

133 FERC ¶ 61,202  
UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Jon Wellinghoff, Chairman;  
Marc Spitzer, Philip D. Moeller,  
John R. Norris, and Cheryl A. LaFleur.

Entergy Services, Inc.

Docket No. ER10-794-001

ORDER ON REHEARING

(Issued December 7, 2010)

1. On May 24, 2010, Entergy Services, Inc., acting as agent for the Entergy Operating Companies<sup>1</sup> (collectively, Entergy), and Southwest Power Pool, Inc. (SPP) filed requests for rehearing of the Commission's order addressing Entergy's proposed tariff changes to implement a new transmission curtailment process.<sup>2</sup> In this order, we grant SPP's request for rehearing. We also grant in part and deny in part Entergy's request for rehearing.

**I. Background**

2. On February 23, 2010, Entergy filed revisions to its open access transmission tariff (OATT) pursuant to section 205 of the Federal Power Act (FPA)<sup>3</sup> (February 23 Filing). Entergy submitted a new Attachment X, Local Area Operating Procedures (Local Area Procedures), to implement a new curtailment process under the OATT to be applied when the North American Electric Reliability Corporation's (NERC) transmission loading relief procedures (TLR Procedures) do not effectively relieve a constraint.<sup>4</sup> Entergy also

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<sup>1</sup> The Entergy Operating Companies are: Entergy Arkansas, Inc.; Entergy Gulf States Louisiana, L.L.C.; Entergy Louisiana, LLC; Entergy Mississippi, Inc.; Entergy New Orleans, Inc.; and Entergy Texas, Inc.

<sup>2</sup> *Entergy Services, Inc.*, 131 FERC ¶ 61,067 (2010) (April 23 Order).

<sup>3</sup> 16 U.S.C. § 824d (2006).

<sup>4</sup> NERC Standard IRO-006-4.1 – Reliability Coordination – Transmission Loading Relief (TLR) provides for procedures to identify and respond to system constraints. The  
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sought to couple the NERC TLR Procedures with supplemental procedures (Supplemental Curtailment Procedures) that would allow for non-firm, non-interchange curtailments beyond the non-firm, interchange transactions<sup>5</sup> curtailed under the NERC TLR Procedures.

3. In the April 23 Order, the Commission found that Entergy's proposed revisions to its OATT incorporating its Local Area Procedures were not consistent with or superior to the *pro forma* OATT and, therefore, rejected the proposed tariff sheets.<sup>6</sup> The Commission found it reasonable to treat curtailment of non-firm, non-interchange transactions consistent with non-firm, interchange transactions, but stated that the proposed Local Area Procedures did not further that outcome and would instead create a disparity in how comparable transmission transactions would be curtailed. The Commission also found that, with revisions, Entergy's proposed Supplemental Curtailment Procedures were consistent with or superior to the *pro forma* OATT and therefore accepted, with modifications, the associated tariff sheets. Entergy proposed to curtail non-firm, non-interchange transactions at NERC TLR Level 4, while the NERC TLR Standard provides for curtailment of non-firm, interchange transactions at NERC TLR Level 3. Therefore, the Commission required Entergy to add language to the Supplemental Curtailment Procedures in the OATT specifying that it will implement non-firm, non-interchange curtailment at NERC TLR Level 3 to ensure that Entergy curtails non-firm, non-interchange transactions and non-firm, interchange transactions in a comparable manner.

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NERC TLR Procedures include seven successive steps, from Level 1 (identification of potential system limit violations), through Levels 2-6 (steps ordering various transmission system operating modifications), through Level 0 (conclusion of a TLR event).

<sup>5</sup> Interchange transactions refer to transactions between two or more balancing authority areas.

<sup>6</sup> The rejected tariff sheets are Attachment X, revisions to Attachment S, and corresponding revisions to sections 14.7 and 33.4. See April 23 Order, 131 FERC ¶ 61,067 at P 50 & n.70.

