

129 FERC ¶ 61,145
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

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

Southwest Power Pool, Inc.

Docket No. ER09-262-003

ORDER ON REHEARING

(Issued November 19, 2009)

1. On June 17, 2009, CPV Energy, Inc. (CPV) filed a request for rehearing of the Commission's Order on Compliance in the above-captioned matter.¹ For the reasons set forth below, we deny CPV's request.²

Background

2. This case originated with Southwest Power Pool, Inc.'s (SPP) request for a limited, one-time waiver of various provisions of its large generator interconnection procedures (interconnection procedures)³ to address its interconnection queue backlog.⁴

3. In an order issued on January 9, 2009, the Commission granted SPP's request in part and denied it in part.⁵ The Commission found that use of a proposed transitional

¹ *Southwest Power Pool, Inc.*, 127 FERC ¶ 61,138 (2009) (Order on Compliance).

² SPP filed an answer to CPV's request for rehearing. Rule 713 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.713(d)(1) (2009), prohibits answers to requests for rehearing, and therefore we will reject SPP's answer.

³ SPP Open Access Transmission Tariff, Attachment V.

⁴ *Southwest Power Pool, Inc., Petition for Waiver of Tariff Provisions*, Docket No. ER09-262-000.

⁵ *Southwest Power Pool, Inc.*, 126 FERC ¶ 61,012 (Waiver Order), *order on reh'g*, 126 FERC ¶ 61,215 (2009).

clustering mechanism would aid in the efficient and timely processing of SPP's backlog.⁶ The Commission required SPP to submit a compliance filing within 30 days of the date of the order, specifying the timeline for the completion of pending interconnection requests in the transitional clusters.⁷ SPP submitted its compliance filing on February 9, 2009.

4. In its compliance filing, SPP proposed, among other things, to use a 180-day time frame to complete the facilities studies for interconnection requests in the transitional clusters.⁸ SPP also indicated it would allow customers who were ready to interconnect before SPP had completed the transitional study process to enter into an interim interconnection agreement.⁹

5. In the Order on Compliance, the Commission stated that while it was encouraged by SPP's intention to provide interim interconnection service, SPP must implement such service by a future tariff amendment in a separate proceeding, and that SPP would be required to demonstrate that such service was offered on a non-discriminatory basis.¹⁰ The Commission agreed with SPP that the submission of a *pro forma* interim interconnection agreement was outside the scope of the compliance proceeding.¹¹ The Commission also accepted SPP's use of a 180-day time frame for completion of the transitional facilities studies, stating that a cluster study mechanism would allow it to process the interconnection queue more quickly than the then-current serial study method, even with a longer facilities study time frame. The Commission also noted that the more accurate cost estimate provided by the longer facilities study could offer additional certainty that would enhance queue stability.¹²

⁶ *Id.* P 37.

⁷ *Id.*

⁸ SPP February 9, 2009 Compliance Filing at 7. SPP's serial interconnection procedures allowed the customer to choose a 90-day or 180-day time frame for completion of the facilities study, with the longer time frame resulting in a more accurate cost estimate. However, only one time frame can be used in a clustered facilities study, and SPP chose to use a 180-day time frame in its interconnection queue reform transition process.

⁹ *Id.* n.18.

¹⁰ Order on Compliance P 24 and n.46.

¹¹ *Id.* P 24.

¹² *Id.* P 21.

CPV's Request for Rehearing

6. In its request for rehearing, CPV argues that the Commission erred in not requiring SPP to file a tariff amendment providing for interim interconnection service, and in finding that the adoption of interim interconnection service was outside the scope of the compliance filing. CPV requests that the Commission direct SPP to file, within 30 days, a tariff amendment implementing interim interconnection service.¹³

7. CPV also argues that, in the alternative, the Commission erred in agreeing with SPP to eliminate the 90-day option for processing facilities studies for the transitional clusters. CPV argues that the use of the 180-day time frame unreasonably delays SPP's processing of interconnection requests, particularly for those interconnection customers who would have chosen the 90-day option under the serial study procedures. CPV argues that the intent of the petition for waiver was to expedite the processing of the interconnection queue; thus, CPV asserts that speed should trump the desire for more accuracy.¹⁴ CPV also notes that SPP proposed a 90-day time frame for clustered facilities studies in its reformed interconnection procedures filed in Docket No. ER09-1254-000.¹⁵

Commission Determination

8. CPV argues that interim interconnection service is not beyond the scope of this proceeding because SPP proposed its use as a component of its compliance proposal to mitigate the effects of the extension of certain time frames in the SPP tariff. We disagree. While SPP stated in its compliance filing it would offer interim interconnection service, the Commission accepted SPP's compliance filing time lines independent of the offer of interim interconnection service and instead advised SPP that it should amend its tariff if it chooses to provide this service. As noted in the Order on Compliance,¹⁶ such a service, no matter how beneficial, must be offered on a non-discriminatory basis. Initiating a new service requires a separate rate filing, which is outside the scope of a compliance proceeding.¹⁷ Accordingly, we will deny rehearing of this issue.

¹³ CPV June 17, 2009 request for rehearing at 2-3.

¹⁴ *Id.* 4-5.

¹⁵ *Id.* 5. CPV filed its rehearing request prior to the Commission's acceptance of the 90-day time frame in Docket No. ER09-1254-000.

¹⁶ Order on Compliance P 24 and n.46.

¹⁷ *See, e.g., AES Huntington Beach, LLC*, 111 FERC ¶ 61,079, at P 60 (2005).

9. CPV argues that SPP has proposed a 90-day time frame for facilities studies in its interconnection queue reform filing, and thus facilities studies in the waiver proceeding should also be subject to a 90-day time frame. While the Commission accepted SPP's 90-day time frame in its order on SPP's queue reform, we find that a 180-day time frame is still acceptable for the transitional waiver clusters because SPP's use of the clustering mechanism with a longer facility study stage will enable SPP to process the interconnection queue more quickly than the previously-used serial study procedures. We also note that while the Commission accepted the longer time frame, the Commission also subsequently accepted SPP's commitment to post studies as soon as they are completed,¹⁸ which should further expedite the process. For these reasons, we deny CPV's alternative rehearing request.

The Commission orders:

CPV's Request for Rehearing is hereby denied.

By the Commission.

(S E A L)

Nathaniel J. Davis, Sr.,
Deputy Secretary.

¹⁸ See *Southwest Power Pool, Inc.*, 128 FERC ¶ 61,114, at P 26 (2009).