

145 FERC ¶ 61,060
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

October 17, 2013

In Reply Refer To:
PacifiCorp
Docket No. ER13-64-000
ER13-64-001
Deseret Generation & Transmission
Cooperative, Inc.
Docket No. ER13-65-000
ER13-65-001
Northwestern Corporation
Docket No. ER13-67-000
ER13-67-001
Portland General Electric Corporation
Docket No. ER13-68-000
ER13-68-001
Idaho Power Company
Docket No. ER13-127-000
ER13-127-002

Attention: Malcolm McLellan, Esq.
Van Ness Feldman, LLP
719 Second Avenue
Suite 1150
Seattle, WA 98104-1728

Dear Mr. McLellan:

1. On September 16, 2013, you filed a motion on behalf of the public utility transmission providers¹ in the Northern Tier Transmission Group (NTTG) transmission planning region. In the motion, Movants request that the Commission suspend until October 1, 2015 the effective date of the revised Attachments Ks to their Open Access Transmission Tariffs (OATT), which Movants submitted to comply with the regional

¹ The public utility transmission providers are PacifiCorp, Deseret Generation & Transmission Cooperative, Inc., Northwestern Corporation, Portland General Electric Corporation, and Idaho Power Company (collectively, Movants).

transmission planning requirements of Order No. 1000.² The current effective date of October 1, 2013, which Movants proposed and the Commission accepted, was established in the First Compliance Order.³ In the alternative, Movants request that the Commission issue an order by November 29, 2013, that (1) accepts the pre-qualification process for sponsored projects for NTTG's next transmission planning cycle, which starts January 1, 2014, and (2) establishes a schedule for issuance of a series of Commission orders to address provisions of Movants' proposed Order No. 1000 regional transmission planning process "just-in-time" for implementation.⁴

2. In the First Compliance Order, the Commission accepted Movants' Order No. 1000 compliance filings effective October 1, 2013, as requested, subject to further compliance filings.⁵ On September 16, 2013, Movants submitted their respective second round regional compliance filings, as required by the First Compliance Order, and filed the instant motion concurrently. In the motion, Movants explain that while they originally requested an October 1, 2013 effective date, that request was based on the assumption that the Commission would accept the substance of their Order No. 1000 OATT revisions prior to that date.⁶ However, Movants state that, while the Commission granted their proposed effective date for their revised Attachment Ks in the First Compliance Order, it also ordered "compliance filing[s] to address certain aspects of the Order [No.] 1000 Attachment Ks planning process, thus making the commencement of the process impossible."⁷

3. Movants assert that it is now unclear to them whether NTTG should implement the existing, pre-Order No. 1000 transmission planning process that is consistent with Order No. 890 during the transmission planning cycle beginning January 1, 2014, or proceed with implementing a transmission planning process in accordance with Order No. 1000. They claim that it would not be appropriate to start implementing an Order No. 1000 process as of October 1, 2013 because the Commission has not yet addressed key aspects of the NTTG regional transmission planning process that Movants submitted in their September 16, 2013 second round regional compliance filings. Movants contend,

² *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).

³ *PacifiCorp*, 143 FERC ¶ 61,151 (2013) (First Compliance Order).

⁴ Motion at 1-2.

⁵ First Compliance Order, 143 FERC ¶ 61,151 at PP 1, 23.

⁶ Motion at 3.

⁷ *Id.*

on the other hand, it would not be feasible to start the transmission planning cycle on January 1, 2014 using the existing Order No. 890 transmission planning process⁸ and then switch mid-cycle to the Order No. 1000 transmission planning process after the Commission acts on their pending second round of compliance filings because stakeholders need to clearly understand the transmission planning process into which they submit a project, and one set of rules should apply throughout the entirety of the transmission planning cycle.⁹

