

126 FERC ¶ 61,215
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Jon Wellinghoff, Acting Chairman;
Sudeen G. Kelly, Marc Spitzer,
and Philip D. Moeller.

Southwest Power Pool, Inc.

Docket No. ER09-262-001

ORDER ON REQUEST FOR REHEARING

(Issued March 10, 2009)

1. On February 9, 2009, in Docket No. ER09-262-001, Southwest Power Pool, Inc. (SPP) filed a motion for clarification or, in the alternative, for modification of the Commission's order, which allowed for a limited, one-time waiver of certain provisions in SPP's Large Generator Interconnection Procedures (Interconnection Procedures).¹ The Waiver Order allowed SPP to study pending interconnection requests in two transitional clusters to address its generator interconnection request backlog in anticipation of a reformed Interconnection Procedures filing.

2. SPP seeks clarification that the expiration of the waiver will not affect the two transitional clusters established under the waiver. SPP also seeks clarification on the interconnection requests included within the first transitional cluster as described by the Commission. As an alternative to granting clarification, SPP also proposes modifications to its waiver request to extend the waiver period, retain the transitional clusters after expiration of the waiver, and to specify the interconnection requests included within the first transitional cluster.

3. In this order, we clarify in part the Waiver Order and grant in part, and deny in part, SPP's request for rehearing.

I. Background

4. SPP processes generator interconnection requests pursuant to the Interconnection Procedures set forth in Attachment V of its Open Access Transmission Tariff (Tariff).

¹ *Southwest Power Pool, Inc.*, 126 FERC ¶ 61,012 (2009) (Waiver Order).

Consistent with Commission policy set forth in Order No. 2003,² SPP conducts a series of studies³ to evaluate system impacts of generator interconnection requests, estimate additional facility or other system upgrades needed to accommodate these requests, and assign costs for such facilities or system upgrades. SPP's Interconnection Procedures permit SPP, at its option, to study interconnection requests serially or in clusters.⁴ Pursuant to its Tariff, SPP opted to study interconnection requests serially.

5. In its request for waiver, SPP stated that over the past two years, it has received a substantial number of interconnection requests, which has resulted in a significant backlog in the interconnection queue. SPP found the serial study process to be inefficient and began to develop revisions to its Interconnection Procedures through its stakeholder process. SPP planned to file these revisions by March 1, 2009.⁵

6. SPP explained that to address its current queue backlog, it sought a limited, one-time waiver of various provisions in its Interconnection Procedures to allow for the formation of two transitional clusters of approximately 15,000 megawatts (MW) each.⁶

² *Standardization of Generator Interconnection Agreements and Procedures*, Order No. 2003, FERC Stats. & Regs. ¶ 31,146 (2003), *order on reh'g*, Order No. 2003-A, FERC Stats. & Regs. ¶ 31,160, *order on reh'g*, Order No. 2003-B, FERC Stats. & Regs. ¶ 31,171 (2004), *order on reh'g*, Order No. 2003-C, FERC Stats. & Regs. ¶ 31,190 (2005), *aff'd sub nom. Nat'l Ass'n of Regulatory Util. Comm'rs v. FERC*, 475 F.3d 1277 (D.C. Cir. 2007).

³ These studies are the interconnection feasibility study, the interconnection system impact study, and the interconnection facility study (SPP Tariff, Attachment V §§ 6, 7, and 8). At the end of the interconnection feasibility study process and before proceeding to each subsequent study phase, an agreement must be executed between SPP and the interconnection customer (SPP Tariff, Attachment V §§ 6.1, 7.1, 7.2, and 8.1). That is, after an interconnection feasibility study is completed and posted on the transmission provider's Open Access Same Time Information System (OASIS), an interconnection system impact study agreement must be executed before the transmission provider begins the interconnection system impact study. The word "interconnection" will be dropped from these study and agreement titles for the remainder of this order.

⁴ SPP Tariff, Attachment V § 4.2.

⁵ SPP February 9, 2009 Motion at 2-3.

