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BEFORE THE

UNITED STATES OF AMERICA

FEDERAL ENERGY REGULATORY COMMISSION

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In the matter of: :

ELECTRICITY MARKET : Docket Number

TRANSPARENCY PROVISIONS : RM10-12-000

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Hearing Room 2C

Federal Energy Regulatory Commission

888 First Street, Northeast

Washington, D.C. 20426

Wednesday, December 12, 2012

The technical conference was convened, pursuant  
to notice, at 9:01 a.m.

FERC STAFF:

JEROME PEDERSON, Director, Energy Market Oversight

STEVEN REICH, Branch Chief, Analytics and Surveillance

DEEPAK RAMLATCHAN, Deputy Dir., Energy Market Oversight

WINDI SWINSON, Energy Market Oversight

MARIA VOURAS, Energy Market Oversight

MARK BLAZEJOWSKI, Division of Analytics and Surveillance

JEN NEWMAN, Energy Market Oversight

WILLIAM SAUER, Office of Energy Policy & Innovation

Court Reporter: Jane W. Beach, Ace-Federal Reporters

## 1 P R O C E E D I N G S

2 (9:00 a.m.)

3 MR. PEDERSON: Let's go ahead and get started.  
4 First I want to thank you all for coming. Welcome to the  
5 Commission. I know many of you have not been here before.  
6 My name is Jerry Pederson. I am the Director of Energy  
7 Market Oversight at the Commission.

8 Market oversight is responsible for the  
9 administration of the EQR. Before I get into some staff  
10 introductions, let me do a little bit of housekeeping. We  
11 are here--this a technical conference with regard to Order  
12 768, and that's in Docket No. RM10-12.

13 There's going to be two sessions. There will be  
14 a morning session and an afternoon session. The conference  
15 will principally address issues with regard to the Electric  
16 Quarterly Reports reporting requirements. The conference  
17 will not talk about, will not discuss the merits of issues  
18 that are pending on rehearing of Order 768.

19 This morning's session will provide an  
20 introductory and background information about the EQR,  
21 including the data fields, the existing data fields. Later  
22 this afternoon, and the second session will start at one  
23 o'clock, will focus on refinements to the existing filing  
24 requirements as set forth in Order 768.

25 Continuing with the housekeeping, first let me  
26

1 give you some familiarity with where you're at. This is the  
2 Commission meeting room. We are basically centrally located  
3 between the two elevator banks. So there's an elevator bank  
4 on this side (indicating) and also on the other side. The  
5 restrooms can be found directly behind those. So it would  
6 be kind of behind where I'm at right now. You would go to  
7 one of the elevator banks, take a turn towards this way  
8 (indicating) and go beyond them, and that's where the  
9 restrooms are.

10 There's also a cafe, which is on the other side  
11 of this elevator bank off to my right, off to the left. Go  
12 down there and take a left. There's also, we're a few  
13 blocks from Union Station, off the to the right of the  
14 building, and there's also other restaurants to the left as  
15 well.

16 One thing to note about this room is we ask that  
17 you do not bring food or drink into the room, other than  
18 water. Water is fine, but other than that, and if you do  
19 have those type of things, I'd ask you to please dispose of  
20 them.

21 Last thing on the housekeeping, you have access,  
22 you've been given access to this conference. That doesn't  
23 get you access to the rest of the building. So if are  
24 looking to go to the other floors for some reason, you will  
25 need to be escorted.

26

1                   With that, let me just take a moment to go  
2 through some staff introductions, so you can get -- so you  
3 can know who you're looking at here, and I'll start with  
4 over here.

5                   MR. RAMLATCHAN: Good morning. Deepak  
6 Ramlatchan. I'm with Energy Market Oversight, Deputy  
7 Director.

8                   MR. REICH: Steve Reich. I'm Branch Chief in  
9 Analytics and Surveillance.

10                  MS. SWINSON: Windi Swinson. I'm with Energy  
11 Market Oversight, and I work on the EQR.

12                  MS. VOURAS: Maria Vouras. I'm in Energy Market  
13 Oversight.

14                  MR. BLAZEJOWSKI: I'm Mark Blazejowski, in the  
15 Division of Analytics and Surveillance.

16                  MS. NEWMAN: And I'm Jen Newman, and I work in  
17 Energy Market Oversight.

18                  MR. SAUER: And William Sauer, Office of Energy  
19 Policy and Innovation.

20                  MR. PEDERSON: Okay, a few other items. The way  
21 we're going to do the format for this morning is there is  
22 going to be a staff presentation, and let me just state that  
23 the views and opinions you hear today is those of staff's.  
24 They don't necessarily reflect the opinions of the  
25 Commission or any particular commissioner.

26

1           As we go through the presentation, we are going  
2 to try to -- we've got a number of questions that we've  
3 gotten in advance, and we are going to try to answer as many  
4 of those as we can, as we go through the presentations. We  
5 will also entertain follow-up questions or other questions  
6 as we move along.

7           There are microphones you can see on either side  
8 of the room. There's also some chairs up here. So if you  
9 do have a question, please come forward. We will recognize  
10 you. When you ask your question, we ask that you state your  
11 name very clearly and who you are representing.

