

APRIL MEETING SUMMARIES

E-1, News Release

E-2, Media Alert

E-3 and E-4, News Release

FERC conditionally accepts Midwest's ISO's demand resource compensation mechanism

E-6, *Midwest Independent Transmission System Operator*, Docket No. ER08-404-000. The Commission conditionally accepted proposed revisions to the Midwest Independent Transmission System Operator's Open Access Transmission and Energy Markets Tariff that add a new Schedule 30 to the Tariff. This new Schedule provides for compensation to demand resources during North American Electric Reliability Corp.'s Energy Emergency Alert 2 or Energy Emergency Alert 3 events.

FERC addresses issues concerning Southwestern Public Service Co.'s cost-based rates

E-7 and E-8, *Golden Spread Electric Coop., et al.*, Docket Nos. EL05-19-002, ER05-168-001 and ER05-168-002. In E-7, the Commission affirmed in part, and reversed in part, an initial decision issued by the Administrative Law Judge that addressed intersystem sales and how they relate to the fuel cost adjustment clause (FCAC) provisions of wholesale customers' rate schedules, a range of cost of service issues associated with Southwestern Public Service Co.'s (SPS) cost-based rates for full and partial requirements service, and SPS' former FCAC and proposed FCAC. In E-8, the Commission accepted, subject to modification, an uncontested partial settlement among certain of the parties resolving all disputes except the issue of the proper demand cost allocator for use on SPS's system.

FERC proposes to incorporate NAESB's revised business practice standards

E-9, *Standards for Business Practices and Communication Protocols for Public Utilities*, Docket No. RM05-5-005, *Notice of Proposed Rulemaking*. The Commission proposed to incorporate by reference into its regulations at 18 CFR § 38.2 the latest version of all or part of 11 standards adopted by the Wholesale Electric Quadrant of the North American Energy Standards Board (NAESB). NAESB's standards revise its Open Access Same-Time Information Systems (OASIS) business practice standards and four business practice standards relating to reliability issues, add new standards on (1) transmission loading relief for the Eastern Interconnection and (2) public key infrastructure, and add a new OASIS implementation guide.

FERC approves amendment to WECC's 2008 Business Plan and Budget

E-10, *North American Electric Reliability Corp.*, Docket No. RR07-16-002. The Commission approved an amendment to Western Electricity Coordinating Council's (WECC) 2008 Business Plan and Budget to increase WECC's 2008 budget to include costs for accelerated implementation of WECC's Reliability Center Strategic Initiative during 2008. The Commission found the proposal reasonable since it would accelerate the current schedule for operation status of the reliability centers and thus would enhance reliability of the Bulk-Power System.

FERC approves changes to SDG&E's Transmission Owner Tariff

E-11, *San Diego Gas and Electric Co.*, Docket Nos. ER08-389-000 and ER08-389-001. The Commission accepted San Diego Gas & Electric Co's (SDG&E) proposed changes to its Transmission Owner Tariff to implement rate decreases and other revisions pertaining to its Reliability Services Revenue Requirements and Reliability Services Rate Schedule. The Commission also granted SDG&E request for a waiver of the Commission's 60-day prior notice requirement to enable SDG&E to comply with its Transmission Owner Tariff requirement and permit the effective date requested by SDG&E.

E-12, News Release

FERC conditionally accepts SPP's revised proposal concerning external generator participation

E-13, *Southwest Power Pool*, ER08-340-000. The Commission accepted, subject to conditions, Southwest Power Pool's (SPP) revised proposal to allow external generators to participate in SPP's real-time energy imbalance service market through a pseudo-tie mechanism.

RC accepts Public Service Company of New Mexico's notice of change in status and approves mitigation proposal

E-14, *Public Service Company of New Mexico; EnergyCo Marketing and Trading*, Docket Nos. ER96-1551-019, ER01-615-015, ER07-965-001. The Commission accepted the notice of change in status jointly filed by Public Service Company of New Mexico (PNM) and EnergyCo Marketing and Trading that reflects a departure from the

characteristics that the Commission relied upon in granting those companies market-based rate authority. The Commission also accepted for filing a proposal to extend previously-approved cost-based rate mitigation in PNM's balancing authority area to all sales during the Summer, Fall and Winter seasons, regardless of whether any transmission constraints exist.

