

145 FERC ¶ 61,059
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

October 17, 2013

In Reply Refer To:

Duke Energy Carolinas, LLC and Duke
Energy Progress, Inc.

Docket No. ER13-83-000
ER13-83-001
ER13-83-002

Louisville Gas & Electric Company and
Kentucky Utilities Company

Docket No. ER13-897-000
ER13-897-001

Southern Company Services, Inc.

Docket No. ER13-908-000
ER13-908-001

Ohio Valley Electric Corporation

Docket No. ER13-913-000
ER13-913-001

Attention: Jennifer Keisling
Louisville Gas & Electric Company and
Kentucky Utilities Company
220 West Main Street
Louisville, KY 40202

Andrew W. Tunnel
Balch & Bingham, LLP
1710 Sixth Avenue, North
Birmingham, AL 35203

Brian E. Chisling
Simpson Thacher & Bartlett LLP
425 Lexington Avenue
New York, NY 10017

Jennifer Key
Steptoe & Johnson LLP
1330 Connecticut Avenue, NW
Washington, DC 20036

Dear Ms. Keisling, Mr. Tunnel, Mr. Chisling, and Ms. Key:

1. On September 20, 2013, Louisville Gas and Electric Company and Kentucky Utilities Company, Alabama Power Company, Georgia Power Company, Gulf Power Company, Mississippi Power Company, and Ohio Valley Electric Corporation (collectively, Southeast Regional Transmission Planning (SERTP) Public Utility Sponsors) filed a joint motion requesting a 60-day extension of time to submit their respective compliance filings in response to the regional transmission planning and cost allocation requirements of Order No. 1000¹ and the Commission's First Compliance Order.² In addition, SERTP Public Utility Sponsors also request that the Commission accept a revised effective date for implementing their Order No. 1000 transmission planning process, as discussed below.

2. SERTP Public Utility Sponsors state that, although the First Compliance Order did not address a proposal by Duke Energy Carolinas, LLC and Duke Energy Progress, Inc. (Duke-Progress) to adopt the SERTP regional transmission planning process for purposes of compliance with Order No. 1000, Duke-Progress joins and supports the SERTP Public Utilities Sponsors' motion.³ In addition, SERTP Public Utility Sponsors state that the non-public utility sponsors of the SERTP process also support the motion.⁴

3. SERTP Public Utility Sponsors explain that there is good cause to grant their request for extension. They assert that the First Compliance Order required fundamental and extensive changes to their proposed regional transmission planning process, which they have been working diligently to address. They explain that the requested extension

¹ *Transmission Planning and Cost Allocation by Transmission Owning and Operating Public Utilities*, Order No. 1000, FERC Stats. & Regs. ¶ 31,323 (2011), *order on reh'g*, Order No. 1000-A, 139 FERC ¶ 61,132, *order on reh'g*, Order No. 1000-B, 141 FERC ¶ 61,044 (2012).

² *Louisville Gas and Elec. Co.*, 144 FERC ¶ 61,054 (2013) (First Compliance Order).

³ Joint Motion at 1-2. In an order dated February 21, 2013, the Commission rejected Duke-Progress' original Order No. 1000 regional compliance filing. *Duke Energy Carolinas LLC*, 142 FERC ¶ 61,130 (2013). On May 22, 2013, Duke-Progress submitted a compliance filing proposing to enroll in the SERTP process for purposes of Order No. 1000 compliance. The Commission will act on the Duke-Progress compliance filing by separate order.

⁴ The non-public utility SERTP sponsors are Associated Electric Cooperative Inc., Dalton Utilities, Georgia Transmission Corporation, Municipal Electric Authority of Georgia, PowerSouth Energy Cooperative, South Mississippi Electric Power Association, and Tennessee Valley Authority. Joint Motion at 2.

will enable them to more fully consider relevant factors set forth in the First Compliance Order and develop new processes and proposals in accordance with that order. Additionally, SERTP Public Utility Sponsors state that, at this time, it is not clear what further Order No. 1000 compliance obligations the Commission may require Duke-Progress to file. Therefore, SERTP Public Utility Sponsors request an additional 60 days, until January 14, 2014, to submit their respective compliance filings.⁵

4. SERTP Public Utility Sponsors also request that the Commission accept a revised effective date of June 1, 2014 for implementation of their revised regional transmission planning process. SERTP Public Utility Sponsors explain that, in the First Compliance Order, the Commission directed the submission of “a compliance filing that reflects a January 1, 2014 effective date for their proposed [Open Access Transmission Tariff] revisions.”⁶ However, SERTP Public Utility Sponsors also state that the Commission further noted that “[i]f Filing Parties believe it is necessary, they may propose a different effective date than January 1, 2014, but must demonstrate why such effective date is more appropriate.”⁷

5. SERTP Public Utility Sponsors explain that, while they originally contemplated a January 1, 2014 effective date, that date was only possible assuming the Commission largely adopted the initial compliance filings. SERTP Public Utility Sponsors state that the First Compliance Order required numerous and extensive changes to the SERTP process. They explain that, while their compliance filings in response to the First Compliance Order will outline the revised structure of the transmission planning process, significant effort will be required after submission of the compliance filings to put the revised structures and processes in place. SERTP Public Utility Sponsors assert that implementation of the revised processes cannot begin in earnest until such time as the proposals are fully developed and tariff revisions are filed with the Commission.⁸ For these reasons, SERTP Public Utility Sponsors request that the Commission accept their proposal to adopt an effective date of June 1, 2014. They state that the revised effective date will allow them to set up the necessary mechanisms to implement their revised proposal and roll out to stakeholders the implementation of Order No. 1000 regional

⁵ *Id.* at 3, 5. SERTP Public Utility Sponsors state that providing an additional 60 days for compliance is consistent with prior requests granted to public utility transmission providers in other transmission planning regions that have requested similar extensions of time.

⁶ *Id.* at 5 (citing First Compliance Order, 144 FERC ¶ 61,054 at P 31).

⁷ *Id.*

⁸ SERTP Public Utility Sponsors state that the timeline preceding this request allows only 45 days from the current November 15, 2013 compliance filing deadline to the January 1, 2014 effective date for implementation of the revised proposal. *Id.* at 5-6.

transmission planning and cost allocation requirements concurrently with their second quarter meeting for 2014. SERTP Public Utility Sponsors also state that Duke-Progress and the non-public utility sponsors support the revised effective date.⁹

6. Upon consideration, the Commission grants the SERTP Public Utility Sponsors' request for a 60-day extension, until January 14, 2014, to submit their respective compliance filings in response to the First Compliance Order.¹⁰ In light of this extension, the SERTP Public Utility Sponsors' representation that they will require additional time after submitting their compliance filings to put the revised regional transmission planning processes in place, and the need to integrate Duke-Progress into that process, the Commission also accepts the SERTP Public Utility Sponsors' proposal to adopt a June 1, 2014 effective date for implementation of their revised Order No. 1000 regional transmission planning and cost allocation processes.

By direction of the Commission.

Kimberly D. Bose,
Secretary.

⁹ *Id.* at 2.

¹⁰ The Commission will address the date by which Duke-Progress must submit any additional compliance filing in a separate order addressing Duke-Progress' pending compliance filing.