

June 2014

Meeting Summaries

These are summaries of orders voted by the Federal Energy Regulatory Commission at its June 19, 2014 public meeting. The summaries are produced by FERC's Office of External Affairs and are intended to provide only a general synopsis of the orders. These summaries are not intended as a substitute for the Commission's official orders. To determine the specific actions and the Commission's reasoning, please consult the individual orders when they are posted to FERC's eLibrary found at www.ferc.gov.

A-3 – Press Release

E-4, E-5 - Press Release

E-6 - Press Release

E-7 through E-12 and E-24 – Press Release

E-17, E-18 and E-19 – Press Release

C-1, C-3 - Press Release

FERC grants in part and denies in part requests for rehearing; conditionally accepts compliance filings

E-3, *Duke Energy Carolinas, LLC and Duke Energy Progress, Inc.*, Docket No. ER13-83-003, *et al.* This order addresses Filing Parties' second round Order No. 1000 regional compliance filings and Southeast Regional Transmission Planning region (SERTP) Sponsors' requests for rehearing and clarification of the initial compliance order. The order grants in part and denies in part the requests for rehearing and clarification and conditionally accepts for filing, subject to further modification, Filing Parties' second round of Order No. 1000 regional compliance filings.

The Filing Parties include the public utility transmission providers in the SERTP region: Louisville Gas and Electric Company and Kentucky Utilities Company (LG&E/KU), Alabama Power Company, Georgia Power Company, Gulf Power Company, and Mississippi Power Company (collectively, Southern Companies), Ohio Valley Electric Corporation (OVEC), and Duke Energy Carolinas, LLC and Duke Energy Progress, Inc. (Duke-Progress). The SERTP Sponsors consist of the Southern Companies, OVEC, LG&E/KU, Duke-Progress, and the following non-public utility transmission providers:

Associated Electric Cooperative Inc., Dalton Utilities, Georgia Transmission Corporation, the Municipal Electric Authority of Georgia, PowerSouth Energy Cooperative, the South Mississippi Electric Power Association, and the Tennessee Valley Authority.

FERC accepts revised tariff filing

E-20, *Constellation NewEnergy, Inc.*, Docket No. ER14-1626-000, *et al.* This order accepts revisions to the applicants' market-based rate tariffs. The revisions include the Commission's standard provision for the sale of ancillary services at market-based rates in the Southwest Power Pool, Inc. (SPP) market. The order clarifies that sellers with market-based rate authority in the SPP market as of March 1, 2014, the date of the start of the SPP Integrated Marketplace, are authorized to make ancillary services sales effective March 1, 2014. The order also clarifies the process for such sellers to revise their market-based tariffs to include the standard provision for ancillary services sales in SPP.

FERC conditionally accepts compliance filing

E-21, *Southwest Power Pool, Inc.*, Docket Nos. ER13-1748-000 & ER13-1748-001. The order conditionally accepts, subject to an additional compliance filing and reporting requirements, SPP's proposed tariff revisions to comply with the requirements of Order No. 755, *Frequency Regulation Compensation in the Organized Wholesale Power Markets*.

FERC conditionally accepts an additional compliance filing

E-22, *Southwest Power Pool, Inc.*, Docket Nos. ER12-1179-018 & ER13-1173-000. The order conditionally accepts, subject to an additional compliance filing, SPP's filing to comply with the directives set forth in an order dated January 29, 2014, which addressed an earlier SPP Integrated Marketplace compliance filing submitted on November 11, 2013.

FERC conditionally accepts compliance filing

E-23, *California Independent System Operator, Inc.*, Docket No. ER13-2452-001. This order accepts CAISO's compliance filing and, to improve the transparency of the bid cost recovery payments, directs CAISO to make further changes to its reporting of bid cost recovery data to provide additional, more detailed locational information.