FERC addresses rehearing of order accepting changes to PJM's RTEP proposal

E-15, *PJM Interconnection*, Docket Nos. ER06-1474-002 and ER06-1474-004. The Commission grants in part and denies in part requests for rehearing of an order that accepted proposed changes to PJM Interconnection's (PJM) regional economic transmission planning process. The Commission conditionally accepted PJM's proposal to weigh production-cost savings and load payments 70/30 in the benefits formula as a reasonable basis for deciding whether to include projects, on condition that PJM calculates load payments net of the change in the value of transmission rights.

FERC grants petition for declaratory order regarding Firm (LD) Product under EEI Master Agreement

E-16, *Integrys Energy Group*, Docket No. EL08-37-000. The Commission granted the applicant's petition for a declaratory order finding that a sale of the "Firm (LD)" product, as defined by the EEI Master Power Purchase & Sale Agreement, does not result in a transfer of control of generation capacity to the purchaser and therefore does not have to be reported by the purchaser in a change in status report under the Commission's regulations on market-based rate authorizations.

FERC confirms date of purchase obligation between Niagara and Renselaer

E-18, *Niagara Mohawk Power Corp.*, Docket No. ER07-1096-002. The Commission denied Niagara Mohawk Power Corp.'s (Niagara Power) request for rehearing of an order which accepted an interconnection agreement and the first amendment to that interconnection agreement between Niagara Mohawk and a qualifying facility, Hadson Power Partners of Rensselaer and which directed Niagara Mohawk to refund the time value of revenues collected from June 30, 1998 through August 27, 2007.

FERC grants rehearing agreements governing exports of power to Canada

E-19, *Niagara Mohawk Power Corp.*, Docket Nos. ER07-539-003, ER07-539-004, ER07-540-003, ER07-540-004. The Commission granted Niagara Mohawk Power Corp.'s request for rehearing of an order which accepted, subject to conditions, two

unrelated Niagara Mohawk Power Corp. agreements governing exports of power to Canada. The Commission determined that the Department of Energy (DOE), rather than the Commission, has jurisdiction over the subject agreements under section 202 of the Federal Power Act because these agreements concern exports to a foreign country and cross-border facilities authorized by Presidential Permits and export authorizations issued by the DOE.

FERC denies rehearing of order accepting ISO-NE's Installed Capacity Requirement

E-22, *ISO New England*, Docket No. ER05-715-003. The Commission denied rehearing of an order in which the Commission explained the basis for its jurisdiction over ISO New England's Power Year 2005/2006 Installed Capacity Requirements filing. The Installed Capacity Requirement is a projection of the minimum amount of capacity required to serve load reliably in the New England region.

FERC addresses motion of PJM Reliability Pricing Model Buyers Group

E-23, *PJM Interconnection*, Docket Nos. ER05-1410-000 and EL05-148-000. The Commission addressed a motion for technical conference filed by the Reliability Pricing Model (RPM) Buyers group in PJM Interconnection (PJM) to convene analytical and in-depth discussions to examine the performance of RPM. The Commission is requiring PJM to provide information in response to the issues raised by RPM Buyers, and after reviewing the information, will determine appropriate procedures.

E-24, News Release

FERC conditionally accepts Sierra Pacific's OATT compliance filing

E-25, *Sierra Pacific Resources Operating Cos.*, Docket No. OA07-34-000. The Commission conditionally accepted Nevada Power Co. and Sierra Pacific Power Co.'s compliance filing required by Order No. 890 subject to modification. In Order No. 890, the Commission reformed the *pro forma* Open Access Transmission Tariff to clarify and expand the obligations of transmission providers to ensure that transmission service is provided on a non-discriminatory basis.