12           In terms of the questions, particularly the ones  
13 we have in advance, there are going to be some of those  
14 questions that we are going to be unable to answer today,  
15 either because they are pending before the -- on rehearing,  
16 or that staff is still considering those.

17           Let me just give you just a broad view of some  
18 of the larger categories. We did get some questions with  
19 regard to companies that have sales, both within ERCOT and  
20 outside of ERCOT, and what that means in terms of how you  
21 calculate the threshold. That is going to be a question  
22 that we are going to table for today, and we will get back  
23 to that.

24           There's also, we got some questions with regard  
25 to sales in an RTO, where there are sales going in to both  
26

1 members and non-members at an RTO, and that will be another  
2 question that we are going to have to table for today.

3 Two other broad areas. We've got some questions  
4 on company IDs, and that--I should say we are going to have  
5 another conference on Order 770. So that question goes more  
6 to the mechanics of how one files an EQR, and the process  
7 and the software around the EQR and I want to tell you,  
8 those--that's another broad area that we are not here to  
9 talk about that today. I know you're anxious to hear about  
10 that.

11 We will schedule a separate conference on that,  
12 and I can tell you that from staff's point of view, we're  
13 kind of targeting somewhere in the first quarter of 2013.  
14 Nothing has been set, but just to give you kind of a broad  
15 idea of that.

16 If you have a question, please come forward.

17 MS. ALLEN: Nicole Allen, with Bruder Gentile  
18 and Marcoux.

19 MR. PEDERSON: Can you come to the mike?

20 Yeah, you can use one of those.

21 MS. ALLEN: Nicole Allen.

22 MR. PEDERSON: Hi Nicole.

23 MS. ALLEN: From Bruder, Gentile and Marcoux.

24 (Laughter.)

25 MS. ALLEN: I just had a question about the  
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1 sales. When you say that they are tabled for today, I doubt  
2 they'll be addressed in the next conference. So is there an  
3 idea of when those two questions will be addressed?

4 MR. PEDERSON: Well, yes, and on the -- you're  
5 talking about the RTO sales, within an RTO?

6 MS. ALLEN: Right.

7 MR. PEDERSON: That is something that staff is  
8 still considering. We're still working our way through it.  
9 They will be addressed at some point.

10 One thing that I will say is if we don't get--if  
11 we don't directly answer your questions today, we are  
12 intending to put up Frequently Asked Questions on the  
13 website, where we will put out the question and give a  
14 response.

15 MS. ALLEN: Thank you.

16 MR. PEDERSON: Thank you. Okay, and the last  
17 thing on questions is I think there are some questions  
18 where--that we have gotten in advance, that we are going to  
19 ask for more detail on. So if you are one of those folks  
20 that sent us questions, we may need a little bit more  
21 detail, and we will handle that as we move along.

22 Lastly, before I hand it over to Mark to do the  
23 first, the presentation for this morning, is that we have  
24 this room scheduled until about noon for the first session.  
25 What I'm planning and what we're targeting is to take a

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1 break around the halfway point, somewhere around 10:30,  
2 where we're at a good point to take a five- to ten-minute  
3 break. So we're going to let you stretch you legs a little  
4 bit.

5 So with that, let me hand this over to Mark  
6 Blazejowski who is going to walk you through some of the  
7 fundamentals on the EQR.

8 MR. BLAZEJOWSKI: Good morning. This morning,  
9 I'm hoping to explain the EQR to the new filers. Some of  
10 the people in the room I recognize, like Barbara who have  
11 been filing the EQR for ten years. This may all old hat to  
12 you but we've got to go through the routine and bring  
13 everybody up to speed.

14 So this morning we're really focusing on the new  
15 filers, and we're trying to teach the new filers everything  
16 that Barbara and the others have learned in the past ten  
17 years. We're going to do it in about an hour and a half.

18 Jerry gave the staff introductions, but I'd like  
19 to reintroduce two people, very important people if you have  
20 any EQR questions, and that s Jen Newman and Windi Swinson  
21 and if you have questions, you should call them. Or send an  
22 email to EQR at [ferc.gov](mailto:ferc.gov), and they'll get back to you right  
23 away.

24 During this presentation, we got some questions  
25 in advance, and during this presentation, as the questions  
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1        arise, or we think a slide pertains to a question, we're  
2        going to--Steve and I are going to address the questions as  
3        they come up. We're trying to get the computer going.

4                                (Pause.)

5                                MR. REICH: Most of you have a copy of the  
6        presentation in front of you, so I think we--why don't we  
7        just go ahead.

8                                MR. BLAZEJOWSKI: There it is. Okay. So where  
9        can I go for help with the EQR? It's EQR at [ferc.gov](http://ferc.gov).  
10       Information is available on the EQR website, both current  
11       and historical. We have all the Commission Orders and  
12       Notices, software and tools, there's Filing News and Help.  
13       Different ways to access the data is explained on there.  
14       And all of our users group and workshop information are on  
15       there. So [www.ferc.gov](http://www.ferc.gov) should help you with that.

