*, Docket No. ER16-1041-000. The order accepts the results of ISO-NE's tenth Forward Capacity Auction (FCA). ISO-NE administers a Forward Capacity Market in which capacity resources compete in an annual FCA to provide capacity for a one-year Capacity Commitment Period three years in the future.

FERC conditionally accepts a compliance filing

E-15, *NextEra Energy Transmission West, LLC*, Docket No. ER15-2239-002. This order conditionally accepts NextEra Energy Transmission West, LLC's (NEET West) compliance filing in response to the Commission's January 8, 2016 order. The January 8

order accepted NEET West's proposed Transmission Owner Tariff, including a transmission formula rate to recover costs associated with two projects awarded to NEET West through the California Independent System Operator Corporation's competitive transmission developer selection process, but required a compliance filing to revise its tariff and formula rate. This order largely accepts the compliance filing, but requires another compliance filing within 30 days to make further rate-related revisions.

FERC rejects declaratory order request

E-16, *Tri-State Generation and Transmission Association*, Docket No. EL16-39-000. The order finds that a petition for declaratory order filed by Tri-State Generation and Transmission Association, Inc. (Tri-State) to recover lost revenues from member cooperatives that now purchase power from qualifying facilities (QFs), rather than from Tri-State, is barred as inconsistent with the Commission's prior order, issued June 18, 2015, in a related case involving Delta-Montrose Electric Association, a member cooperative (Delta-Montrose) (Docket No. EL15-43). The order rejects Tri-State's request and finds that Tri-State's petition would effectively undo Delta-Montrose's statutory obligation to purchase from QFs and correspondingly limit QFs from selling power to Delta-Montrose at negotiated rates.

FERC denies request for clarification or rehearing

E-17, *PJM Interconnection, L.L.C.*, Docket No. EL14-94-001. This order denies the PJM's Market Monitor's request for clarification or rehearing of the Commission's March 1, 2016 order finding that, under section 206 of the Federal Power Act, PJM's use of the cost-based energy offer cap as the sole measure of short-run marginal cost used in calculating capacity market offer caps was unjust, unreasonable, and unduly discriminatory or preferential. The order also accepts PJM's compliance filing, submitted in response to the March 1, 2016 order.

FERC grants requests for clarification; denies rehearing

E-19, *Southwest Power Pool, Inc.*, Docket No. ER16-209-001. This order grants requests for clarification and denies requests for rehearing of a December 30, 2015 order that established hearing and settlement judge procedures for SPP's proposed tariff revisions that establish an annual transmission revenue requirement for new SPP member Central Power Electric Cooperative, Inc.

FERC dismisses a rehearing request

E-20, *PJM Interconnection, L.L.C., et al.*, Docket No. ER15-623-006, *et al.* The order dismisses a rehearing request submitted by Talen Companies seeking to apply to PJM's capacity market a ruling of the U.S. Court of Appeals for the District of Columbia Circuit

concerning participation of demand response in certain PJM auctions that was, subsequently, reversed by the U.S. Supreme Court in *FERC v. Electric Power Supply Association*. The order also accepts PJM's compliance filing, submitted in response to the Commission's July 22, 2015 order, addressing the right of demand response to participate in those actions.

FERC grants, in part, and denies, in part, requests for rehearing

G-1, *ANR Storage Co.*, Docket No. RP12-479-001. This order grants in part and denies in part requests for rehearing filed by ANR Storage and the Joint Intervenors of Opinion No. 538, an order issued October 15, 2015 that denied ANR Storage's request for market-based rate authority for gas storage. The order grants rehearing concerning two items: (1) whether applicants must provide sufficient evidence to demonstrate that alternatives that are not physically available to storage customers may become physically available, and thus become good alternatives, in a cost-effective manner, and (2) what evidence must be provided by the applicant to overcome a presumption of control over potential alternatives when the applicant controls at least ten percent of the potential alternative. The order denies all other requests for rehearing or clarification.

