

December 2014 Meeting Summaries

These are summaries of orders voted by the Federal Energy Regulatory Commission at its December 18, 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.

E-1, E-2, E-16 – Press Release

FERC orders staff to convene a technical conference

E-3, *Northern Indiana Public Service Co. v. Midcontinent Independent System Operator, Inc. and PJM Interconnection, L.L.C.*, Docket No. EL13-88-000. This order directs Commission staff to convene a technical conference to explore issues raised in NIPSCO's complaint related to the Joint Operating Agreement between MISO and PJM, and the MISO-PJM seam.

FERC grants a petition for declaratory order

E-4, *Public Service Company of Colorado*, Docket No. EL14-97-000. This order grants a petition for a declaratory order that seeks findings regarding the applicability of section 203 of the Federal Power Act (FPA) to transfers of jurisdictional facilities by condemnation. The order finds that FPA section 203 applies to a proposed transfer of jurisdictional facilities to the City of Boulder, Colorado by condemnation and makes related findings.

FERC conditionally authorizes a disposition of jurisdictional assets

E-5, *PPL Corporation and RJS Power Holdings L.L.C.*, Docket No. EC14-112-000. This order conditionally authorizes PPL Corp.'s and RJS Power Holding's proposed disposition of jurisdictional assets, in accordance with section 203 of the Federal Power Act. The proposed transaction consists of a multi-step process whereby the interests in PPL Energy Supply will be separated from PPL Corp., distributed to shareholders, and combined with the RJS Power Holdings' subsidiaries. The order finds that the applicants have not demonstrated that the proposed transaction, including the applicants' proposed mitigation, does not have an adverse effect on competition in the 5004/5005 submarket within PJM. Accordingly, the order conditions authorization of the proposed transaction on additional mitigation, as well as other conditions.

FERC proposes a rule

E-6, *Revisions to Part 46 Filing Requirements*, Docket No. RM15-3-000. This notice of proposed rulemaking (NOPR) proposes to revise the Commission's regulations to eliminate the requirement to submit FERC Form No. 566 (Annual Report of a Utility's 20 Largest Customers) for regional transmission organizations, independent system operators, and exempt wholesale generators. The NOPR also proposes to revise the Commission's regulations to eliminate the requirement to submit FERC Form No. 566 for public utilities that have not made any reportable retail sales in any of the three preceding years. The NOPR further proposes to eliminate the requirement for public utilities submitting FERC Form No. 566 to identify individual residential customers by name and address.

FERC sets case for hearing and settlement judge procedures

E-8, *Entergy Corporation, et al.*, Docket No. ER14-75-000, *et al.* The order sets for hearing and settlement judge procedures Entergy's proposed amendment to revise section 1.01 of the Entergy System Agreement changing the notice period for an Operating Company to terminate its participation in the System Agreement from 96 months (8 years) to 60 months (5 years) (Notice Filing). The order also conditionally accepts the notices of withdrawal from the Entergy System Agreement of Entergy Texas, Entergy Louisiana, and Entergy Gulf States Louisiana, subject to the outcome of the Notice Filing proceeding.

FERC grants request for clarification

E-9, *Southwest Power Pool, Inc.*, Docket No. ER12-1179-019. The order grants SPP's motion to clarify that, under the SPP Tariff, the costs of all manual resource commitments implemented in the Integrated Marketplace to address Local Reliability Issues should be allocated locally. The order directs SPP to submit a compliance filing to revise tariff provisions to reflect this clarification.

FERC conditionally accepts tariff revisions

E-10, *NV Energy, Inc.*, Docket Nos. ER14-2979-000 and ER14-2979-001. This order conditionally accepts NV Energy's revisions to Schedule 5 (Spinning Reserve Service) and Schedule 6 (Supplemental Reserve Service) of its joint Open Access Transmission Tariff. The revisions conform to the new Western Electricity Coordinating Council regional Reliability Standard BAL-002-WECC-2 (Contingency Reserve) requirements.

FERC sets case for hearing and settlement judge procedures

E-11, *Entergy Services, Inc.*, Docket No. ER14-2085-000, *et al.* This order sets for hearing and settlement judge procedures the eighth annual bandwidth filing that Entergy submitted on May 30, 2014, under Service Schedule MSS-3 of the Entergy System Agreement. It also lifts the Commission's abeyance orders in Entergy's fifth, sixth, and seventh annual bandwidth proceedings, as well as in one bandwidth-related complaint proceeding (E-21, discussed below), and consolidates the five cases for hearing and settlement judge procedures.