16                                What is the EQR? EQR is filed by public  
17       utilities, who provide jurisdictional sales and transmission  
18       services. There's contact information. There's contract  
19       information. There's power sales and transmission  
20       contracts, power sales and merchant transmission  
21       transactions, and we also capture capacity reassignments.

22                                Beginning in the third quarter of next year,  
23       certain non-public utilities will also be filing the EQR.  
24       All data is filed electronically, and all data is available  
25       and accessible to the public at [www.ferc.gov](http://www.ferc.gov).

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1 MR. REICH: Mark, Why don't I answer some of the  
2 questions that came in?

3 MR. BLAZEJOWSKI: Sure.

4 MR. REICH: We got a number of questions having  
5 to do with kind of the filing, ongoing filing obligations in  
6 the EQR, particularly from ASIS. Is someone from ASIS here?  
7 Renee? Hi, Renee. Okay. Just to, as Jerry said earlier,  
8 we're not going to address the ERCOT issue right now, but if  
9 you're a non-public utility company with market-based rates,  
10 and you've already been filing the EQR, nothing in Order 768  
11 changes those requirements. So you still have to file based  
12 on the requirements beyond just Order 768; it doesn't reduce  
13 the requirements.

14 In terms of for the first filing in 2013, which  
15 three-year period of Form 861 will be utilized for the  
16 filing? The rule says that it's the most recent three years  
17 of 861. So it's the most recent three years that are  
18 available at the time of the third quarter of 2013.

19 And Renee, can you clarify for us? One of the  
20 questions you had was if an entity doesn't file a EIA Form  
21 861, are they still required to file an EQR if they meet the  
22 filing criteria specified in Order 768. Could you give us a  
23 little more detail on that?

24 MS. McDONALD: Renee McDonald. If--we have a  
25 couple of companies that we know that do not have record of  
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1 the 861 within the FERC website, and if they meet the  
2 criteria of having no sales, would they still be identified  
3 as having to report the EQR?

4 MS. VOURAS: I'm sorry? Could you repeat the  
5 first part of what you said? I didn't quite catch that. A  
6 couple of companies that?

7 MS. McDONALD: A couple of companies that do not  
8 have an 861 showing up on the file that we've pulled down  
9 from FERC.

10 MS. VOURAS: So they're not reporting EIA Form  
11 861 data. So when you go to EIA, you do not see them, File  
12 Form 861 data.

13 MS. McDONALD: Correct.

14 MS. VOURAS: I think, I mean it may be useful  
15 for us to follow up with you, just to figure out why they  
16 may not be filing the 861 data, and then we can perhaps take  
17 it from there.

18 MS. McDONALD: Okay, thank you.

19 MS. VOURAS: Thank you.

20 MR. REICH: Let's see. Thanks, Renee.

21 And one other question that we might as well  
22 deal with now from Renee is can more than one agent submit  
23 and/or file EQR data on behalf of an EQR seller at the same  
24 reporting quarter?

25 I mean some of the details associated with that  
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1 will be dealt with when we, you know, at the 770 technical  
2 conference. But in terms of how the EQR has worked up to  
3 this point, there's no expectation that that will change, is  
4 that there are a number of filers that have transmission and  
5 marketing arms that file that way so that the transmission  
6 arm can file without providing any additional information,  
7 that the marketing arm would have before anybody else.

8 So that will be maintained. I think those are  
9 kind of the questions that we got that are kind of relevant  
10 up to this point.

11 MR. BLAZEJOWSKI: Does anyone have any  
12 follow-ups on that? Yes.

13 MS. KEY: Jennifer Key from Steptoe, and this  
14 just may be some loose wording on Slide 5. It says, you  
15 know, and what goes on the EQR power sales and transmission  
16 contracts.

17 Obviously for jurisdictional utilities, there's  
18 a lot of other contracts that people wouldn't call power  
19 sales and transmissions, such as interconnection agreements,  
20 SIACs, O&M agreements that are jurisdictional, that do go on  
21 EQR.

22 I was just trying to understand, was that just a  
23 shorthand, the power and transmission ?

24 MR. REICH: Yeah.

25 MS. KEY: Okay. But the same rules will apply  
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1 to non-jurisdictionals. If the agreement would be  
2 jurisdictional, if it were a public utility, it should be  
3 reported?

4 MR. REICH: Nothing that, you know, that is  
5 an--there are no changes in Order 768 to the filing  
6 requirements that aren't explicitly stated in 768.

7 MS. KEY: Thank you.

8 MR. BLAZEJOWSKI: Moving on to the next slide,  
9 if we could put that up there it is. All of the orders for  
10 20010 2001 through 2001-I can be found on the FERC website.  
11 Order No. 768 is on the FERC website, and all regulations  
12 can be found at 18 C.F.R. 35.10(b).

13 Now everybody should have picked up a Data  
14 Dictionary when they came in this morning, and this is a  
15 revised Data Dictionary as it's changed, per Order 768.

16 So you'll see two columns, the old field numbers  
17 and the new field number. We'll try and keep that clear.  
18 The data dictionary should be the first place you should go  
19 if you have a question about a field, with what a valid  
20 entry would be or what different definitions of the fields  
21 would be.

