

UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

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

Alcoa Power Generating Inc.  
(Long Sault Division)

Docket No. ER06-1094-010

ORDER GRANTING REQUEST FOR WAIVER

(Issued October 19, 2006)

1. On June 1, 2006, the Long Sault Division (Long Sault) of Alcoa Power Generating Inc. (APGI) filed a request for a waiver from the standards adopted by the Commission in Order No. 676.<sup>1</sup> In this order, the Commission grants the requested waiver, as discussed below.

**Background**

2. In Order No. 676, the Commission incorporated by reference in its regulations certain standards promulgated by the Wholesale Electric Quadrant (WEQ) of the North American Energy Standards Board (NAESB). In addition, the Commission directed public utilities to comply with these standards and revise their open access transmission tariffs (OATT) to include these standards. The standards establish a set of business practice standards and communications protocols (Standards WEQ-001, 002, and 003) for the electric industry that replace the Commission's existing Open Access Same-Time Information Systems (OASIS) standards, and also include business practices to complement reliability standards of the North American Electric Reliability Council (NERC) (Standards WEQ-004, 005, 006, and 007). As an alternative to complying with the standards, Order No. 676 gave public utilities the option of applying for a waiver, in whole or part, of the standards.

3. Specifically, Order No. 676 required public utilities to revise their OATTs to include the following WEQ standards: WEQ-001 – Business Practices for Open Access Same-Time Information Systems (OASIS); WEQ-002 – Business Practices for Open

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<sup>1</sup> *Standards for Business Practices and Communication Protocols for Public Utilities*, Order No. 676, 71 *Fed. Reg.* 26,199, FERC Stats. & Regs., Regulations Preambles ¶ 31,216, *order on reh'g*, Order No. 676-A, 116 FERC ¶ 61,255 (2006).

Access Same-Time Information Systems (OASIS) Standards & Communication Protocols; WEQ-003 -- Open Access Same-Time Information Systems (OASIS) Data Dictionary; WEQ-004 – Coordinate Interchange; WEQ-005 – Area Control Error (ACE) Equation Special Cases; WEQ-006 – Manual Time Error Correction; and (WEQ-007) – Inadvertent Interchange Payback.<sup>2</sup>

4. As explained above, Order No. 676 also permitted public utilities to request a waiver of specific standards by explaining the reasons why the waiver should be granted. Further, Order No. 676 stated that public utilities, including ISOs and RTOs, that have existing waivers of certain OASIS standards may reapply for such waivers using simplified procedures. These streamlined procedures require an applicant to identify the specific standard(s) from which it seeks waiver and to provide the caption, date, and docket number of the proceeding in which it previously received the waiver. In addition, an applicant must certify that the circumstances warranting its waiver(s) have not changed.<sup>3</sup>

## **Discussion**

### **Description of the Applicant**

5. APGI is a wholly-owned subsidiary of Alcoa Inc. (Alcoa), which owns and/or operates 10 aluminum smelters and associated fabricating facilities. APGI provides Alcoa, either from APGI's own resources or from purchases, with all of the power needed for Alcoa's smelters. APGI also owns limited transmission facilities that connect its generation assets to Alcoa's smelters, as well as interconnect with nearby public utilities. According to APGI, it uses its generation and transmission assets primarily to meet Alcoa's industrial energy requirements. APGI adds that it makes only limited power sales into wholesale power markets, and only incidentally provides transmission service.<sup>4</sup>

6. As one of APGI's five divisions, Long Sault owns five 115 kV transmission lines (each approximately seven miles long) in northern New York that connect the Alcoa Massena Operations with Alcoa's electric energy suppliers. The three lines relevant here, referred to by APGI as its "Moses-to-Alcoa" (MAL) lines, connect the Alcoa Massena Operations with the New York Power Authority's (NYPA) Moses substation at the St.

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<sup>2</sup> Order No. 676 at P 19.

<sup>3</sup> *Id.* at P 79.

<sup>4</sup> APGI Waiver request in Docket No. OA06-5-000 submitted on May 25, 2006 at 1.

