

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Technical Conference on Environmental Regulations and Electric Reliability, Wholesale Electricity Markets, and Energy Infrastructure Docket No. AD15-4-000

SUPPLEMENTAL NOTICE OF TECHNICAL CONFERENCE

(March 4, 2015)

As announced in the Notice of Technical Conferences issued on December 9, 2014¹ and the Supplemental Notice of Technical Conferences issued on January 6, 2015,² the Federal Energy Regulatory Commission (Commission) staff will hold an Eastern region³ technical conference to discuss implications of compliance approaches to the Clean Power Plan proposed rule, issued by the Environmental Protection Agency (EPA) on June 2, 2014.⁴ The technical conference will focus on issues related to electric reliability, wholesale electric markets and operations, and energy infrastructure in the Eastern region. The Commission will hold the Eastern region technical conference on

¹ Technical Conference on Environmental Regulations and Electric Reliability, Wholesale Electricity Markets, and Energy Infrastructure, Docket No. AD15-4-000, (Dec. 9, 2014) (Notice of Technical Conferences), *available at* <http://www.ferc.gov/CalendarFiles/20141209165657-AD15-4-000TC.pdf>.

² Technical Conference on Environmental Regulations and Electric Reliability, Wholesale Electricity Markets, and Energy Infrastructure, Docket No. AD15-4-000, (Jan. 6, 2015) (Supplemental Notice of Technical Conferences), *available at* <http://www.ferc.gov/CalendarFiles/20150106170115-AD15-4-000TC1.pdf>.

³ For purposes of this conference, the Eastern region includes the following Commission-approved Order No. 1000 planning regions: ISO New England Inc. (ISO-NE), PJM Interconnection, L.L.C. (PJM), New York Independent System Operator (NYISO), Southeastern Regional Transmission Planning (SERTP), South Carolina Regional Transmission Planning (SCRTP), and Florida Reliability Coordinating Council (FRCC). This region also includes the Northern Maine Independent System Administrator (NMISA).

⁴ Carbon Pollution Emission Guidelines for Existing Stationary Sources: Electric Utility Generating Units, 79 Fed. Reg. 34,830 (2014) (Proposed Rule), *available at* <http://www.gpo.gov/fdsys/pkg/FR-2014-06-18/pdf/2014-13726.pdf>.

March 11, 2015, from approximately 9:30 a.m. to 5:15 p.m. at the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC. This conference is free of charge and open to the public. Commission members may participate in the conference. The agenda for the Eastern region technical conference is attached to this Supplemental Notice of Technical Conference.

If you have not already done so, those who plan to attend the technical conference are strongly encouraged to complete the registration form located at: <https://www.ferc.gov/whats-new/registration/03-11-15-eastern-form.asp>. Those interested in attending the Eastern region conference are encouraged to register by close of business March 6, 2015.

The Commission will post information on the technical conference on the Calendar of Events on the Commission's website, <http://www.ferc.gov>, prior to the conference. The Eastern region technical conference will also be transcribed. Transcripts of the technical conference will be available for a fee from Ace-Federal Reporters, Inc. ((202) 347-3700 or (800) 336-6646). There will also be a free webcast of the conference. The webcast will allow persons to watch the Eastern region technical conference, but not participate. Anyone with Internet access who desires to watch the Eastern region conference can do so by navigating to the Calendar of Events on the Commission's website, <http://www.ferc.gov>, and locating the Eastern region technical conference in the Calendar. The Eastern region technical conference will contain a link to its webcast.⁵

Commission conferences are accessible under section 508 of the Rehabilitation Act of 1973. For accessibility accommodations, please send an email to accessibility@ferc.gov or call toll free (866) 208-3372 (voice) or (202) 502-8659 (TTY), or send a FAX to (202) 208-2106 with the required accommodations.

For more information about the technical conferences, please contact:

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⁵ The webcast will continue to be available on the Calendar of Events on the Commission's website, <http://www.ferc.gov>, for three months after the conference.

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Technical Conference on Environmental Regulations and Electric Reliability, Wholesale
Electricity Markets, and Energy Infrastructure
Docket No. AD15-4-000
Eastern Region⁶ - March 11, Washington DC

Agenda

- 9:30am – 9:45am** **Welcome and opening remarks**
- 9:45am – 10:15am** **Regional energy infrastructure presentation (FERC staff)**
- 10:15am – 10:45am** **Introduction to the Clean Power Plan**

Janet McCabe, Acting Assistant Administrator for the Office of Air and Radiation, Environmental Protection Agency (EPA), will provide a brief overview of the proposed Clean Power Plan⁷ and highlight specific issues relevant to the Eastern region.