22 In the EQR, there's different sections of data.  
23 One of the sections is the ID data, which is the contact  
24 information, and we use that internally, the contact  
25 information. There's two different types of  
26

1 organizations the sellers and agents--that may be filing the  
2 EQR.

3 A seller is if you are a company that's making  
4 sales. And an agent could be designated by the seller, to  
5 make the EQR on its behalf. Both types of ID data collect  
6 the relevant company names and contact information. So  
7 email address, phone number, address, things like that.

8 The second section of the data is the contract  
9 section, and there's a lot of important information in  
10 there, one being contract dates. There's four different  
11 contract dates that I'd like to discuss briefly.

12 The contract should be reported on EQR once  
13 service begins, and should continue to be reported until the  
14 contract is terminated. And in the following quarter, you  
15 can pull the contract out of the EQR.

16 So there's four relevant contract dates that we  
17 want to keep clear. The first is the contract execution  
18 date, and that's the date the most recent contract was  
19 signed, or a substantive amendment was signed. Barbara?

20 MS. BOURQUE: Hi. Barbara Bourque. Unless the  
21 rules have changed, it's my understanding that if there's an  
22 amendment, that's tracked as the commencement date of the  
23 contract terms. I just was looking in the Data Dictionary  
24 that was passed out, and the execution date is just the  
25 original execution date in the Data Dictionary?

26

1 MR. BLAZEJOWSKI: Correct.

2 MS. BOURQUE: Okay.

3 MR. BLAZEJOWSKI: The commencement date is the  
4 date the terms became effective. A contract termination  
5 date is the date the contract says that it terminates, but  
6 sometimes the contract will say that it terminates and it  
7 will be different than the actual date that it terminates.

8 And so in Field 23, we'd like you to enter when  
9 the contract actually does terminate. This allows us to  
10 identify contracts no longer in effect, and I think Steve  
11 has some questions.

12 MR. REICH: And just to address the question  
13 that we got in advance from Barbara, there was a question.  
14 There's kind of a special situation having to do with WSPP  
15 members that all do, that all transact under the WSPP  
16 agreement, and in that case with the WSPP agreement, we have  
17 traditionally used the execution and commencement dates for  
18 the WSPP contract, is when the member joins. There's no  
19 change in the 768. 768 doesn't change that.

20 MR. BLAZEJOWSKI: The next page, page ten,  
21 identifying a contract. There's one field in the contract  
22 section called the Contract Unique ID field. It tells the  
23 software when it's importing the data which lines are  
24 associated with the contract.

25 So a contract might have multiple lines, might  
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1       have multiple products that it's selling. This shouldn't be  
2       confused with the Contract Service Agreement ID field, which  
3       is designed to allow us to ask a filer to produce a  
4       contract. It's supposed to be unique to the contract, and  
5       it's designed to be unique, although it's not always  
6       reported that way.

7               The Seller Company Name must match the name  
8       associated with your FERC Company ID. The Customer Company  
9       Name is a free text field, but the name specified in the  
10      field should match the way it is spelled in the contract,  
11      and the FERC Tariff Reference should be listed as not  
12      required for those of you who are not public utilities.

13             MS. BOURQUE: Okay. You said the contract, the  
14      seller--the Customer Company Name should be spelled the way  
15      it is on the contract. So if you--sometimes, whether it's  
16      different divisions or whatever, they may spell their name  
17      differently, or may use different abbreviations.

18             So I thought auditors had taken to task people  
19      spelling the same company name differently. So if a company  
20      name, if you have three contracts with the same company, and  
21      they're spelled a little differently, then your instruction  
22      is that you should do exactly what's on the contract, and  
23      not try to make the same company spell it the same way  
24      through your EQR?

25             MR. BLAZEJOWSKI: That's the guidance that we've  
26

1 provided, yes. I think that sometimes conflicts with what  
2 the auditors do.

3 MS. BOURQUE: Okay. Okey-dokey.

4 MR. BLAZEJOWSKI: There's some fields in the  
5 contract section that refer to the terms of the contract  
6 itself. If there are specific terms in the contract, the  
7 contract descriptors are supposed to match the transaction  
8 descriptors. But there's sometimes when they won't.

9 You may have a master agreement, and the  
10 descriptors probably won't match because in a master  
11 agreement you'll have a long-term contract, but the  
12 transactions won't be long term.

13 Contract Term Name would be long term or short  
14 term. It should reflect the duration of the contract, and  
15 the terms thereof, and not individual deals that are  
16 transacted under it.

17 The term of individual deals we've provided in  
18 the transaction data section. That will be discussed in a  
19 little while. An Evergreen contract wouldn't be considered  
20 a long term contract--I'm sorry, would be considered a long  
21 term contract, and usually is extended beyond one year.

22 Question.

23 MR. GILL: Fred Gill--Electric. What I'm  
24 asking is under the company name, from time to time the  
25 company will change their name. It won't be the same as on

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1 the contract. So are we to keep it the same, or to update  
2 it as the company names change?

3 MR. REICH: Are you asking for the seller  
4 company or the customer company?

5 MR. GILL: I imagine it would apply to both.

6 MR. REICH: Well, the seller company-- there's a  
7 different answer for each. On the seller company, the  
8 seller company is something that will be addressed in Order  
9 770, and the registration process associated with Order 770,  
10 and so I think we need to defer that until that.