Lawrence Project. These three MAL lines are not under the operational control of the New York Independent System Operator, Inc. Two of these three MAL lines have a tap that connects the lines to the Town of Massena Electric Utility Board (Town of Massena). Long Sault provides transmission service for the Town of Massena under a long term transmission service contract that predates Order Nos. 888<sup>5</sup> and 889<sup>6</sup> and Long Sault's Open Access Transmission Tariff (OATT).

### **Basis for Granting Waiver**

7. Long Sault states that it has never received a request for transmission over the MAL lines under the Long Sault OATT. Long Sault speculates that the lack of requests is likely due to the configuration of the MAL lines, which are used to provide power for Alcoa's Massena Operations directly from NYPA generation and to provide transmission service to the Town of Massena. Under the current configuration, Long Sault argues, the MAL lines could not serve any users other than Alcoa and the Town of Massena. Long Sault certifies that the circumstances that would warrant waiver of the OASIS requirements have not changed.<sup>7</sup>

8. In its waiver application, Long Sault requests that the waiver of the Order No. 889 OASIS requirements be continued and also requests full waiver of the newly created standards governing firm and non-firm redirects (WEQ-001-9 and 001-10), multiple transmission requests (WEQ-001-8), and the reliability-related standards: WEQ-004 (Coordinate Interchange), WEQ-005 (Area Control Error Equation Special Cases), WEQ-006 (Manual Time Error Correction), and WEQ-007 (Inadvertent Interchange Payback). In support of its latter request for waiver, Long Sault states that waiver is warranted because: (1) the configuration of its MAL transmission lines prevents it from accessing

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<sup>5</sup> *Promoting Wholesale Competition Through Open Access Non-discriminatory Transmission Services by Public Utilities; Recovery of Stranded Costs by Public Utilities and Transmitting Utilities*, Order No. 888, FERC Stats. & Regs. ¶ 31,036 (1996), *order on reh'g*, Order No. 888-A, FERC Stats. & Regs. ¶ 31,048 (1997), *order on reh'g*, Order No. 888-B, 81 FERC ¶ 61,248 (1997), *order on reh'g*, Order No. 888-C, 82 FERC ¶ 61,046 (1998), *aff'd in relevant part sub nom. Transmission Access Policy Study Group v. FERC*, 225 F.3d 667 (D.C. Cir. 2000), *aff'd sub nom. New York v. FERC*, 535 U.S. 1 (2002).

<sup>6</sup> *Open Access Same-Time Information Systems*, Order No. 889, FERC Stats. & Regs., Regulations Preambles 1991-1996 ¶ 31,035 (1996), Order No. 889-A, FERC Stats. & Regs., Regulations Preambles 1996-2000 ¶ 31,049 (1997).

<sup>7</sup> Long Sault filed its request for waiver of the OASIS requirements (Docket No. OA065-000) on May 25, 2006. The Commission granted this waiver request in *Alcoa Power Generating Inc. (Long Sault Division)*, 116 FERC ¶ 61,257 (2006).

and compiling available transmission capability/capacity data; (2) the MAL transmission lines transport power to Alcoa load and cannot effectively serve any users other than Alcoa and the Town of Massena, New York; and, (3) it has never received a request for service over its MAL transmission lines under its OATT and is unlikely to ever receive such a request.

### **Notices of Filing**

9. Notice of Long Sault's filing was published in the *Federal Register* with comments, interventions, and protests due on or before June 22, 2006.<sup>8</sup> None was filed.

### **Commission Determination**

10. Based on the information provided in Long Sault's waiver request, we will grant the requested waiver, because Long Sault meets the criteria for small public utility waivers provided in Order No. 676.<sup>9</sup> The request for waiver of Order No. 676 is granted subject to the same conditions as applied to Long Sault's recent waiver of Order No. 889.<sup>10</sup>

### **The Commission orders:**

Long Sault's request for waiver of the Order No. 676 standards is hereby granted, as discussed in the body of this order.

By the Commission.

( S E A L )

Magalie R. Salas,  
Secretary.

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<sup>8</sup> 71 *Fed. Reg.* 35,644 (2006).

<sup>9</sup> Order No. 676 at P 85-87.

<sup>10</sup> *Id.* at P 87.