

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Joseph T. Kelliher, Chairman;
Nora Mead Brownell, and Suedeen G. Kelly.

Electric Quarterly Reports	Docket No. ER02-2001-005
Capital Power, Inc.	Docket No. ER03-622-000
Energy Investments Management, Inc.	Docket No. ER02-2338-000
New Light Energy, LLC	Docket No. ER04-683-000
Premier Energy Marketing, LLC	Docket No. ER03-101-000
Sprague Energy Corp.	Docket No. ER02-1499-000
TME Energy Services	Docket No. ER02-1595-000

ORDER REVOKING MARKET-BASED RATE TARIFFS
AND TERMINATING SECTION 206 PROCEEDINGS

(Issued April 20, 2006)

1. On February 17, 2006, the Commission issued an order announcing its intent to withdraw the market-based rate authority of six public utilities that had failed to file their required Electric Quarterly Reports.¹ The Commission gave the utilities fifteen days in which to file their overdue Electric Quarterly Reports or face revocation of their market-based rate tariffs. The Commission also initiated a proceeding under section 206 of the Federal Power Act to determine whether any refunds would be appropriate as the result of any continued wholesale power sales at market-based rates by these entities while they were not in compliance with their obligation to timely file their Electric Quarterly Reports.

2. In Order No. 2001, the Commission revised its public utility filing requirements and established a requirement for public utilities, including power marketers, to file Electric Quarterly Reports summarizing the contractual terms and conditions in their agreements for all jurisdictional services (including market-based power sales, cost-based

power sales, and transmission service) and providing transaction information (including

¹ *Electric Quarterly Reports*, 114 FERC ¶ 61,172 (2006) (February 17 Order).

rates) for short-term and long-term power sales during the most recent calendar quarter.²

3. In the February 17 Order, the Commission directed the public utilities it had identified to file the required reports within 15 days of the date of issuance of the order or face revocation of their authority to sell power at market-based rates and termination of their electric market-based rate tariffs.³

4. On February 23, 2006, TME Energy Services (TME) submitted a letter to the Commission reporting that it had not conducted any market-based transactions under its market-based rate authority since the issuance of the Commission's February 17 Order, that it did not intend to conduct any future transactions, and requesting the cancellation of its Rate Schedule FERC No. 1.⁴

5. On March 8, 2006, Sprague Energy Corp. (Sprague Energy) filed a Notice of Cancellation of its FERC Electric Tariff, Original Volume No. 1 effective January 1, 2006 and a request that the Commission terminate its market-based rate tariff.⁵ In its filing, Sprague Energy stated that it "entered into its last transaction under its market-based rate tariff in November 2005. Sprague Energy's last wholesale sale of electricity corresponded with the last meter read of that month." Sprague Energy also stated that it would file its third and fourth quarter Electric Quarterly Reports and those reports were, in fact, filed on March 8, 2006.

6. The time period for compliance with the February 17 Order has elapsed. Four of the six companies identified in the February 17 Order (Capital Power, Inc.; Energy Investments Management, Inc.; New Light Energy, LLC; and Premier Energy Marketing, LLC) have failed to file their delinquent Electric Quarterly Reports. The other two companies, TME and Sprague Energy, have notified the Commission that they request cancellation of their market-based rate authorizations. Thus, the Commission will revoke the market-based rate authority for the four companies listed in the caption of this order

² *Revised Public Utility Filing Requirements*, Order No. 2001, 67 Fed. Reg. 31043, FERC Stats. & Regs. ¶ 31,127 (April 25, 2002), *reh'g denied*, Order No. 2001-A, 100 FERC ¶ 61,074, *reconsideration and clarification denied*, Order No. 2001-B, 100 FERC ¶ 61,342, *order directing filings*, Order No. 2001-C, 101 FERC ¶ 61,314 (2002).

³ February 17 Order at Ordering Paragraph A.

⁴ TME Energy Services, Power Marketer Status Request for Cancellation, Docket No. ER06-669-000, filed on February 23, 2006.

⁵ Sprague Energy Corp., Notice of Cancellation, Docket Nos. ER02-1499 and ER06-744, filed on March 8, 2006.

that have not requested that their market-based rates be cancelled. The Commission will cancel the market-based rates of TME and Sprague Energy.

7.

8. In the February 17 Order, the Commission also determined that these companies' continued failure to file their Electric Quarterly Reports provided "a basis for the Commission to institute a proceeding under section 206 of the Federal Power Act (FPA), to determine whether these companies may continue to make wholesale power sales at market-based rates and whether any refunds would be appropriate."⁶

9. The submittals from TME and Sprague Energy report that that they have made no sales under the market-based rate tariffs since the refund effective date. Moreover, as to the four companies that did not respond to the February 17 Order, upon informal inquiry, we have found no indication of any sales made under these companies' market-based rate tariffs for the short period since the refund effective date, and no evidence has been presented otherwise. Therefore, the Commission will terminate the proceedings initiated under section 206 of the FPA in the February 17 Order.

10.

11. The Commission orders:

12.

13.(A) Sprague Energy's market-based rate tariff is hereby cancelled, effective January 1, 2006.

14.

15.(B) TME's market-based rate tariff is hereby cancelled, effective on the date of issuance of this order.

16.

17.(C) The Commission hereby revokes the market-based rate authority and terminates the electric market-based rate tariff for: Capital Power, Inc.; Energy Investments Management, Inc.; New Light Energy, LLC; and Premier Energy Marketing, LLC.

18.

19.(D) The Commission hereby terminates the proceedings initiated under section 206 of the FPA in the February 17 Order, as discussed in the body of this order.

20.

By the Commission.

(S E A L)

Magalie R. Salas,
Secretary.

⁶ February 17 Order at Ordering Paragraph B.