11 On the customer company name, it should be the  
12 name of the company on the contract, and if there's an  
13 amendment to the contract that changes the company name,  
14 then the new company name would be--the new customer company  
15 name would change.

16 MS. KEY: That's not how it's done. It could be  
17 assigned through an assignment agreement, and there's no--

18 MR. BLAZEJOWSKI: Well, okay. So I mean if it's  
19 assigned under a new name, then the new name is the^^^I  
20 mean yes. If the contract is assigned or novated or  
21 something like that to a new company name, then the new  
22 customer name goes in. So it's whatever is active under  
23 that contract.

24 MR. GILL: So if the company has changed its  
25 name, and you're transacting business under the same  
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1 contract, although the contract name does not change, there  
2 has been no new amendment, you should change the company  
3 name? Is that what I'm understanding?

4 MR. BLAZEJOWSKI: Yes sir.

5 MR. REICH: Let me jump in here, and I think  
6 what Steve is talking about is the current guidance. But  
7 let me just say that these issues have been raised on  
8 rehearing. Obviously, there's some confusion out there. So  
9 I would expect to see the Commission come back at some point  
10 and try to clarify this issue on the record.

11 I want to--just on the contract data  
12 description, there were a couple of questions. Barbara had  
13 a question about, hold on, Barbara's question. Here we go.  
14 Barbara had a question, let's see, that open-ended contracts  
15 should be given a term MLT. Please confirm that it's still  
16 FERC policy. Nothing in Order 768 would have changed that.

17 And Jeff Hawker of Southwest Power was asking  
18 what constitutes a long-term contract. I mean in the Data  
19 Dictionary, it indicates that a contract of greater than or  
20 equal to a year is a long-term contract. So that, so if a  
21 contract lasts for more than--for a year or more, it  
22 constitutes a long-term contract.

23 Just to kind of emphasize what Mark said  
24 earlier, if the contract is just a master agreement, and  
25 it's a long term master agreement, then the master agreement  
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1 is a long-term contract. The transactions under that do not  
2 need to be long-term transactions.

3 But if the contract sets out specific terms and  
4 conditions for the sale that occurs, you know, the prices  
5 over the course of five years, even if the prices escalate  
6 at a certain index rate, then the transactions would be  
7 reported as long-term transactions because the terms of  
8 those transactions are also set from a long-term contract.

9 Questions on any of that?

10 (No response.)

11 MR. REICH: Okay.

12 MR. BLAZEJOWSKI: So one more thing on the  
13 contract descriptions. The Contract Increment Name, Field  
14 27, hourly, daily, weekly, is intended to reflect the period  
15 under which the provisions of the contract remain unchanged.  
16 So where the contract is a master agreement, no specific  
17 terms for any contracts reported on the EQR, the filer may  
18 use N/A, and the duration should be provided in the  
19 description of transactions.

20 Rate description in the contract section. In  
21 the contract section, at least one of four fields must be  
22 populated. Rate, Rate Minimum, Rate Maximum, Rate  
23 Description. In a contract where prices are set through  
24 individual transactions, the Rate Description field can be  
25 listed as market-based rate. I think there's some  
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1 questions.

2 MR. REICH: Yes. Another question, Barbara, if  
3 a non-public entity has a formula posted on its website,  
4 can they use a link to that site in the Rate Description  
5 Field to describe the rate? That's a question that we've  
6 put into the parking lot, that we're discussing to try and  
7 figure out the best guidance to give on that.

8 Let's see. And also there was a question about  
9 Product Type Name and oh, Question 8. You need to add MPU  
10 to the list of product type codes in the Data Dictionary.  
11 That was--yes, that needs to be added because in the Order  
12 it says that that's going to be added. So yes, that has to  
13 be added to the Data Dictionary.

14 MR. BLAZEJOWSKI: Any other questions on the  
15 Contracts Section before we move on to the Transactions  
16 Section?

17 (No response.)

18 MR. BLAZEJOWSKI: Good. In the third section of  
19 the EQR, we talk about Transaction Data, and there's a few  
20 things to keep in mind about the Transaction Data. It  
21 should never be aggregated. Every time the price changes, a  
22 separate line should be added to the Transaction File, and  
23 prices cannot be averaged.

24 So we understand that if you're selling into a  
25 RTO, and everything's being done on an -priced on an hourly,  
26

1       there's going to be a lot of data in the Transaction  
2       section. We get 15 to 16 million lines of Transaction Data  
3       per quarter, and we expect a lot of data there. Transaction  
4       Data and corresponding contracts.

5               MR. REICH: I'll add there that in a number of  
6       cases, the RTOs provide their members with data files that  
7       provide that kind of detailed information to their members,  
8       and if you're a non-public utility who hasn't taken  
9       advantage of that opportunity, you should check with your  
10      RTO and at least look at that data file.

11              You're still responsible for the filing, but  
12      that may help you in terms of putting together the filing  
13      and especially that part which is the most detailed part  
14      usually of anybody's filing, is the RTO sales.