## II. Discussion

### A. SPP's Request for Rehearing

#### Comparable Treatment of Interchange and Non-Interchange Transactions

4. SPP asks the Commission to clarify its references in the April 23 Order to comparability in the curtailment of interchange and non-interchange transactions. According to SPP, curtailing non-firm, non-interchange transactions at NERC TLR Level 3 as the Commission directed, instead of at NERC TLR Level 4 as proposed by Entergy, does not result in comparable treatment. SPP argues that the *pro rata* curtailment of non-firm, non-interchange schedules at NERC TLR Level 3 is not technically feasible and thus comparability with *pro rata* curtailment of non-firm, interchange schedules cannot be achieved, regardless of where in the NERC TLR process curtailment of non-firm, non-interchange transmission schedules is ordered. SPP asserts that the Commission's ruling shifts the non-comparable treatment by according priority rights to non-firm, interchange transactions, which are curtailed *pro rata* at NERC TLR Level 3, while subordinating corresponding non-firm, non-interchange transactions, which are cut in their entirety at TLR Level 3, per Commission directive.

5. SPP seeks clarification that the Commission's comparability requirement in the April 23 Order will be satisfied by curtailing all non-firm, non-interchange transactions at NERC TLR Level 3 without any additional modifications to currently effective procedures. SPP argues that the requested clarification is necessary and appropriate in the event that customers serving load with non-firm, non-interchange schedules perceive the ordered modification as creating undue discrimination in favor of non-firm, interchange schedules that are cut only *pro rata* as necessary to relieve the identified congestion at NERC TLR Level 3.

6. SPP specifically requests clarification that the Commission's requirement to treat interchange and non-interchange transactions comparably:

(i) is intended and properly understood in the context of the technical limitations that currently preclude *pro rata* curtailment of non-interchange schedules at [NERC] TLR Level 3; (ii) does not compel *identical* curtailment treatment of internal and interchange non-firm schedules; and (iii) does not require additional changes to the Supplemental Curtailment Procedures or the [NERC] TLR process beyond

the tariff modification specifically ordered in paragraph 56 of the April 23 Order.<sup>7</sup>

### **Commission Determination**

7. We will grant SPP's rehearing request. In the April 23 Order, the Commission required Entergy to add certain language to the Supplemental Curtailment Procedures specifying that it will implement non-firm, non-interchange curtailment at NERC TLR Level 3:

In the event that the Reliability Coordinator issues a NERC TLR Level 3 curtailing non-firm transmission transactions, the Reliability Coordinator shall curtail all non-firm transmission transactions within the Entergy balancing authority area, consistent with the OATT's priority levels for non-firm curtailment.<sup>[8]</sup>

At the same time, however, the Commission recognized that *pro rata* curtailment of non-firm, non-interchange transactions at NERC TLR Level 3 is, at present, technically infeasible.<sup>9</sup>

8. Thus, we agree with SPP and clarify that the Commission's statements regarding comparability must be understood in the context of the technical limitations that preclude *pro rata* curtailment of non-firm, non-interchange transactions at NERC TLR Level 3. In this regard, as SPP requests, we clarify that we do not compel identical curtailment of non-interchange and interchange non-firm transactions at present. Finally, we clarify, as requested by SPP, that no further changes to the Supplemental Curtailment Procedures or the NERC TLR process beyond that specified in the April 23 Order are required.

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<sup>7</sup> SPP's Request for Rehearing at 4.

<sup>8</sup> April 23 Order, 131 FERC ¶ 61,067 at P 56.

<sup>9</sup> *Id.* P 56 n.73.

**B. Entergy's Request for Rehearing****1. Implementation of Non-discriminatory Procedures for Non-interchange Transactions when NERC TLR Procedures Do Not Sufficiently Mitigate Constraints**

9. Given the Commission's rejection of Entergy's Local Area Procedures in the April 23 Order, Entergy requests that the Commission clarify how Entergy may implement non-discriminatory procedures for curtailment of non-interchange transactions when the NERC TLR Procedures will not sufficiently mitigate constraints. Further, Entergy asks whether it may curtail transactions with constraint impacts below 5 percent.