⁶ As discussed below, the following interconnection requests are included in the first cluster: (i) interconnection requests queued between February 5, 2007 and October 2, 2007, for which a feasibility study had been posted but for which no system impact study had been posted; (ii) requests for which a system impact study had been posted but for which no facility study agreement had been executed, although SPP allowed these

(continued...)

SPP also requested waiver of the Interconnection Procedure study time frames and the elimination of the requirement for re-study of projects that drop out of the queue during the feasibility study stage.

7. On January 9, 2009, the Commission granted SPP's request in part and denied waiver of the existing Interconnection Procedure study time frames.⁷ The Commission found that use of the transitional clustering mechanism would aid in the efficient and timely processing of SPP's backlog, further noting that the limited and short-term nature of the waiver – as requested by SPP – made it a reasonable request.⁸ The Commission also granted temporary waiver of restudy requirements at the feasibility study stage for the transitional clusters.⁹ However, the Commission declined to waive the prescribed time frames for completion of the interconnection studies, noting that SPP's assurance that it would make a good faith effort to complete these studies in a timely manner had not alleviated customer concerns.¹⁰ The Commission also required SPP to submit a compliance filing within 30 days of the issuance of the order, specifying the timeline for the completion of pending interconnection requests in the transitional clusters.¹¹ The waiver became effective November 11, 2008, and was to remain in effect until a date specified by the Commission in an order on SPP's planned queue reform filing, or March 1, 2009, if SPP had not made such a filing by that date.¹²

II. SPP's Motion

8. In its February 9, 2009 rehearing request, SPP states that its stakeholder process has taken longer than expected, and SPP now anticipates submitting its queue reform filing by June 1, 2009.¹³ SPP requests that the Commission clarify that the expiration of

customers to opt out of the cluster; and (iii) unstudied requests that had been in the interconnection queue the longest, queued between October 2, 2007 and March 17, 2008. The second cluster consisted of pending, unstudied requests that were queued between March 18, 2008 and June 17, 2008.

⁷ Waiver Order, 126 FERC ¶ 61,012 at P 38.

⁸ *Id.* P 37.

⁹ *Id.* P 39.

¹⁰ *Id.* P 38.

¹¹ SPP submitted this compliance filing on February 9, 2009 in Docket No. ER09-262-002.

¹² Waiver Order, 126 FERC ¶ 61,012 at P 37.

¹³ SPP February 9, 2009 Motion at 2.

the waiver will not affect the two existing 15,000 MW transitional clusters established under the waiver.¹⁴ SPP requests that the transitional clusters remain intact for study purposes after expiration of the waiver, as opposed to the clusters being dissolved and the study process reverting to the serial study process currently articulated in SPP's Interconnection Procedures. To the extent that the Commission does not grant this requested clarification, in the alternative, SPP requests modifying the waiver to permit the limited waiver of these Tariff provisions to be in effect until a date specified by the Commission in an order on SPP's planned interconnection reform filing, or June 1, 2009, if SPP has not made such a filing by that date.¹⁵ SPP also requests further modification that, if SPP has not made a filing by June 1, 2009, SPP may continue to use the transitional clusters to study the pending interconnection requests included in those clusters until the cluster study process is complete or until the Commission acts on SPP's reformed interconnection filing.¹⁶

9. SPP also seeks clarification that the Waiver Order permits all interconnection requests queued between February 5, 2007 and October 2, 2007, that have a feasibility study posted - including those for which a system impact study agreement has been executed - but for which no system impact study has been posted, to be included in the first transitional cluster.¹⁷ To the extent that the Commission does not grant this requested clarification, in the alternative, SPP requests modification of the waiver to include this language.¹⁸

III. Responsive Pleadings

10. On February 24, 2009, Novus Windpower, LLC (Novus) filed a motion to intervene and protest.

IV. Discussion

A. Procedural Matters

11. Novus's motion to intervene and protest is actually either a request for rehearing or an answer to a request for rehearing. Novus's request for rehearing is not timely under Rule 713(b) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.713

¹⁴ *Id.* at 3.