15              MS. BOURQUE: I just wanted to add something  
16      about the aggregation, because I've gotten FERC guidance,  
17      which I think is correct, that if your contract aggregates  
18      the price and the contract provisions pass through an  
19      aggregated rate, it's my understanding that you can report  
20      that aggregated price because that's your actual price.

21              I know that's confusing for some of my clients,  
22      and so I just don't want them to be afraid that they'll have  
23      to unscramble an egg, that the actual contract terms say it  
24      will be the weighted average price of say, the sales  
25      pass-through.

26

1                   MR. REICH: I mean the guidance has always been,  
2                   although -you know -anyway, the guidance has always been  
3                   that the information that's required is at the level of  
4                   detail at settlement.

5                   MS. BOURQUE: Okay. I just wanted to make sure.

6                   MR. REICH: Right, and so -- and with the RTO,  
7                   it's detailed on an hourly basis.

8                   MS. BOURQUE: Or on a ten minute basis.

9                   MR. REICH: Or on a ten minute basis. But if  
10                  you have a deal that is based on the average price of power  
11                  at mid-sea, over the course of the week, you don't have to  
12                  go in and break up those prices, because the contract is for  
13                  an average price of power at mid-sea.

14                  MS. BOURQUE: Okay. I just wanted to check.

15                  MR. REICH: Do we have a question over here?  
16                  Please state your name and --

17                  MS. LEE: Nancy Lee from ConEd Energy. I think  
18                  I have the same question as Barbara, right. So if the  
19                  master agreement or the power sales agreement says to use  
20                  the average of the peak 16 hours for the week, we actually  
21                  on the invoice it's a single LNP number. So I don't have to  
22                  list 16 different hours, because that would --

23                  MR. REICH: Right, and once again nothing in  
24                  Order 768 changes that, changes the process that involves  
25                  that filing.

26

1 MS. LEE: Okay, very good. Thanks.

2 MR. REICH: Oh, and just to explain. What we're  
3 trying to identify is that if you're selling to an RTO, the  
4 price is going to change very frequently, and so if you're  
5 selling to an RTO over the course of the day, say in the  
6 day-ahead market where there are hourly prices in the  
7 day-ahead market, you are not allowed to say "I sold 100  
8 megawatts hours over the course of the day to CAL ISO for  
9 \$45."

10 You need to say I sold 10 megawatts hours from  
11 12:00 a.m. to 1:00 a.m. at \$30 and 15 at \$40, you know, at  
12 2:00 a.m. to 3:00 a.m. So you need to break that up. You  
13 can't say I sold this much over the course of the day, or  
14 the course of the quarter to California ISO. It has to be  
15 broken up. If you're selling it on an hourly basis, you  
16 have to report it on an hourly basis.

17 MR. BLAZEJOWSKI: Okay. Now to enter  
18 transaction data into the EQR, before you can load the  
19 transaction data into the EQR you need to have a contract  
20 that says you're selling that type of a transaction, with  
21 the exception of booked-out power.

22 So there are four fields that need to match  
23 identically in order for the transaction data to match up  
24 with the contract data and to load into the EQR, and those  
25 four fields are specified at the bottom: The Seller Company  
26

1 Name, the Customer Company Name, the FERC Tariff Reference,  
2 and the Contract Service Agreement ID. And it's 95 percent  
3 of the problems we get in loading the data, and it may be  
4 higher than that, you get an error message that might not  
5 make sense, that says something doesn't match, but it  
6 doesn't tell you what doesn't match.

7 If you look at these four fields in the  
8 contract, and you look at these four fields in the  
9 transaction very carefully, it might be a period, a comma, a  
10 semicolon, a space. Something's not matching to a lot of  
11 software that link these four up. So these four fields have  
12 to match identically.

13 The next page, I'm going to let Jen talk about a  
14 little bit here on transaction ID. You want to do that?  
15 No? Okay.

16 Transaction Unique ID is designed to indicate to  
17 the software each unique line in the CSV file. It's the  
18 first field. It's T-1, T-2, T-3.

19 When the software loads the data, this field  
20 gets peeled off, and there's a different field in the  
21 software, a transaction-unique identifier, and that's  
22 designed to allow a specific transaction to be identified  
23 through this number alone.

24 It should be unique to the transaction. It can  
25 be represented using multiple records. The key field to

26

1 allow --this is the key field to allow the seller to  
2 reference the data behind the transaction. I think there  
3 are some questions on that.

4 MR. REICH: Can I -- we got a question that I'll  
5 just summarize as: Does there need to be a one to one  
6 relationship between the T number, which is the Field 44,  
7 and the Transaction Unique Identifier, which is Field 49?

8 We've actually been discussing kind of the rules  
9 and the guidance and all that over time, and there's  
10 discussion of this in Order 2001-G. Yeah, 2001-G. I think  
11 in terms of answering this question, because the terms are  
12 so close to each other and the, you know, and kind of the  
13 descriptions are so close to each other, this one, I think,  
14 is particularly safest to answer in an FAQ, because the  
15 words and the terminology can easily get mixed up.