10. Entergy states that the current Commission-approved NERC TLR Procedures employ a 5 percent impact threshold to determine which interchange transactions will be subject to curtailment. It argues that the 5 percent threshold does not provide sufficient relief to mitigate the constraints on the Entergy transmission system. Further, Entergy contends that this will be the case even after Entergy implements its new Supplemental Curtailment Procedures for non-firm, non-interchange transactions. According to Entergy, the 5 percent threshold for curtailing all impacting interchange and non-interchange transactions will not always be sufficient to clear the constraint. Entergy states that its operational experience confirms that critical transmission facilities often are constrained even when the Interchange Distribution Calculator (IDC)<sup>10</sup> indicates that there are no interchange transactions that satisfy the 5 percent threshold under the NERC TLR Procedures.

11. Entergy explains that, to an increasing extent, internal generators and a discrete set of interchange transactions are the predominant cause of constraints on the Entergy system. In many of these instances, according to Entergy, its operators must apply local constraint-relief procedures to those generators with impacts below the 5 percent threshold. Entergy maintains that, if it were not able to apply local procedures to non-Entergy generators with impacts below the 5 percent threshold, its only options would be to redispatch or curtail only its own generators or shed load, which Entergy contends would be both unduly discriminatory and inconsistent with good utility practice in either case. Entergy further contends that section 14.7 of the Entergy OATT authorizes the Transmission Provider to implement curtailment procedures as necessary to relieve transmission congestion and maintain reliability and provides that the

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<sup>10</sup> The IDC is a mechanism used by reliability coordinators in the Eastern Interconnection to calculate the distribution of interchange transactions over specific flowgates. It includes a database of all interchange transactions and a matrix of the distribution factors for the Eastern Interconnection.

Transmission Provider will rely upon the NERC TLR Procedures whenever those procedures “would effectively resolve the constraint.” Entergy states that its local procedures are intended to apply only in those situations where the NERC TLR Procedures and Entergy’s new Supplemental Curtailment Procedures will not effectively resolve the constraint.

12. As it prepares alternatives to the Local Area Procedures rejected in the April 23 Order, Entergy seeks clarification that it may implement redispatch and curtailment procedures that include impact thresholds lower than under the NERC TLR Procedures as long as it applies the local procedures in a non-discriminatory manner. For example, if the Entergy operators determine that it is necessary to redispatch or curtail generators that impact a constrained facility by 3 percent, Entergy states that it would apply its local procedures to any generator – Entergy network resources and other entities’ generators alike – that has such an impact on the constrained facilities. Entergy adds that this would apply to impacting Entergy and non-Entergy generators delivering within, from outside (imports), and out of (exports) the Entergy transmission system.

13. In addition, Entergy states that, consistent with the April 23 Order, the NERC TLR Procedures, and the Supplemental Curtailment Procedures, all interchange and internal non-interchange transactions with impacts equal to or greater than 5 percent will already have been curtailed before Entergy applies the lower thresholds under the local procedures.

### **Commission Determination**

14. We will grant rehearing on this issue. Initially, we clarify that the Commission did not reject Entergy’s proposed Local Area Procedures because they curtailed transactions below the 5 percent NERC TLR threshold.<sup>11</sup> As we noted in the April 23 Order, the *pro forma* OATT does not set curtailment impact thresholds at any numeric level.<sup>12</sup> Rather, the *pro forma* OATT requires that transactions be curtailed on a non-discriminatory basis to effectively relieve the constraint. Invocation of the NERC TLR Procedures is one option under the *pro forma* OATT for curtailing on a non-discriminatory basis.<sup>13</sup> We note, however, that any curtailment mechanism must be

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<sup>11</sup> The Commission’s rejection of Entergy’s proposed Local Area Procedures is explained in the April 23 Order, 131 FERC ¶ 61,067 at P 50-53.

<sup>12</sup> April 23 Order, 131 FERC ¶ 61,067 at P 58.

<sup>13</sup> See *pro forma* OATT section 13.6 (Transmission Provider may elect to implement such Curtailments pursuant to the Transmission Loading Relief procedures specified in Attachment J), section 14.7 (Transmission Provider may elect to implement such Curtailments pursuant to the Transmission Loading Relief procedures specified in

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implemented consistent with the requirements for curtailments contained in the applicable OATT.