FERC grants request for a waiver

E-12, *Midcontinent Independent System Operator, Inc.*, Docket No. ER14-2022-000. The order grants MISO's request for a limited waiver of certain deadlines for processing long-term firm transmission service requests that would use the transmission path between MISO's northern area and MISO's new southern area. MISO wants to postpone action on such transmission requests due to the uncertainties about the capacity available on that path resulting from pending litigation between MISO and Southwest Power Pool, Inc.

FERC accepts tariff revisions

E-13, *California Independent System Operator Corporation*, Docket No. ER15-129-000. This order accepts tariff revisions proposed by CAISO to (1) clarify the timing of reimbursement to interconnection customers for network upgrades they have financed; and (2) modify how CAISO distributes non-refundable interconnection financial security and study funds to apply them directly to reduce transmission rates, either through reductions in the costs of associated interconnection-related network upgrades, or as offsets to the transmission revenue requirements of applicable transmission owners. The order accepts the tariff revisions effective December 19, 2014, as requested.

FERC accepts tariff revisions

E-14, *California Independent System Operator Corporation*, Docket No. ER15-66-000. This letter order accepts CAISO's proposed Open Access Transmission Tariff revisions, to become effective January 1, 2015. CAISO proposes several tariff revisions related to its grid management charge, specifically (1) an increase in the revenue requirement; (2) changes to the allocation of the revenue requirement to service categories; and (3) updated administrative fees.

FERC accepts tariff revisions

E-15, *California Independent System Operator Corporation*, Docket No. ER15-50-000. This order accepts CAISO's tariff revisions incorporating in its tariff, and setting at a lower amount, a flexible ramping constraint relaxation parameter, which determines when CAISO will stop procuring additional flexible ramping capacity in its real-time markets. Its inclusion in the tariff, and setting a lower amount, will result in a more efficient procurement of flexible ramping capacity, and will avoid unnecessary price increases.

FERC acts on remand; establishes hearing and settlement judge procedures

E-19, *PJM Interconnection, L.L.C.*, Docket No. EL05-121-009. On June 25, 2014, the United States Court of Appeals for the Seventh Circuit remanded the Commission's determination regarding the cost allocation methodology applicable to certain transmission facilities that operate at 500 kV and above in the PJM Interconnection. The order establishes hearing and settlement judge procedures to determine the appropriate cost allocation for the specific projects that remain at issue in this proceeding, and directs the parties to support their respective proposals with quantitative evidence or at least an estimate of the benefits of the projects.

FERC declines to initiate an enforcement action

E-20, *Alaska Power & Telephone Co.*, Docket No. EL15-12-000. This Notice of Intent Not to Act declines to initiate an enforcement action against Southeast Alaska Power Agency (SEAPA) on behalf of Alaska Power, which had requested that the Commission require SEAPA to provide Alaska Power with avoided cost data.

FERC denies rehearing; establishes hearing and settlement judge procedures

E-21, *Louisiana Public Service Commission v. Entergy Corporation, Entergy Services, Inc., Entergy Louisiana, LLC, Entergy Arkansas, Inc., Entergy Mississippi, Inc., Entergy New Orleans, Inc., Entergy Gulf States Louisiana, L.L.C., Entergy Texas, Inc.*, Docket Nos. EL10-65-000 and EL10-65-001. The order denies the Louisiana Commission's request for rehearing of the Commission's prior order in *Louisiana Public Service Commission v. Entergy Corporation, and Louisiana Public Service Commission v. Entergy Services, Inc.*, (Hearing Order), which addressed a complaint filed by the Louisiana Commission raising multiple issues related to the Entergy System Agreement's bandwidth formula remedy. Additionally, the order responds to the Louisiana Commission's motion to proceed regarding issues that were being held in abeyance by the Hearing Order, and directs the following: (1) reinstatement of hearing and settlement judge procedures concerning inclusion of Waterford 3 generating plant Accumulated

Deferred Income Tax (ADIT) in the bandwidth formula; (2) reinstatement of hearing and settlement judge procedures concerning direct assignment of ADIT; (3) conditional resumption of hearing and settlement judge procedures concerning exclusion of interruptible load from the bandwidth formula, should the Louisiana Commission wish to pursue it; and (4) dismissal of matters concerning inclusion of Spindletop Regulatory Asset costs in the bandwidth formula as moot. The order in today's Commission Meeting Agenda Item E-11 consolidates proceedings in both E-11 and E-21 for purposes of settlement, hearing, and discussion.