FERC establishes hearing and settlement judge procedures

E-25, *Ameren Corporation*, Docket No. AC11-46-000. This order addresses Ameren Illinois Company's (Ameren Illinois) second refund report, which was filed to comply with the Commission's June 20, 2013 order in this proceeding. The order finds that the second refund report raises issues of material fact that cannot be resolved based on the record, i.e., the goodwill and purchase accounting adjustments recorded, the acquisition premiums included in rates, and the ratemaking adjustments required to remove the impact of the acquisition premiums from rate base, cost of service, and the resulting rates, and, thus, establishes hearing and settlement judge procedures.

FERC denies rehearing

E-26, *Ameren Corporation*, Docket Nos. AC11-46-002 & AC11-46-003. This order denies Ameren Corporation's requests for rehearing of the Commission's orders in these proceedings issued on July 19, 2012 and June 20, 2013 finding that Ameren Illinois Company improperly included acquisition premiums in its rates.

FERC denies rehearing

M-1, *Communication of Operational Information Between Natural Gas Pipelines and Transmission Operators*, Docket No. RM13-17-001. This order denies two requests for rehearing of Order No. 787. The order denies a request from Enable Gas Transmission, LLC and Enable Mississippi River Transmission, LLC (collectively, Enable) to revise the No-Conduit Rule to allow disclosures to third parties (other than marketing function employees). The order finds that Enable's concern regarding shared operating employees is better addressed through a waiver request than a broad exception to the No-Conduit Rule. The order also denies the request for rehearing filed by Natural Gas Supply Association, Process Gas Consumers Group, and Northwest Industrial Gas Users for a technical conference after an interim period to assess the effectiveness of Order No. 787. The order finds that there is no need at this time to commit to a technical conference or other specific process for evaluating Order No. 787, because market participants in both industries are expected, as they experience the communications contemplated by the rule, to keep the Commission informed about progress, issues, and areas of possible improvement, and also because the Commission expects to continue to monitor coordination and to schedule conferences and reports as it deems necessary.

FERC grants in part and denies in part request for limited waivers

G-1, *National Fuel Gas Supply Corporation and Empire Pipeline, Inc.*, Docket No. RP14-380-000. This order grants in part and denies in part a request submitted by National Fuel Gas Supply Corporation and Empire Pipeline, Inc. (collectively, National Fuel) for limited waivers of the No-Conduit Rule adopted in Order No. 787. The order finds that good cause exists for granting National Fuel a limited waiver of Order No. 787 to permit (1) shared employees in National Fuel's gas dispatch center to receive non-

public, operational information from a public utility under Order No. 787 and to share it with other shared employees in the Shared Services Departments, and (2) shared employees in the Shared Services Departments to receive communications regarding electric service interruptions affecting National Fuel's facilities. These limited waivers are subject to the condition that the shared employees do not engage in marketing functions or otherwise make sales of natural gas. This order, however, denies National Fuel's request for waiver of Order No. 787 to permit National Fuel to communicate information received under Order No. 787 regarding electric service interruptions or impending power outages to affiliated non-shared employees. The order finds that good cause is lacking to allow preferential communication of such information to affiliated non-shared employees.

FERC grants a request for limited waiver

G-2, *Enable Gas Transmission, LLC and Enable Mississippi River Transmission, LLC*, Docket No. RP14-453-000. This order grants a request submitted by Enable Gas Transmission, LLC and Enable Mississippi River Transmission, LLC (collectively, Enable) for limited waiver of the No-Conduit Rule adopted in Order No. 787, subject to conditions. The order finds that good cause exists to grant Enable a limited waiver of the No-Conduit Rule in Order No. 787 to permit employees shared by Enable and its affiliated intrastate and gathering systems to receive non-public, operational information provided under Order No. 787. This waiver is subject to the condition that the shared employees do not engage in marketing functions or otherwise make sales of natural gas.

FERC grants petition for declaratory order, denies stay

H-1, *Public Utility District No. 1 of Snohomish County, Washington*, Docket No. EL14-47-000 and Project Nos. 12690-007 and 12690-008. The order grants the licensee's petition for a declaratory order and finds that in this case, where the state waived its consistency certification authority under the Coastal Zone Management Act, the Federal Power Act preempts the regulatory authority of Island County, Washington, and the Washington State Department of Ecology under the state's Shoreline Management Act. Therefore, the licensee is not required to obtain a shoreline permit under that act in order to construct, maintain, and operate its Admiralty Inlet Pilot Tidal Project No. 12690, which was issued a 10-year pilot license in March 2014 and will be located on the east side of Admiralty Inlet in Puget Sound, Washington. Requests for rehearing are pending and will be addressed in a subsequent order.