15. Entergy has elected to use the NERC TLR procedure as the default procedure in at least one curtailment provision of its OATT (section 14.7)<sup>14</sup> and, therefore, is obligated to use the NERC TLR Procedures in the first instance for this provision. The NERC TLR procedures, as recognized by the Commission, call for the curtailment or reduction of interchange transactions that flow across an overloaded or potentially overloaded facility when 5 percent or more of the interchange transaction flows across the overloaded facility.<sup>15</sup> With respect to its OATT section 14.7, we clarify that Entergy may implement redispatch and, if necessary, curtailment procedures that include impact thresholds lower than under the NERC TLR Procedures when NERC TLR Procedures and the Supplemental Curtailment Procedures will not sufficiently mitigate constraints, as long as Entergy applies such procedures in a not unduly discriminatory manner. Entergy states that it intends to treat both Entergy network resources and other entities' generators on a comparable basis to redispatch or curtail generators that impact a constrained facility by a percentage less than 5 percent and that it would apply such procedures to impacting Entergy and non-Entergy resources delivering within, from outside (imports), and out of (exports) the Entergy transmission system on a comparable basis. Such curtailment procedures are consistent with an approach that is not unduly discriminatory, although

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Attachment J), and section 33.4 (curtailments of network service scheduled deliveries in accordance with the Network Operating Agreement or pursuant to the Transmission Loading Relief procedures specified in Attachment J).

<sup>14</sup> See Energy Services, Inc., FERC Electric Tariff, third Revised Volume No. 3, Original Sheet No. 71, section 14.7 (effective July 13, 2007) (*available at* <http://www.oatioasis.com/EES/EESdocs/tariffs1.html>, viewed August 10, 2010) (stating that the Transmission Provider will use the NERC TLR procedures currently in effect and accepted by FERC where the TLR Procedures would effectively relieve the constraint).

<sup>15</sup> See NERC Standard IRO-006-4.1 – Reliability Coordination – Transmission Loading Relief, pages 12-14 (providing for curtailment of transactions at or above the Curtailment Threshold), approved in Order No. 713-A, 126 FERC ¶ 61,252 (2009), *order on reh'g*, Order No. 713-B, 130 FERC ¶ 61,032 (2010); NAESB WEQ Transmission Loading Relief Standards – Eastern Interconnection Standards – WEQ-008, Version 001, section 008-3.10 (establishing that the Curtailment Threshold for the Eastern Interconnection is 0.05 (5 percent)) (October 31, 2007), approved in *Standards for Business Practices and Communication Protocols for Public Utilities*, Order No. 676-C, 73 Fed. Reg. 43,848 (July 29, 2008), FERC Stats. & Regs. ¶ 31,274 (2008).

Entergy must also ensure that its procedures follow the other requirements stated in the applicable OATT provisions.<sup>16</sup>

**2. ICT's Suggested Approach for Implementation of the Supplemental Curtailment Procedures**

16. In its rehearing request, Entergy states that in order to implement the April 23 Order, SPP, as Entergy's Independent Coordinator of Transmission (ICT) and Reliability Coordinator, suggested an approach to implement the Commission's directive requiring curtailment of all non-firm, non-interchange transactions at NERC TLR Level 3, consisting of the following steps:

- (1) Identify generators with a 5 percent or greater Generator to Load Distribution Factors (GLDF) on the congested flowgate;
- (2) After determining all generators with a GLDF of 5 percent or greater, identify the subset of those generators that have internal non-firm service contained wholly within the Entergy balancing area (BA);
- (3) On the tag summary screen on OASIS, identify the generators with relevant schedules for the current day;
- (4) Identify the non-firm schedules in the OASIS column that match the priority level of the IDC scheduled curtailments based on the TLR issued; and
- (5) Provide the schedule (tag code) to Entergy for curtailment of identified internal non-firm schedules.<sup>17</sup>

17. Entergy seeks clarification of whether the ICT's suggested approach for implementing the Supplemental Curtailment Procedures complies with the requirements of the April 23 Order and properly reflects the Commission's intent.

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<sup>16</sup> See, e.g., Entergy OATT section 14.7 (requiring, *inter alia*, that "if multiple transactions require Curtailment or Interruption, to the extent practicable and consistent with Good Utility Practice, Curtailments or Interruptions will be made to transactions of the shortest term . . . .").