FERC denies rehearing

E-22, *Louisiana Public Service Commission v. Entergy Corp.*, Docket No. EL11-65-001. The order denies the Louisiana Commission's request for rehearing, finding that the bandwidth remedy contained in Service Schedule MSS-3 of the Entergy System Agreement does not exclude out-of-period expenses and revenues. The Commission also continues to hold in abeyance the Louisiana Commission's request for prospective relief for potential refunds associated with Docket No. EL00-66-017.

FERC establishes hearing and settlement judge procedures

E-24, *State Corporation Commission of the State of Kansas v. Westar Energy, Inc.*, Docket No. EL14-93-000. This order addresses a complaint filed by the Kansas Commission against Westar alleging that the current 11.3 percent return on equity component of Westar's transmission formula rate is unjust, unreasonable, and unduly discriminatory. The order finds that the complaint raises issues of material fact that cannot be resolved based upon the record before the Commission and sets the complaint for hearing and settlement judge procedures.

FERC grants request for a declaratory order

E-25, *Energy Producers and Users Coalition*, Docket No. EL15-14-000. This order grants Energy Producers and Users Coalition's Petition for Declaratory Order. The order finds that the California Public Utilities Commission's approval of the Optional As-Available Power Purchase Agreement (PPA) was in accordance with the state regulatory authority's implementation of the Public Utility Regulatory Policies Act of 1978, and thus, sales of energy and capacity under the Optional As-Available PPAs are, in accordance with section 292.601(c) of the Commission's regulations, exempt from section 205 of the Federal Power Act.

FERC denies reconsideration

E-26, *Gregory and Beverly Swecker v. Midland Power Cooperative; Gregory Swecker and Beverly Swecker v. Midland Power Cooperative and Central Iowa Power*

Cooperative, Docket Nos. EL14-9-001, QF11-424-003; EL14-18-001. This order denies a request for reconsideration of a Notice of Intent Not to Act issued in this proceeding. The Notice of Intent Not to Act gave notice that the Commission declined to initiate an enforcement action under section 210(h)(2)(A) of the Public Utility Regulatory Policies Act of 1978 in response to a petition filed by Gregory and Beverly Swecker. Noting that its enforcement authority is discretionary, the order affirms its prior decision not to initiate an enforcement action.

FERC accepts a rate filing; grants in part and denies in part a request for waiver

E-27, *Evergreen Gen Lead, LLC*, Docket No. ER15-203-000. This order accepts for filing a rate schedule submitted by Evergreen Gen Lead between its affiliates, Evergreen Wind Power III, LLC, Stetson Holdings, LLC, Stetson Wind II, LLC, and Champlain Wind, LLC (collectively, the Members). The rate schedule specifies the rights of the Members to access and use a generator lead line and related relay protection equipment, according to each Member's equity ownership of the line and related equipment. This order also grants in part and denies in part Evergreen Gen Lead's request for waiver of certain filing and reporting requirements.

FERC denies rehearing

E-28, *RITELine Illinois, LLC, RITELine Indiana, LLC*, Docket Nos. ER11-4069-001 and ER11-4070-002. This order denies the request for rehearing of RITELine Illinois and RITELine Indiana (collectively, RITELine Companies) of the Commission's October 14, 2011 order, which accepted in part, and rejected in part, the RITELine Companies' proposal for transmission rate incentives for the RITELine Project. The RITELine Project consists of approximately 420 miles of 765 kV transmission line that is projected to strengthen the transmission system in Illinois, Indiana, and Ohio. The order finds the RITELine Companies' arguments - that they met Federal Power Act section 219 criteria through the submitted congestion and reliability benefits studies, to be unpersuasive. Additionally, the order continues to find that the abandonment incentive is dependent upon the project being included in the PJM Interconnection, L.L.C. regional transmission expansion plan.

FERC grants a complaint

E-29, *GDF Suez Energy Resources, NA vs. New York Independent System Operator, Inc., and Consolidated Edison Company of New York, Inc.*, Docket No. EL14-89-000. This order grants GDF Suez Energy Resources' complaint and orders NYISO to reopen and resettle billings for NYISO-supplied electricity for the November/December 2012 billing periods, and to refund overcharges paid by Suez, with interest.