¹⁵ *Id.*

¹⁶ *Id.*

¹⁷ *Id.* at 4.

¹⁸ *Id.* at 4-5.

(2008). Rule 713(d) of the Commission's Rules of Practice and Procedure prohibits answers to requests for rehearing, and we will also reject Novus's answer for this reason.

B. Commission Determination

12. Dissolution of the transitional clusters on March 1, 2009, will cause pending interconnection requests to revert to the current serial study procedures. Therefore, we will extend the waiver granted in the Waiver Order until a date specified by the Commission in an order on SPP's planned queue reform filing, or June 1, 2009, if SPP has not made a filing by that date. This waiver extension will allow the transitional clusters to remain intact while SPP completes its stakeholder process and files its new Interconnection Procedures by June 1, 2009.

13. We will deny SPP's request to provide clarification that the transitional clusters remain intact after expiration of the waiver. The Commission's order established that the Commission's decision to grant this waiver was due, in part, to its limited and short-term nature.¹⁹ We find that an open-ended waiver would be inconsistent with this purpose. The Commission also permitted this waiver based on SPP's assertion that formation of the transitional clusters would provide a smoother transition to its planned queue reform filing.²⁰ In its original petition and in subsequent answers, SPP repeatedly represented to the Commission and concerned parties that it would file its reformed Interconnection Procedures by March 1, 2009. SPP, in its rehearing request, now represents the new filing target as June 1, 2009. While we will grant the requested extension, we will continue to link the term of the waiver to the self-imposed deadline articulated by SPP.

14. We clarify that the Waiver Order permits all interconnection requests queued between February 5, 2007 and October 2, 2007, that have a feasibility study posted – including those for which a system impact study agreement has been executed – but for which no system impact study has been posted, to be included in the first transitional cluster. In its Waiver Order, the Commission based part of its description of the first

¹⁹ Waiver Order, 126 FERC ¶ 61,012 at P 37. We also note that the Commission granted a similar waiver request for the California Independent System Operator (Cal ISO) in Docket No. ER08-960-000 (*See California Independent System Operator*, 124 FERC ¶ 61,031 (2008)). In those proceedings, Cal ISO requested waiver of various provisions in its Interconnection Procedures to allow it to form three study groups in order to process its generator interconnection request backlog more expeditiously and to provide a better transition to a planned Interconnection Procedures reform filing. The Commission granted this waiver due, in part, to the short-term nature of the waiver based on the self-imposed submission deadline Cal ISO proposed for its reform filing.

²⁰ SPP November 10, 2008 Petition at 1.

transitional cluster on the following language contained within SPP's November 10, 2008 petition:

SPP determined to include in the first cluster pending generation interconnection requests for which there are Interconnection Feasibility Studies posted (no executed System Impact Study Agreement).²¹

SPP subsequently identified the interconnection requests that would comprise the first cluster by stating:

As a result of this cluster formation process, the first study cluster will consist of (i) interconnection requests queued between February 5, 2007 and October 2, 2007 that already have an Interconnection Feasibility Study, but no Interconnection System Impact Study posted; (ii) at the interconnection customer's option, pending requests for which an Interconnection System Impact Study has been posted, but no Interconnection Facility Study has been executed; and (iii) pending interconnection requests, with no interconnection study posted, queued between October 2, 2007 and March 17, 2008.²²

SPP's subsequent description more accurately captures all interconnection requests included within the first transitional cluster. The Commission's description created an artificial gap for those interconnection requests with posted feasibility studies and executed system impact study agreements but no posted system impact studies, leaving them in an indeterminate state. This was not the Commission's intent, and accordingly, we clarify that these interconnection requests should be considered in the first transitional cluster.

The Commission orders:

SPP's Request for Rehearing is granted in part, denied in part and clarified in part, as set forth in the body of this order.

By the Commission. Commissioner Kelliher is not participating.

(S E A L)

Kimberly D. Bose,
Secretary.

²¹ *Id.* at 11.

²² *Id.* at 12.

Document Content(s)

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