<sup>17</sup> Entergy's Request for Rehearing at 6.

### **Commission Determination**

18. We will deny Entergy's rehearing request on this issue. Entergy's request for approval of the ICT's proposed approach for implementing the Supplemental Curtailment Procedures is outside the scope of this proceeding. If Entergy or the ICT would like the Commission to consider this approach, which was submitted for the first time in Entergy's request for rehearing, Entergy must make a new filing.<sup>18</sup>

19. Moreover, the *pro forma* OATT, the April 23 Order, and our clarification provided above in response to SPP's rehearing request, provide ample detail for Entergy and the ICT regarding how to implement the April 23 Order.

### **3. Exemption of QF Puts from Curtailment under the Supplemental Curtailment Procedures**

20. Entergy requests confirmation that it is acceptable for the Supplemental Curtailment Procedures to exempt qualified facility (QF) puts from curtailment under the ICT's proposed approach discussed above. Entergy explains that the ICT's proposed approach only curtails schedules based on tags and thus internal, non-firm QF puts, which are not tagged, will not be curtailed. Entergy states that the Commission acknowledged in the April 23 Order that QF puts would not have been curtailed under the Supplemental Curtailment Procedures,<sup>19</sup> but did not address arguments as to whether it was appropriate to shield QF puts from curtailment.<sup>20</sup> Instead, the Commission ruled that it "will take appropriate action on the issues raised ... when it acts in [another] proceeding."<sup>21</sup> Entergy adds that the Commission stated that this deferral "does not

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<sup>18</sup> By filing the approach as part of a rehearing request, Entergy has prevented interested entities from answering or commenting upon it. *See Central Maine Power Co.*, 90 FERC ¶ 61,198, at 61,640-61,641 (2000) (rejecting applicant's proposed alternative filing submitted with its rehearing request because it prevented interested parties from answering or commenting upon the submission).

<sup>19</sup> Entergy's Request for Rehearing at 7 (citing April 23 Order, 131 FERC ¶ 61,067 at P 23) ("Entergy explains that the ICT requested that Entergy exclude the curtailment of unscheduled deliveries from QFs as part of the Business Practice pending further guidance from the Commission on how to treat QFs for modeling purposes.").

<sup>20</sup> *Id.* at 7 (citing April 23 Order, 131 FERC ¶ 61,067 at P 54).

<sup>21</sup> *Id.*

mitigate Entergy's continued obligation to comply with applicable PURPA<sup>[22]</sup> regulations and OATT curtailment requirements."<sup>23</sup>

21. Entergy contends that the apparent tension between the applicable PURPA regulations and the OATT curtailments was the very reason that it put this issue before the Commission, and while the Commission did not state whether it was appropriate to curtail QF puts under the Supplemental Curtailment Procedures, the Commission did require that the following language be added to Entergy's OATT:

In the event that the Reliability Coordinator issues a NERC TLR Level 3 curtailing non-firm transmission transactions, the Reliability Coordinator shall curtail ***all non-firm transmission transactions*** within the Entergy balancing authority area, consistent with the OATT's priority levels for non-firm curtailment.<sup>[24]</sup>

22. Entergy argues that the need for clarification is heightened by the Commission's statement that "accurate tagging will be necessary to effectively implement the Supplemental Curtailment Procedures and ensure comparable treatment of intra- and inter-balancing area curtailments."<sup>25</sup> Entergy states that it is unclear whether the Commission's admonition about "accurate tagging" was intended to mean that, like all other non-firm transactions, QF puts should be tagged so that they could be curtailed under the Supplemental Curtailment Procedures accepted by the Commission.

23. Since, according to Entergy, the primary basis for the Commission's rejection of Entergy's proposed Local Area Procedures was the fact that non-firm, interchange and non-firm, non-interchange transactions with similar impacts on flowgates were not being treated identically, Entergy states that it would not be unreasonable to interpret the Commission's required tariff language to compel the same result for QF put curtailments under the Supplemental Curtailment Procedures. Entergy explains that a substantial percentage of QF puts will impact constrained Entergy flowgates to the same or even

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<sup>22</sup> Public Utilities Regulatory Policies Act of 1978 § 210, 16 U.S.C. § 824a-3 (2006) (PURPA).