FERC conditionally accepts request for a limited waiver

G-1, *Arkansas Oklahoma Gas Corporation*, Docket No. PR14-55-000. This order conditionally grants AOG's request for limited waiver of the Commission's requirement that an informational rate filing be made by January 15, 2015. AOG asked that the Commission continue to permit AOG to (1) charge its currently effective rates for interruptible transportation service provided under an Order No. 63 blanket certificate until January 15, 2020, and (2) identify "production pool" instead of specific receipt points for each transaction reported in Form No. 549-D, which the Commission previously granted to AOG. AOG asserts that it credits its steadily declining revenues to its local distribution company customers and the costs of a filing would exceed the revenues. AOG further asserts that the facts have not changed materially since the previous waiver. The order grants AOG's request for waiver subject to AOG's filing annual reports certifying that the conditions surrounding the waiver have not changed.

FERC conditionally accepts a settlement offer

G-2, *Sea Robin Pipeline Company, LLC*, Docket No. RP14-247-000 *et al.* This order conditionally approves, subject to modification, an Offer of Settlement filed by Sea Robin. The settlement concerns, among other things, a Natural Gas Act section 4 general rate case filed by Sea Robin seeking an increase in its firm and interruptible transportation and gathering rates.

FERC establishes hearing and settlement judge procedures

G-3, *American Airlines, Inc. v. Buckeye Pipe Line Company, L.P.*, Docket No. OR14-41-000. This order establishes hearing and settlement judge procedures to address American's complaint, filed September 17, 2014, against Buckeye. American alleges Buckeye's rates for the transportation of jet or aviation turbine fuel from Linden, New Jersey to the three New York City area airports are not just and reasonable. American also alleges Buckeye's practices relating to nominations, scheduling, and deliveries of jet or aviation turbine fuel to the New York City area airports may not be just and reasonable, and are not properly set forth in Buckeye's tariff.

FERC grants rehearing in part and denies request for a stay

H-1, *Catamount Metropolitan District*, Project No. 14368-001. The order grants the District's request for rehearing of Commission staff's August 13, 2013 order granting an exemption from the licensing requirements of Part I of the Federal Power Act. Specifically, the order revises Articles 26 and 27(d) to enable the District to operate the project consistent with how the District operates the dam and reservoir. In addition, the order denies Yampa Realty Holdings, LLC's request for rehearing and stay of the exemption order. The order finds that the District complied with the Commission's

consultation requirements and that Commission staff appropriately analyzed the noise impacts of the project.

FERC grants a certificate and approves abandonment of natural gas facilities

C-2, *Transcontinental Gas Pipe Line Company, LLC*, Docket No. CP13-551-000. This order authorizes Transco to construct and operate the Leidy Southeast Project, which will enable Transco to provide firm transportation service for an additional 525,000 dekatherms of gas per day from Clinton County and Lycoming County, Pennsylvania, to various delivery points on Transco's Mainline. The order also approves Transco's request to abandon an existing 12,000 horsepower (hp) gas compressor engine to replace it with a new 16,000 hp gas turbine compressor unit.

FERC vacates in part and amends a certificate of public convenience and necessity

C-3, *Bison Pipeline LLC*, Docket No. CP09-161-000. The order vacates Bison's certificate authority for construction and operation of the Hettinger Compression Station and amends the certificated capacity of the Bison Pipeline to 407 MMcf/d. Bison states that demand for the additional capacity that would be created by the compression facilities has not materialized and is not expected to do so in the foreseeable future.

FERC conditionally authorizes a pipeline expansion project

C-4, *Columbia Gas Transmission, LLC*, Docket No. CP14-17-000. The order conditionally grants authorization to construct and operate pipeline, compression, and auxiliary facilities for Columbia's proposed East Side Expansion Project that would be located in Pennsylvania, New Jersey, New York, and Maryland. The order also grants Columbia's requests under section 7(b) of the Natural Gas Act to abandon compression facilities that will be replaced as part of the project. The proposed project is designed to increase firm pipeline transportation service on the Columbia system by 312,000 dekatherms of gas per day.

FERC conditionally authorizes a pipeline expansion project

C-5, *Texas Eastern Transmission, LP*, Docket No. CP14-104-000. The order issues a certificate of public convenience and necessity to Texas Eastern to construct and operate its Uniontown to Gas City Project, comprised of 65 feet of 20-inch diameter pipeline and meter and chromatograph facilities, and minor modifications to existing compressor station facilities in Pennsylvania, Ohio, and Indiana. The project will provide 425,000 dekatherms of gas per day of firm pipeline capacity from receipt points near Texas Eastern's existing Uniontown Compressor Station in southwestern Pennsylvania to an interconnection with Panhandle Eastern Pipe Line Company, LP's system near Gas City, Indiana. The order denies Allegheny Defense Project's protest claiming that

environmental impacts of Marcellus Shale gas development must be examined in programmatic and site-specific environmental impact statements.