⁶ For purposes of this conference, the Eastern Region includes the following Commission-approved Order No. 1000 planning regions: ISO New England, Inc. (ISO-NE), PJM Interconnection, LLC (PJM), New York Independent System Operator (NYISO), Southeastern Regional Transmission Planning (SERTP), South Carolina Regional Transmission Planning (SCRTP), and Florida Reliability Coordinating Council (FRCC). This region also includes the Northern Maine Independent System Administrator (NMISA).

⁷ Carbon Pollution Emission Guidelines for Existing Stationary Sources: Electric Utility Generating Units, Federal Register, 79 Fed. Reg. 34,830 (2014) (Proposed Rule), available at <http://www.gpo.gov/fdsys/pkg/FR-2014-06-18/pdf/2014-13726.pdf>.

10:45am – 12:30pm Electric reliability considerations

Panelists should be prepared to discuss the following topics and questions:

1. The Eastern region comprises three Regional Transmission Organizations/Independent System Operators (RTOs/ISOs) (including both single-state and multi-state RTOs/ISOs), several large vertically-integrated electric utility systems (including single-state and multi-state systems), and a range of other publically-owned, member-owned, and investor-owned electric industry entities.
 - a. What tools or processes are available to ensure electric system reliability as well as coordination among the states and regions in complying with the proposed Clean Power Plan? Are additional tools or processes needed to ensure the coordination between these entities? What role can NERC, regional entities, including regional reliability entities, RTOs/ISOs, FERC, and regional state regulator groups (such as Organization of PJM States, Inc., New England Conference of Public Utility Commissioners, Southeastern Association of Regulatory Utility Commissioners, etc.) play in supporting compliance plans?
 - b. How should entities in the Eastern region engage with environmental regulators (including state environmental regulators, EPA regional offices, etc.) to ensure reliability as compliance planning moves forward?
2. Each of the Eastern states faces a different set of circumstances, including the range of electric industry entities, resource mix, applicable state public policy goals or requirements, and state-specific carbon reduction goal. Considering this diversity, what would be the primary considerations in developing regional compliance plans?
3. What operational issues could arise in the Eastern region under different compliance approaches, including under the scenario of neighboring states adopting different compliance methods? How should those operational issues be monitored?
 - a. What tools or processes are available to entities in the Eastern region to address potential reliability issues as compliance moves forward? Are additional tools or processes needed given the geography and characteristics of the Eastern region?
 - b. What tools or processes are available to address situations where neighboring states with the same RTO/ISO or vertically-integrated utility system adopt differing compliance methods? Are additional tools or processes needed to address operational or market impacts that may arise in such situations?
4. What are the preliminary indications from studies that have been conducted regarding the impacts of the proposed Clean Power Plan on reliability in the Eastern region? What other reliability studies are currently underway? Are there limitations to the current studies; and, if so, how can future studies address those

limitations?

5. Are adaptations to current Commission policies needed to ensure that reliability is maintained in the Eastern region?

Panelists

1. Commissioner Elizabeth (Lib) Fleming, South Carolina Public Service Commission
2. Commissioner Asim Haque, Public Utilities Commission of Ohio
3. Michael Kormos, Executive Vice President - Operations, PJM
4. Paul R. Newton, State President - North Carolina, Duke Energy
5. John DiStasio, President, Large Public Power Council
6. John Wilson, Director of Research, Southern Alliance for Clean Energy
7. James Frauen, Vice President of Technical Services & Development, Seminole Electric Cooperative

12:30pm – 1:30pm Lunch

1:30pm – 3:15pm Identifying and addressing infrastructure needs

Panelists should be prepared to discuss the following topics and questions:

1. Given the diversity of entities and regulatory structures in the Eastern region, how can potential infrastructure needs be identified, planned for and constructed in time to comply with the proposed Clean Power Plan? How will Order No. 1000 and other regional and interregional planning processes (e.g., Eastern Interconnection Planning Collaborative and Eastern Interconnection States Planning Council) identify and plan for infrastructure needed to comply with the Clean Power Plan? Are additional mechanisms or processes needed?
2. Some areas in the Eastern region face different challenges, including constraints in natural gas pipeline capacity, predicted generation retirements, and increased reliance on natural gas, dual-fuel generation and/or renewable resources. Given these characteristics, are there unique infrastructure needs that must be met in order to comply with the proposed Clean Power Plan? If so, what are those needs and how will the region, or areas within the region, address the unique planning and infrastructure needs?
3. How will compliance with the proposed Clean Power Plan affect existing transactions between ISOs/RTOs and between states in the Eastern region? Will changes to trading patterns cause the need for new infrastructure (e.g., electric transmission, natural gas pipelines, gas storage facilities)? If so, how will construction of the needed infrastructure be synchronized with compliance to the rule?