16 So we're going to defer that, the answering of  
17 that question to the FAQ, just because of the similarity of  
18 Transaction Unique ID and Transaction Unique Identifier, you  
19 know, gets us into a whole, you know, trying to be precise  
20 and specific, and it's really difficult to be precise and  
21 specific in this kind of forum. So we're going to deal with  
22 that in the FAQ.

23 MR. BLAZEJOWSKI: Transaction Dates in the  
24 Transaction Section. There's a begin date, an end date, and  
25 both have to be within the quarter that's being filed. If

26

1 the transaction lasts more than the quarter, then at a  
2 single price, you can put it in as the first hour of the  
3 first day and the last hour of the last day.

4 Or I think right here, the first hour of  
5 midnight of the next quarter. We expect most energy sales  
6 to RTOs, ISOs to last an hour or less, and virtual sales  
7 don't need to be reported in the EQR.

8 MR. REICH: On the reporting of the transaction  
9 times, there's been some change in guidance over the years.  
10 And just to clarify, the current guidance on the end date or  
11 the end time, if you have a sale over the course of a day,  
12 from midnight Day 1 to midnight Day 2, you can report it as  
13 midnight Day 1 to midnight Day 2. You don't have to do  
14 11:59:99 on Day 1.

15 So that change in guidance was implemented to  
16 more closely correspond with what's in various deal  
17 capturing and internal systems. So once again, you don't  
18 have to change it 11:59:59. You can use midnight, if the  
19 sale is through midnight.

20 And one other clarification. That is, you know,  
21 specifically many RTOs have virtual sales opportunities.  
22 Those are, you know, separate -- those are separate types of  
23 sales that participate in the RTO auctions for energy, but  
24 you participate in the auctions with the obligation that  
25 your day-ahead sale is offset by a real-time purchase.

26

1                   And there's, you know, and if you are  
2 participating as a virtual participant in the RTO market,  
3 you know that you're participating. You have to  
4 affirmatively do so. So if you have a question about  
5 whether or not you're participating virtually, you're  
6 probably not participating virtually. Nancy.

7                   MS. LEE: Nancy Lee from ConEd Energy again.  
8 Regarding the transaction dates, if I have a sales contract  
9 that has an annual true-up, such that at the end of the year  
10 they sum up all my volume--the actual delivered volumes for  
11 the year and it fell short of what was in the contract, and  
12 there's a true-up volume, what date do I put for that  
13 true-up volume?

14                   MR. REICH: What date have you been putting?

15                   MS. LEE: This is a prospective question for a  
16 new contract.

17                   (Laughter.)

18                   MR. REICH: Ahh, darn.

19                   (Laughter.)

20                   MR. REICH: I think, first of all, I ll start  
21 with nothing in Order 768 would change the policy, the  
22 guidance that would have been given on that since I  
23 don't -since I'm not aware of that, I think we'll put that  
24 in the FAQ.

25                   MS. LEE: Okay, because typically, potentially  
26

1       it could come at the last invoice of the year, which would  
2       be the December invoice, which would show up in say January.  
3       So I was thinking maybe December 31st. I don't know.

4               MR. REICH: It's an issue I know that there's  
5       guidance that's been given. But it's not at the tip of my  
6       -- right. So I think what, so we will respond to that.

7               MS. LEE: Address that later. Okay. Very good,  
8       thanks.

9               MS. NEWMAN: And real quick Nancy, can you send  
10      us an email to EQR at ferc.gov with that question?

11              MS. LEE: Okay.

12              MS. NEWMAN: That would be great. Thank you.

13              MR. REICH: And in fact, overall if there are  
14      any questions that we do defer to work on, especially ones  
15      that weren't written and provided in advance, that we say  
16      we'll defer to the FAQ, it would be very helpful if you  
17      follow up with that question to EQR at ferc.gov, just to,  
18      you know, the belts and suspenders, make sure that it gets  
19      taken care of.

20              MR. BLAZEJOWSKI: So in the EQR, because  
21      transmission transactions aren't reported, we only get the  
22      delivery point and the point of delivery balancing  
23      authority, referred to as the "PODBA," is in Field 56.  
24      Sales delivered to interties between balancing authority  
25      should be reported to the receiving point of delivery  
26

1 balancing authority area.

2 The sales made at a marketing hub, the term  
3 "hub" should be used, and when the term hub is used for the  
4 Field 56, then there's a pull-down menu for Field 57 for the  
5 point of delivery specific location, which will list the  
6 hubs that we (sound system malfunction). And sales  
7 delivered to an international border should use the U.S.  
8 point of delivery balancing authority here.

9 MR. REICH: Just, I mean one point to kind of  
10 review an emphasis here is that in terms of, I mean if  
11 you're reporting a sale that's at a hub, and particularly if  
12 the hub is included in the pull-down menu, you should report  
13 it as the hub in the delivery control area, and the specific  
14 hub name in the specific location.

15 There--a lot of people report, for example, a  
16 sale to PJM Hub as "PJM" as the control area, and "PJM Hub"  
17 as their specific location, and that isn't how it should be  
18 reported. So just a note that you should take into account,  
19 as you're filling out your new EQRs.