The order also denies a motion for a stay of the license for the Admiralty Inlet Project pending rehearing and judicial review, filed by the Tulalip Tribes of Washington, finding that they have not demonstrated a basis for their claim of irreparable injury.

FERC denies petition for declaratory order

H-2, *PacifiCorp*, Project No. 2082-058. The order denies a request by the Hoopa Valley Tribe asking the Commission to find either: (1) that PacifiCorp, licensee for the Klamath Hydroelectric Project No. 2082, has failed to diligently pursue its relicense application and should be required to file a plan for decommissioning the project or (2) that Oregon and California have waived their authority to issue water quality certification for the project in accordance with the Clean Water Act.

FERC issues a preliminary permit, grants priority to file license application

H-3, *Green Energy Storage Corp.*, Project No. 14589. The order grants Green Energy a preliminary permit to study the feasibility of the Sacaton Pumped Storage Project, to be located near the town of Casa Grande in Pinal County, Arizona. The application was opposed by the owner of the site of Green Energy's proposed lower reservoir, who expressed concern that an outstanding preliminary permit may discourage potential buyers, and stated it would not allow Green Energy access to the site to conduct studies during the permit term. The order concludes that these concerns are speculative and unsupported at this stage, and that, even if it could be demonstrated that issuance of a preliminary permit would affect the marketability of the proposed project site, such a finding would not warrant denial of a permit.

FERC grants rehearing in part, amends hydro license

H-4, *BOST3 Hydroelectric LLC*, Project No. 12756-004. The order approves the licensee's request to modify the six-month filing deadline requirement set forth in license Articles 402, 403, 407, and 408 for the Red River Lock and Dam No. 3 Hydroelectric Project No. 12756, to be located on the Red River in Natchitoches Parish, the town of Colfax, Louisiana.

FERC denies rehearing

H-5, *H2O Holdings*, Project No. 12714-004. The order denies rehearing of Commission staff's January 31 order denying H2O Holdings' application for a preliminary permit for the Phantom Canyon/South Slope Pumped Storage Project, proposed to be located on Phantom Creek, near Canon City, in Fremont, Pueblo, and El Paso counties, Colorado, finding that H2O Holdings and the previous permit holder, H2O Providers, are so closely connected that they are essentially the same entity for the purposes of seeking a third preliminary permit.

FERC denies rehearing

H-6, *FFP Qualified Hydro 14, LLC and Western Minnesota Municipal Power Agency*, Project Nos. 13579-003 & 14491-001. The order denies the rehearing requests filed by Western Minnesota, the American Public Power Association, and the Public Power Council of the Commission's December 19, 2013 order issuing a successive preliminary permit to FFP and denying Western Minnesota's competing permit application to study the feasibility of a hydroelectric project to be located at the existing Saylorville Dam and Lake on the Des Moines River in Polk County, Iowa.

FERC issues an original license

H-7, *Eagle Crest Energy Company*, Project No. 13123-002. The order issues an original license to Eagle Crest Energy Company to construct, operate, and maintain the proposed 1,300-megawatt Eagle Mountain Pumped Storage Hydroelectric Project. The project will be located on the site of the inactive Eagle Mountain mine, in Riverside County, California, near the town of Desert Center. The project will operate as a closed-loop, pumped storage facility with water for the initial reservoir fill and replenishment supplied by groundwater wells.

FERC grants rehearing

C-2, *Dominion Transmission, Inc. and Tennessee Gas Pipeline Company, L.L.C.*, Docket No. CP13-545-001. This order grants Dominion's rehearing request seeking a presumption supporting rolled-in rate treatment in its next Natural Gas Act section 4 rate proceeding and removes the January 16 Order's condition requiring Dominion to account separately for the costs attributable to the reacquired capacity.