FERC denies license application

H-1, *Twin Lakes Canal Company*, Project No. 12486-008. The order denies Twin Lakes Canal Company's original license application for the proposed 10 MW Bear River Narrows Hydroelectric Project to be located on the Bear River in Franklin County, Idaho. The proposed project would inundate Bureau of Land Management's Oneida Narrows Research Natural Area [a section 4(e) reservation]. The order finds that the occupation of the reservation would interfere with and be inconsistent with its designated purpose to preserve terrestrial resources. In addition, because the proposed project would have unmitigable effects on recreation, aesthetic, wildlife, and fishery resources, the project would not be best adapted to the a comprehensive plan for improving or developing the Bear River.

FERC to hold relicensing proceeding in abeyance

H-2, *PacifiCorp*, Project No. 2082-027. The order grants PacifiCorp's motion to hold the relicensing proceeding for the Klamath Hydroelectric Project in abeyance. PacifiCorp filed its motion in accordance with the Amended Klamath Hydroelectric Settlement Agreement, which provides for the removal of four project developments through the Commission's license transfer and surrender processes. The amended agreement states that applications for license transfer and surrender will be filed on or around July 1, 2016.

FERC terminates license by implied surrender

H-3, *David O. Harde*, Project No. 8722-018. The order terminates, by implied surrender, David O. Harde's license for the Landis-Harde Water Power Project No. 8722, located on Perry Creek, in El Dorado County, California. The order finds that the licensee's long-term failure to maintain the project in accordance with the specifications set forth in the license, and his lack of substantial progress toward restoring project operation or transferring the project to someone capable of restoring project operation, demonstrates the licensee's implied intent to surrender the project license.

FERC grants motion to intervene; denies rehearing

H-4, *Alabama Power Company*, Project No. 2146-195. The order grants the Coosa River Paddling Club's motion to intervene and denies its request for rehearing of Commission staff's March 9, 2016 order approving and modifying Alabama Power's Recreation Flow Release Evaluation Report. The order finds that Alabama Power fully satisfied the requirements of license Article 405 of the June 2013 relicense order, and that Commission staff properly approved the licensee's Recreation Flow Release Evaluation Report. Finally, the order finds that the Paddling Club's request for the licensee to evaluate flows of 5,000 cubic feet per second is a collateral attack on the June 2013 relicense order and the July 2015 order approving the licensee's Recreation Flow Release Evaluation Plan.

FERC approves, with conditions, a new compressor station

C-1, *Northern Natural Gas Company*, Docket No. CP15-552-000. The order grants Northern Natural's request for a certificate to construct and operate a new gas-fired compressor station in Gaines County, Texas. The new compressor station will enable Northern Natural to deliver 210,000 dekatherms of gas per day or approximately 210 million cubic feet of natural gas per day to various delivery points for use in the generation of electricity, based on a long-term precedent agreement with Golden Spread Electric Cooperative.

FERC approves amendments for a cross-border gas pipeline project

C-2, *Impulsora Pipeline, LLC*, Docket No. CP16-70-000. The order grants Impulsora's request to amend its authorization under Section 3 of the Natural Gas Act and Presidential Permit under Part 153 of the Commission's regulations to reflect the fact that Impulsora no longer plans to construct one of the previously authorized parallel pipelines (border-crossing facilities) in Texas at the international boundary between the United States and Mexico.

FERC dismisses rehearing request as moot

C-3, *Transcontinental Gas Pipe Line Company and Sabine Pass Liquefaction, LLC and Sabine Pass LNG, L.P., LLC*, Docket Nos. CP15-29-001 and CP15-482-001. The order dismisses as moot Transco's requests for clarification, or in the alternative, for rehearing of the Commission's November 20, 2015 order authorizing Transco to construct and operate its Gulf Trace Expansion Project. The request is moot because Transco has filed the required air quality modeling, thus complying with Environmental Condition 16, for which it had sought clarification or rehearing.

FERC grants rehearing request

C-4, *Paiute Pipeline Company*, Docket Nos. CP14-509-003 and RP16-212-001. This order grants rehearing of the Commission's December 14, 2015 order that rejected Paiute's proposal to charge a zero fuel retention charge and a stand-alone retention charge for actual lost and unaccounted for gas for transportation service that uses only Paiute's Adobe Lateral. The order finds that Paiute's previously proposed retention charges for service on the Adobe Lateral are appropriate. This order also re-examines Paiute's proposal for imbalance trading.