20 MR. BLAZEJOWSKI: Next page, Transaction  
21 Descriptors. In the transaction section, the descriptor  
22 field refers to the specific transactions that are being  
23 reported, and if the increment peaking name is peak or  
24 off-peak, the begin and end dates may be continuous over the  
25 full term if the price is constant.

26

1           So a one week transaction with a fixed price can  
2           be reported in a single transaction starting on Monday and  
3           ending on Friday. And if the contract is a master  
4           agreement, the fields are different.

5           MR. REICH: Just to kind of emphasize or to  
6           emphasize what Mark said, a lot of people feel, or a lot of  
7           filers think that they need to report if they have a  
8           week-long transaction that has a peak price and an off peak  
9           price, they report each day, the peak period, and then the  
10          off peak period, and it's the same price throughout the week  
11          for the peak price, but there are five different records and  
12          then five different records for the off peak period.

13          They can report that transaction in two records  
14          for the entire week, identifying the off peak period under  
15          OP, with the price and the week-long sale there. So the  
16          duration of the sale for the week, off peak price; duration  
17          of the sale for peak; peak; total duration; price. They  
18          don't need to go day by day.

19          MR. BLAZEJOWSKI: Transaction Data Products. If  
20          an energy sale is booked out, it should be reported with the  
21          product named booked out power in the transaction section,  
22          and the description of all the different product names is  
23          available in Appendix A of the EQR Data Dictionary.

24          MR. REICH: And we got a question about a  
25          specific product, which is a black start from ISO New  
26

1 England, the example. I'll give credit to Barbara again.  
2 The example was in ISO New England, there's a single rate  
3 for Black start. Anyone who provides Black start service  
4 gets paid the same rate.

5 The guidance has always been on that, that the  
6 sale you're making is under your own tariff. So for a Black  
7 start product, the FERC tariff reference, just like any  
8 other sale to the RTO, is under your tariff.

9 So if you're a non-public utility and making  
10 that sale, you would have not required--you wouldn't have to  
11 have a separate contract line for the sale to the RTO that  
12 identifies the RTO tariff.

13 MR. BLAZEJOWSKI: Did you want to talk about  
14 booked-out power?

15 MR. REICH: Booked-out power. One of the  
16 products identified here is booked-out power. That is a  
17 sale that you make, that part of the sale involves a  
18 delivery obligation, and that obligation gets extinguished  
19 in some way or another, usually by an offsetting sale.

20 So as opposed to a virtual sale, where there is  
21 never any intention to deliver power, if you are selling  
22 into a market and through an offsetting sale, you no longer  
23 have to deliver that electricity, then you have to report  
24 that as a booked-out sale, and you use the booked-out power  
25 product name.

26

1                   MR. PEDERSON: Any questions on the booked- out  
2 power?

3                   (No response.)

4                   MR. PEDERSON: Okay.

5                   MR. BLAZEJOWSKI: Back to the Transaction Data.  
6 Sometimes errors occur. There's checks in the software to  
7 try and minimize that, on the software checks, to make sure  
8 that the price times the quantity plus the total  
9 transmission charge, if applicable, equals the total  
10 transaction charge, and the software allows for errors of up  
11 to a dollar or one percent.

12                   Some general points of emphasis. It's often the  
13 case that filers don't have perfect information when the  
14 deadline is due to file the EQR. In that case, the filer  
15 should provide the best available information at that time,  
16 and make amendments when new data becomes available.

17                   I think that is often the case in RTO, where you  
18 don't have the third month of the RTO data when the EQR data  
19 is due. So you'll file the first two months of the period,  
20 and come back and amend by adding the third month. If a  
21 filer recognizes that a previously-filed EQR requires  
22 corrections, and if the EQR is for the current or the  
23 previous quarter, they should make corrections directly into  
24 the EQR.

25                   If it's for a filing period prior to the  
26

1 previous quarter, we allow you to use, I think it's Field  
2 58, Billing Adjustment as a class name. You can make a  
3 one-line adjustment. But we want to emphasize that Billing  
4 Adjustments should not be used to correct inaccurate data,  
5 and that they're designed to reflect new information  
6 obtained through adjustments or amendments to billing  
7 statements.

8 And then the email address, EQR at ferc.gov, any  
9 questions should be sent there and Jen or Windi will get  
10 back to you really quickly with answers. I think that's it.

11 MR. REICH: I think there might have been a page  
12 skipped here. No? Okay, let's see. Yes, no. That's--the  
13 question here is new, it has to do with new fields.

14 MR. PEDERSON: Okay. So that's the presentation  
15 we had prepared for this morning. We are a little bit ahead  
16 of time. Let me ask this. Can I see a show of hands of  
17 folks that have follow-up questions, questions they want to  
18 ask us?

19 (No response.)

20 MR. PEDERSON: Seeing none, so we will adjourn  
21 the morning session. We are available. If you have  
22 follow-up questions, please send it to us via the email  
23 system. This afternoon's session will begin at one o'clock.  
24 Thank you. Also, let me say, is there are a Carol Faucher  
25 (phonetic)?  
26

1                   Yeah. Carol, can you come up? You've lost--I  
2                   have your driver's license. All right, thank you.

3                   (Whereupon, at 9:57 a.m., the morning session  
4                   was adjourned.)

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