<sup>23</sup> Entergy's Request for Rehearing at 7 (citing April 23 Order, 131 FERC ¶ 61,067 at P 54).

<sup>24</sup> Entergy's Request for Rehearing at 8 (emphasis added) (citing April 23 Order, 131 FERC ¶ 61,067 at P 56).

<sup>25</sup> April 23 Order, 131 FERC ¶ 61,067 at P 56 n.72.

greater extent than will non-firm, interchange and non-firm, non-interchange transactions. Therefore, if non-tagged QF puts are exempt from curtailment, Entergy contends that this would appear to sanction discriminatory treatment under the Supplemental Curtailment Procedures. On the other hand, Entergy states, such discriminatory treatment may be justified, as certain intervenors argue, by Entergy's "continued obligation to comply with applicable PURPA regulations...."<sup>26</sup>

24. Entergy requests that the Commission clarify whether: (1) the ICT's proposed approach to implement Entergy's Business Practice is consistent with the April 23 Order because differing treatment of QF puts is permitted under PURPA; and (2) whether the Commission's use of the phrase "*all* non-firm transmission transactions within the Entergy balancing authority area" was intended to include QF puts.<sup>27</sup>

### **Commission Determination**

25. We will deny Entergy's rehearing request on this issue. As accepted, the Supplemental Curtailment Procedures, like the *pro forma* OATT, do not specify the treatment of QF puts during curtailments. Thus, our acceptance of the procedures does not require clarification of the treatment of QF puts any more than the *pro forma* OATT does.

26. In addition, like the ICT's proposed approach toward curtailment of non-firm, non-interchange transactions described above, whether QF puts should be exempted from curtailment under the Supplemental Curtailment Procedures is outside the scope of this proceeding. As the Commission explained in the April 23 Order, issues concerning the interplay of PURPA put purchase obligations, implementing Commission regulations, and OATT obligations are matters of concern that are currently pending before the Commission in the Entergy Criteria Manuals proceeding in Docket Nos. ER05-1065-011 and OA07-32-008.<sup>28</sup>

27. Further, Entergy's original filing requesting Commission acceptance of its Supplemental Curtailment Procedures noted that these curtailment procedures excluded treatment of QF puts.<sup>29</sup> It was based upon that representation, i.e., the exclusion of QF

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<sup>26</sup> Entergy's Request for Rehearing at 9 (citing April 23 Order, 131 FERC ¶ 61,067 at P 54).

<sup>27</sup> *Id.* (emphasis added) (citing April 23 Order, 131 FERC ¶ 61,067 at P 56).

<sup>28</sup> April 23 Order, 131 FERC ¶ 61,067 at P 54.

<sup>29</sup> Entergy's February 23, 2010 Filing at 7.

puts from the Supplemental Curtailment Procedures, that the Commission accepted Entergy's proposal.

#### 4. **Immediate Use of GLDF Rather than GSF**

28. In the April 23 Order, we addressed arguments asserting that Entergy should use the Generator to Load Distribution Factor (GLDF)<sup>30</sup> metric to measure generators' congestion impacts upon transmission system flowgates, rather than the alternate Generator Shift Factor (GSF)<sup>31</sup> metric.<sup>32</sup> In the February 23 Filing, Entergy stated that it planned to initially employ the GSF measure while it and the ICT studied possible future implementation of the GLDF measure.<sup>33</sup> In the April 23 Order, we noted certain apparent advantages of the GLDF measure over the GSF measure.<sup>34</sup> We stated that "while Entergy and the ICT are studying future implementation of the GLDF methodology, this does not release Entergy from an obligation to employ an accurate method for measurement of the impacts of transactions on the constraint at the present."<sup>35</sup>

29. In its rehearing request, Entergy states that the ICT intends to immediately use the GLDF measure, rather than the GSF measure, to determine which generators' schedules impact constrained flowgates and seeks confirmation that this approach is acceptable. Entergy's original filing contained a business practice to implement the Supplemental Curtailment Procedures that used the GSF measure, but the tariff sheets it submitted that proposed the Supplemental Curtailment Procedures and that were modified and accepted by the Commission did not include the GSF measure.