4. Movants state that, if the Commission does not accept the Order No. 1000 transmission planning process as revised in their second round compliance filings by November 29, 2013, they believe the existing Order No. 890 planning process must apply throughout the next transmission planning cycle, which begins January 1, 2014, without any of the changes the Commission accepted in the First Compliance Order and without any of the changes they propose in their September 16, 2013 compliance filings.¹⁰ In the alternative, Movants state that, if the Commission desires to preserve an October 1, 2013 effective date for the Order No. 1000 transmission planning process, the Commission could issue a series of orders approving discrete aspects of their revised Attachment Ks filed in response to the First Compliance Order to facilitate acceptance of these OATT provisions “just-in-time” for implementation.¹¹

5. Utah Industrial Energy Consumers filed a timely answer to the motion, opposing suspension of the effective date of Movants’ respective OATT provisions until October 1, 2015, and contending that the delay may result in rates, terms, and conditions for jurisdictional service that are not just and reasonable, and unduly discriminatory or preferential.¹² In support, they cite the Commission’s statement in Order No. 1000 that a twelve-month time period for adoption of the transmission planning process reforms is reasonable and achievable.¹³ They assert that extending the effective date for implementing the OATT revisions essentially amounts to a four-year compliance period. Utah Industrial Energy Consumers state that any delay in implementation will harm

⁸ *Idaho Power Co.*, 124 FERC ¶ 61,053 (2008), *order on compliance filings*, 128 FERC ¶ 61,064 (2009).

⁹ Motion at 4.

¹⁰ *Id.*

¹¹ *Id.* at 5. Movants’ proposed schedule calls for a Commission order on the NTTG Quarter 1 process by December 31, 2013, an order on the Quarter 2 process by March 31, 2014, and an order on the remainder of the Attachment K tariff provisions by June 30, 2014. *Id.* at 2.

¹² Utah Industrial Energy Consumers Answer at 1.

¹³ *Id.* at 2 (citing Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 793).

PacifiCorp's customers, who are subject to formula rates, since adequate scrutiny for cost allocation in the Order No. 1000 planning process will not happen in a timely manner.¹⁴

6. We deny Movants' motion. Instead, we take this opportunity to confirm that, in the First Compliance Order, it was the Commission's intent, in accepting Movants' proposed October 1, 2013 effective date,¹⁵ that Movants would implement their proposed Attachment K revisions accepted therein together with the further tariff revisions Movants submitted in their September 16, 2013 compliance filings to comply with the First Compliance Order. As the Commission has previously indicated, we do not believe it necessary to delay the effective date of tariff revisions until every issue in an Order No. 1000 compliance proceeding is resolved.¹⁶ Moreover, we note that Order No. 1000 found that "inadequate transmission planning and cost allocation requirements may be impeding the development of beneficial transmission lines or resulting in inefficient and overlapping transmission development due to a lack of coordination. . . ."¹⁷ Given this finding, it would be inappropriate for Movants to delay implementation of the Order No. 1000 transmission planning process for an additional two year period, and revert to an Order No. 890 transmission planning process. Finally, we also clarify that, if the Commission directs any further revisions to the NTTG regional transmission planning process in response to the September 16, 2013 compliance filings, Movants would be required to implement those further revisions prospectively. However, to the extent any ordered changes can reasonably be implemented during the current (i.e., 2014-2015) planning cycle without disrupting the regional transmission planning process, Movants may implement those changes in the current planning cycle.

By direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.

¹⁴ *Id.* at 3.

¹⁵ First Compliance Order, 143 FERC ¶ 61,151 at P 23 (granting the proposed October 1, 2013 effective date "so that the proposed Order No. 1000 revisions will apply to NTTG's next biennial transmission planning cycle (i.e., the 2014-2015 transmission planning cycle.")).

¹⁶ *PJM Interconnection, L.L.C.*, 142 FERC ¶ 61,214, at P 32 (2013); *Louisville Gas & Elec. Co.*, 144 FERC ¶ 61,054, at P 31 (2013). *See also Pub. Serv. Co. of Colo.*, 142 FERC ¶ 61,206, at P 28 (2013) (finding that the filing parties had not justified delaying implementation of the compliance filings until every issue in the proceeding has been resolved).

¹⁷ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 43.