FERC addresses Initial Decision concerning reactive power service

E-26, *Chehalis Power Generating*, Docket No. ER05-1056-002. The Commission

addressed an Administrative Law Judge's Initial Decision concerning whether Chehalis Power Generating's (Chehalis) reactive power service for its electric power generating facility interconnected to the transmission system of the Bonneville Power Administration complies with the terms of the TransAlta settlement agreement). The Commission affirmed the majority of the Initial Decision but reversed it in part by concluding that Chehalis had supported inclusion of its facility installation costs in the total production plant and accessory electric equipment.

FERC conditionally accepts Xcel's OATT compliance filing

E-27, *Xcel Energy Operating Cos.*, Docket No. OA07-39-000. The Commission conditionally accepted Xcel Energy Operating Cos. compliance filing required by Order No. 890 subject to modification. In Order No. 890, the Commission reformed the *pro forma* Open Access Transmission Tariff to clarify and expand the obligations of transmission providers to ensure that transmission service is provided on a non-discriminatory basis.

FERC denies rehearing of proposals to reimburse generators for upgrade costs

E-28, *International Transmission Co, et al.*, Docket Nos. ER07-1141-001, *et al.* The Commission denied rehearing of two orders that accepted proposals to allocate the cost of network upgrades needed to accommodate generation interconnections to the transmission systems owned by the International Transmission Co. and the American Transmission Co. Specifically, the orders allowed the companies to pay 100 percent of the cost of network upgrades needed to interconnect a new generation facility to their transmission facilities under the Midwest Independent Transmission System Operator's Open Access Transmission and Energy Markets Tariff (Tariff) and to recover the cost through their rates for transmission delivery service to customers within their license plate pricing zones and through regional cost sharing pursuant to the Tariff. The Commission affirmed its conclusions that the proposals are justified by the benefit to all customers in the zones involved from upgrades to the transmission grid and a more competitive generation market.

M-4 – News Release

FERC proposes revisions to proposal to accept Electronic Tariff Filings

M-5, *Electronic Tariff Filings*, Docket No. RM01-5-000. The Commission proposed to revise the Commission's Notice of Proposed Rulemaking for electronic tariff filing by public utilities, natural gas pipelines, and oil pipelines. The Commission proposed to

adopt standards for filing tariffs electronically developed by the North American Energy Standards Board (NAESB) as part of joint effort among Commission staff, the gas and electric quadrants of NAESB, and the oil pipelines. Upon the effective date of a final rule in this proceeding, the Commission would no longer accept tariff filings submitted in paper format.

G-1, G-2, G-3, G-4 and C-1 – News Release

FERC accepts Transco’s tariff sheets relating to allocation of fuel and electric power costs

G-5, *Transcontinental Gas Pipe Line Corp.*, Docket No. RP01-245-023, *et al.* The Commission accepted Transcontinental Gas Pipe Line Corp.’s (Transco) filed tariff sheets to comply with an order, which among other things, directed Transco to implement the Commission’s resolution of Reserved Issue No. 5 which relates to the allocation of fuel and electric power costs to its incremental shippers.

H-1, Media Alert

FERC terminates license for Marseilles Project in Illinois

H-2, *Marseilles Hydro Power*, Project No. 12020-016. The Commission terminated the license for the Marseilles Hydroelectric Project, which was to be located on the Illinois River in the City of Marseilles, Illinois because of the licensee’s failure to timely commence construction. The Commission concluded that the licensee has not shown that the off-site construction of equipment should be considered the commencement of construction and that, in any case, the equipment on which construction may have started was different than that authorized in the license.

FERC addresses rehearing of surrender of Dillsboro Project license in North Carolina

H-3, *Duke Energy Carolinas*, Project No. 2602-016. The Commission granted in part and rejected in part requests for rehearing and clarification of an order accepting surrender of license and authorizing removal of project facilities for the 225-kilowatt Dillsboro Project in North Carolina. Specifically, the Commission rejected arguments that the surrender order should be reversed and the application for subsequent license reinstated and processed.