4. Please comment on any studies that have been performed with respect to infrastructure needs in the Eastern region to comply with the Clean Power Plan.
5. Are adaptations to current Commission policies needed to facilitate the development of necessary infrastructure for the Eastern region?

Panelists

1. Commissioner Paul Roberti, Rhode Island Public Utilities Commission
2. Chairman Betty Ann Kane, District of Columbia Public Service Commission, and Vice President, Eastern Interconnection States' Planning Council
3. Mary Salmon Walker, Assistant Director/Chief Operating Officer, Georgia Environmental Protection Division
4. Steve Rourke, Vice President, Planning, ISO New England
5. Jeff Burleson, Vice President, System Planning, Southern Company
6. Johnny Casana, Regional Manager, Government & Regulatory Affairs, EDP Renewables
7. Jonathan Peress, Director, Natural Gas Policy, Environmental Defense Fund
8. Richard Kruse, Vice President of Regulatory and FERC Chief Compliance Officer, Spectra Energy Transmission
9. Ross Eisenberg, Vice President, Energy and Resources Policy, National Association of Manufacturers

3:15pm – 3:30pm Break

3:30pm – 5:00pm Potential implications for wholesale markets and bilateral trading

Panelists should be prepared to discuss the following topics and questions:

1. What wholesale market issues could arise in the Eastern region under various compliance approaches? Are there revisions to market rules or regional market practices that could facilitate compliance with the proposed Clean Power Plan? Specifically,
 - a. What generation dispatch issues could arise, either in RTOs/ISOs or vertically-integrated utility systems, under various compliance approaches? What tools are available to ensure efficient generation dispatch under various compliance approaches?
 - b. What market features will support merchant investment in additional generating resources needed for compliance with the proposed Clean Power Plan? Are changes to existing market features or the creation of new market features necessary to facilitate merchant investments needed for compliance? For instance, are there specific features of existing capacity

market designs that can be utilized to facilitate compliance, or are there changes to capacity markets that would help facilitate state or regional compliance efforts?

2. If compliance with the Clean Power Plan creates new seams between the different wholesale markets in the Eastern region what issues might arise and how can those issues be addressed? Are additional tools or tariff revisions needed to address potential new seams issues? What tools are available to ensure that regional market practices coordinate across the Eastern region under various compliance approaches?
3. What are the lessons learned, if any, from implementing the Regional Greenhouse Gas Initiative (RGGI) in the Northeast? Could RGGI be expanded or duplicated to facilitate additional regional compliance with the Clean Power Plan?
4. How will ongoing state initiatives to adopt reforms in the electric sector, such as the Revolutionizing the Energy Vision (REV) proceeding in New York and the Grid Modernization proceeding in Massachusetts, affect wholesale markets and compliance with the Clean Power Plan?
5. Have eastern entities trading primarily in bilateral markets developed or discussed any trading tools, transmission scheduling enhancements or reserve sharing arrangements to enhance the ability to trade energy and ancillary services? Are any new bilateral trading tools or arrangements likely to be needed as a result of compliance with the Clean Power Plan?

Panelists

1. Commissioner Kelly Speakes-Backman, Maryland Public Service Commission, and Chair, Regional Greenhouse Gas Initiative Board of Directors
2. Chair Audrey Zibelman, New York State Public Service Commission
3. Lathorp Craig, Vice President - ISO Operations, PSEG Energy Resources and Trade
4. Seth Schwartz, President/Principal, Energy Ventures Analysis
5. David Hoppock, Senior Policy Associate, Climate and Energy Program, Nicholas Institute for Environmental Policy Solutions
6. Rana Mukerji, Senior Vice President, Market Structures, NYISO
7. Robert Ethier, Vice President, Market Development, ISO New England
8. Andy Ott, Executive Vice President - Markets, PJM
9. Joseph T. Kelliher, Executive Vice President - Federal Regulatory Affairs, NextEra Energy
10. John Trawick, Senior Vice President, Operations and Planning, Southern Company

5:00pm – 5:15pm

Wrap up and closing remarks