

January 2010 Meeting Summaries

These are summaries of orders voted on by the Federal Energy Regulatory Commission at its January 21, 2010, public meeting. They are produced by the FERC Office of External Affairs and are intended to provide only a general synopsis of the orders. They are not intended as a substitute for the Commission's orders. To determine the specific actions and the Commission's reasoning, please consult the individual orders when they are posted to FERC's eLibrary.

E-1, News Release

E-2, News Release

E-3, News Release

E-4, News Release

FERC denies rehearing of Pioneer Transmission's project rate incentives

E-5, *Pioneer Transmission, LLC*, Docket No. ER09-75-002. The Commission denied the requests for rehearing and granted clarification of an order authorizing transmission rate incentives for Pioneer Transmission's project which will connect PJM Interconnection, L.L.C., and Midwest Independent Transmission System Operator and will facilitate the interconnection of more than 4,000 megawatts of new wind generation.

E-6, News Release

FERC accepts ISO-NE's Order No. 719 compliance filing

E-7, *ISO New England and New England Power Pool*, Docket No. ER09-1051-000. The Commission accepted in part ISO New England and New England Power Pool's compliance filing (subject to a further compliance filing) in response to Order No. 719, a rule establishing reforms to improve the operation of organized wholesale electric power markets with respect to: (1) demand response and pricing during periods of operating reserve shortages; (2) long-term power contracting; and (3) market-monitoring policies.

FERC denies rehearing of Order No. 713-A's transmission loading relief requirements

E-8, *Modification of Interchange and Transmission Loading Relief Reliability Standards;*

and Electric Reliability Organization Interpretation of Specific Requirements of Four Reliability Standards, Docket No. RM08-7-002. The Commission denied a request for rehearing and clarification of Order No. 713-A, which accepted revisions to the North American Electric Reliability Corporation's transmission loading relief requirements under Reliability Standard IRO-006-4. The Commission explained that the issue of a potential conflict between the TLR procedures and the *pro forma* open access transmission tariff's curtailment provisions was beyond the scope of the proceeding, and was more appropriately addressed in a separate proceeding (a notice of inquiry proceeding instituted by E-9).

FERC issues notice of inquiry seeking comments concerning interplay between reliability standard and OATT requirements

E-9, *Transmission Loading Relief Reliability Standard and Curtailment Priorities*, Docket No. RM10-9-000. The Commission issued a notice of inquiry seeking comment on the interplay between Reliability Standard IRO-006-4 (Reliability Coordination – Transmission Loading Relief) and the curtailment priorities set forth in the Commission's *pro forma* open access transmission tariff (OATT), particularly sections 13.6 and 14.7. The proceeding will look at whether the Reliability Standard is inconsistent with the OATT because, pursuant to that Reliability Standard, there is a possibility that some firm transactions over a constrained facility may be curtailed before some non-firm transactions over the same facility; under the OATT, non-firm service is ordinarily subordinate to firm service.

FERC approves technical feasibility exception procedures

E-10, *North American Electric Reliability Corp.*, Docket No. RR10-1-000. The Commission approved (subject to a further compliance filing) North American Electric Reliability Corp.'s proposed amendments to its Rules of Procedure that create a process for an entity subject to the Critical Infrastructure Protection Reliability Standards to obtain a technical feasibility exception from strict compliance with requirements contained in those Reliability Standards.

FERC approves revisions to the Nuclear Plant Interface Coordination Reliability Standard

E-11, *North American Electric Reliability Corp.*, Docket No. RD09-10-000. The Commission approved the North American Electric Reliability Corp.'s (NERC) revised Nuclear Plant Interface Coordination Reliability Standard, finding that it adequately: (1) clarified ambiguous language; and (2) ensured that integrated utilities document compliance with Reliability Standard requirements when actions are performed by

separate business units of the integrated utility.

FERC denies rehearing of CAISO's payment acceleration program

E-12, *California Independent System Operator Corp.*, Docket Nos. ER09-1247-002, ER09-1247-003, ER09-1247-004. The Commission denied a request for rehearing of an order accepting the California Independent System Operator's (CAISO) payment acceleration program. The CAISO is shortening its payment calendar from an average of 80 calendar days to 25 calendar days, and allowing scheduling coordinators to dispute changes appearing in subsequent settlement statements. The Commission continued to find that CAISO tariff provisions providing seven calendar days to dispute the fourth recalculation settlement statements are reasonable. The Commission also accepted the CAISO's compliance filing, finding that the CAISO's treatment of complex disputes satisfies the compliance requirements.

FERC accepts revisions to the maximum demand charges in the Public Service Co. of Colorado's tariff

E-13, *Xcel Energy Services Inc., Public Service Co. of Colorado, Western Systems Power Pool Inc.*, Docket Nos. ER10-305-000, EL10-5-000, ER95-1207-000, and ER09-980-001. The Commission accepted revisions to the Public Service Co. of Colorado's tariff that modify the maximum demand charges, effective November 2, 2009. The Commission also accepted WSPP's revised rate under Schedule Q of the WSPP Agreement, effective February 1, 2009.

FERC rejects SPP OATT requirement on rollover of firm transmission service

E-14, *Southwest Power Pool*, Docket No. EL09-40-000. The Commission found unjust and unreasonable language in the Southwest Power Pool's (SPP) open access transmission tariff (OATT) requiring that existing customers wanting to roll over firm transmission service must agree to accept contract terms at least equal to the longest term competing request by any new eligible customer.