30. Entergy explains that, during discussions leading up to the February 23 Filing, the ICT expressed its belief that GLDF was a more accurate indicator of a generator's

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<sup>30</sup> The Generator to Load Distribution Factor represents the algebraic sum of a Generator Shift Factor and a Load Shift Factor to determine the total impact of an [i]nterchange [t]ransaction on an identified transmission facility or flowgate.

<sup>31</sup> The Generator Shift Factor reflects a generator's impact on a flowgate, representing the change in flow on a flowgate due to an incremental injection at a generator bus, and a corresponding withdrawal at the swing bus.

<sup>32</sup> April 23 Order, 131 FERC ¶ 61,067 at P 60-64.

<sup>33</sup> *Id.* P 60 n.76.

<sup>34</sup> *Id.* P 64.

<sup>35</sup> *Id.*

impacts, while Entergy preferred the GSF measure. Entergy states that it and the ICT agreed to move forward using GSF, but to evaluate the real-time data compiled over the summer and report back to the Commission. Entergy notes that, although the April 23 Order stated that the GLDF “appears to offer advantages over the GSF method,”<sup>36</sup> the Commission did not rule either way, except to state that Entergy was not released “from an obligation to employ an accurate method for measurement of the impacts of transactions on the constraint at the present.”<sup>37</sup>

31. Entergy states that it is concerned that GLDF is not the most accurate method for the measurement of flow impacts because GLDF can only reflect the impact of decrementing load, while GSF reflects a generator’s incrementing and decrementing output. Entergy also argues that GLDF does not accurately recognize the adverse impact on the constrained facilities caused by increasing load on the other side of the constraint. Entergy argues that, had the Commission ordered Entergy to use GLDF, Entergy would be certain that the ICT’s decision to use GLDF was acceptable. Entergy states, however, that “in light of the direction that Entergy must employ the method that is more accurate,”<sup>38</sup> its concerns about the use of GLDF called into question the ICT’s decision, especially before the ICT has reviewed operating data. Entergy thus seeks clarification that it is acceptable for the ICT to use GLDF until the ICT and Entergy have compiled information shedding more light on the accuracy of GLDF versus GSF. In the meantime, Entergy states that it has advised the ICT that Entergy reserves the right to revise a business practice implementing the Supplemental Curtailment Procedures if operating data confirm Entergy’s belief that GSF will be more accurate.

### **Commission Determination**

32. We will grant rehearing and provide the requested clarification. First, as noted above, Entergy did not specify the use of either method in the tariff filing containing the Supplemental Curtailment Procedures, nor was the method to be used contained in the Commission’s modifications to those procedures. Thus, the use of a particular method was not before the Commission for consideration. While the Commission in the April 23 Order noted certain apparent advantages of the GLDF method, it explained that it was not mandating the use of either the GLDF or the GSF method of determining a transaction’s impact on a constraint. As Entergy notes, the Commission stated only that Entergy has an obligation to employ “*an accurate method* for measurement of the impacts of

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<sup>36</sup> Entergy’s Request for Rehearing at 10 (citing April 23 Order, 131 FERC ¶ 61,067 at P 64).

<sup>37</sup> *Id.*

<sup>38</sup> *Id.* at 11.

transactions on the constraint at the present.”<sup>39</sup> Moreover, Entergy stated that the ICT and Entergy would compile information shedding more light on the accuracy of GSF versus GLDF over the summer season.<sup>40</sup> Therefore, without mandating either approach, we clarify that it is acceptable for the ICT to use GLDF while the ICT and Entergy compile and analyze information shedding more light on the accuracy of GLDF versus GSF.

The Commission orders:

(A) SPP’s request for rehearing is hereby granted, as discussed in the body of this order.

(B) Entergy’s request for rehearing is hereby granted in part and denied in part, as discussed in the body of this order.

By the Commission.

( S E A L )

Nathaniel J. Davis, Sr.,  
Deputy Secretary.

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<sup>39</sup> April 23 Order, 131 FERC ¶ 61,067 at P 64 (emphasis added).

<sup>40</sup> Entergy’s February 23, 2010 Filing at 6 n.12.