FERC sets for hearing complaint regarding open access wholesale distribution service

E-15, *Power and Water Resources Pooling Authority v. Pacific Gas and Electric Co.*, Docket No. EL10-7-000. The Commission set for hearing a complaint filed by the Power and Water Resources Pooling Authority (Pooling Authority) against Pacific Gas and Electric Company (PG&E), alleging that PG&E's refusal to provide open access

wholesale distribution service at two new delivery points for the Pooling Authority's retail customer is unjust, unreasonable, unduly discriminatory, and violates the terms of PG&E's Wholesale Distribution Tariff.

FERC accepts revisions to the CAISO transmission planning process

E-16, *California Independent System Operator Corp.*, Docket No. OA08-62-005. The Commission accepted the California Independent System Operator's tariff revisions to its transmission planning process. The tariff revisions specify major milestones in the transmission planning process and adopt minimum time periods between those milestones. The order conditions acceptance of the CAISO's tariff revisions on a compliance filing to adopt two additional major milestones and minimum time periods between them.

FERC establishes a paper hearing on PJM cost allocation methodology

E-17, *PJM Interconnection*, Docket No. EL05-121-006. The Commission established a paper hearing on allocation of the costs of new transmission facilities that operate at or above 500 kilovolts (kV) in PJM, to supplement the record in response to a remand from the Seventh Circuit Court of Appeals. The court found that the Commission had not provided sufficient record evidence to justify its adoption of a postage-stamp cost allocation methodology for new transmission facilities operating at or above 500 kV. The paper hearing procedures established include the provision of certain information by PJM Interconnection, LLC, followed by initial and reply comments by PJM and other parties to the proceeding.

FERC identifies changes to business practices for electronic tariff filings

M-1, *Electronic Tariff Filings*, Docket No. RM01-5-000. The Commission identified changes to its business practices for processing electronic tariff (eTariff) filings. Specifically, the Commission explained both the importance of filing companies providing accurate metadata with their eTariff filings, and how that metadata will be used, for example, to identify those filings that have statutory deadlines.

FERC grants rehearing and clarification of pipeline posting requirements

G-1, *Pipeline Posting Requirements under Section 23 of the Natural Gas Act*, Docket No. RM08-2-001. The Commission granted rehearing and clarification of a rule modifying its regulations requiring major non-interstate pipelines to post daily scheduled volume information and other data for certain receipt and delivery points. The Commission

denied requests to revise its regulations requiring interstate natural gas pipelines to post information regarding the provision of no-notice service. The posting requirements will facilitate price transparency in markets for the sale and transportation of natural gas in interstate commerce consistent with section 23 of the Natural Gas Act.

FERC reverses initial decision concerning rates for storage service at the Washington Storage field

G-2, *Transcontinental Gas Pipe Line Corp.*, RP06-569-000 and RP07-376-000. The Commission reversed a presiding judge's initial decision concerning the rates charged by Transcontinental Gas Pipe Line Corp. (Transco) for storage service at its Washington Storage Field in Louisiana. The Commission determined that Transco's proposal to allocate the costs of purchasing new base gas (i.e., gas needed to pressurize the reservoir) to new customers, rather than sharing those costs between historical and new customers, is reasonable and not unduly discriminatory because the need to purchase new base gas was driven by the new customers and the need to serve those customers.

FERC sets Maritime's fuel rate and single, system-wide fuel methodology for hearing, and finds that Maritimes' bears the burden of proof

G-3, *Maritimes & Northeast Pipeline, LLC*, Docket Nos. RP09-809-000 and RP09-809-001. The Commission largely denied Maritimes & Northeast Pipeline's (Maritimes) request for clarification rehearing of an order, which (a) accepted and suspended Maritimes' proposed decreased system transportation rates, to be effective August 1, 2009, subject to the outcome of a hearing, and (b) accepted and suspended Maritimes' proposed fuel rates and change in fuel rate methodology, to be effective January 1, 2010, subject to the outcome of a technical conference. The Commission explained that Maritimes' fuel rate and fuel rate methodology will be included in the hearing established by the previous order, and, as the filing company, Maritimes' bears the burden of proof with respect to its filing.

FERC denies rehearing of a requirement for fish screen monitoring at the Chester Diversion Hydroelectric Project in Idaho

H-1, *Fall River Rural Electric Cooperative, Inc.*, Project No. 11879-029. The Commission denied the request for rehearing of an order approving the fish screen monitoring plan for the Chester Diversion Hydroelectric Project, on the Henry's Fork of the Snake River in Freemont County, Idaho. The Commission found that biological monitoring is needed to verify that the fish screens are effective.

FERC denies rehearing of finding that North Carolina had not waived water quality certification for the Yadkin Project

H-2, *Alcoa Power Generating Inc.*, Project No. 2197-097. The Commission denied a request for rehearing of an order that concluded North Carolina has not waived water quality certification with respect to the relicensing of Alcoa's Yadkin Project, on the Yadkin River in North Carolina. The Commission affirmed its determination that North Carolina acted on Alcoa's request for certification within the one-year period permitted by the Clean Water Act.

FERC modifies requirement for Hayward Hydroelectric Project recreation plan

H-3, *Northern States Power Co.*, Project No. 2417-061. The Commission modified a staff order requiring the licensee for the Hayward Hydroelectric Project to submit a recreation plan by eliminating a provision for providing for public access to an ice-fishing site on the project's impoundment and fishing pier, determining that the requirement is inappropriate for a relatively small project. The project is located on the Namekagon River in Sawyer County, Wisconsin.