

March 2015

Meeting Summaries

These are summaries of orders voted by the Federal Energy Regulatory Commission at its March 19, 2015 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 - Press Release

E-3 – Press Release

E-4 and E-5 – Press Release

E-9 through E-14 – Press Release

FERC affirms penalty assessment

E-2, *North American Electric Reliability Corporation*, Docket No. NP15-1-000. This order affirms the \$52,000 penalty assessed by NERC against NextEra Resources, LLC for failure to respond to the directive of a reliability coordinator, as required by two Reliability Standards.

FERC denies a complaint

E-6, *Independent Power Producers of New York, Inc. v. New York Independent System Operator, Inc.*, Docket No. EL13-62-000. The order denies a complaint filed by Independent Power Producers of New York, Inc. (IPPNY) against NYISO, which alleged that the NYISO Market Administration and Control Area Services Tariff is unjust and unreasonable. The complaint alleges that, by allowing *de minimis* offers from existing capacity resources that would have exited the market but for out-of-market payments associated with reliability-must-run type agreements or with repowering agreements, NYISO is causing artificial price suppression in the New York Control Area Installed Capacity spot market auctions. IPPNY requests that such resources be excluded from the capacity market or be required to offer at levels no lower than the resources' going-forward costs. The order finds that the complainant has failed to meet its burden and

denies the complaint. The order also directs NYISO to establish a stakeholder process to consider whether there are circumstances that warrant the adoption of buyer-side mitigation rules in the rest-of-state, and whether mitigation measures would need to be in place to address any price suppressing effects of repowering agreements.

FERC establishes hearing and settlement judge procedures

E-7, *New York Independent System Operator, Inc.*, Docket No. ER14-543-000. The order establishes hearing and settlement judge procedures to address whether National Grid's proposed Wholesale Transmission Service Charge formula rate revisions and the Dunkirk Reliability Support Services Agreements charges are just and reasonable. In a prior order, issued February 4, 2014, the Commission had accepted and suspended National Grid's proposed revisions and made them effective July 1, 2013, subject to refund and further Commission order.

FERC denies rehearing request

E-8, *New York Independent System Operator, Inc.*, Docket No. ER14-543-001. This order denies the request filed by the Municipal Electric Utilities Association of New York State (MEUA) seeking rehearing of the Commission's February 4, 2014 order issued in Docket No. ER14-543-000. MEUA requested rehearing of the Commission's decision to waive the 60-day prior notice requirement to permit National Grid's filing to become effective July 1, 2013 and the Commission's decision not to impose a full five-month suspension period.

FERC proposes a rule

E-15, *Revised Exhibit Submission Requirements for Commission Hearings*, Docket No. RM15-5-000. In this Notice of Proposed Rulemaking, the Commission proposes to amend Rule 508 of its Rules of Practice and Procedure to eliminate the requirement that participants in a Commission trial-type evidentiary hearing provide the presiding judge and the reporter, at the hearing, paper copies of all exhibits introduced as evidence. The proposed rule explains that this change will facilitate a shift toward electronic hearing procedures that should improve the efficiency and administrative convenience of the Commission hearing process, reduce the burden and expense associated with paper exhibits, and facilitate the compilation and transmittal of the hearing record to the Commission in electronic format.

FERC denies rehearing requests

E-20, *New York Independent System Operator, Inc.*, Docket No. EL07-39-006, *et al.* This order grants, in part, and denies, in part, requests for rehearing of the May 20, 2010 order on rehearing of the Commission's prior order on NYISO's tariff proposals to

strengthen the mitigation of market power in the New York City Installed Capacity market. The order denies rehearing with regard to the Demand Curve price that should be the basis for calculating the Default Offer Floor. It also clarifies that, with respect to whether state program subsidies and other benefits should be added to the Special Case Resource (SCR) Offer Floor, the May 20, 2010 order did not intend for NYISO to rule on the legitimacy of particular state programs; nor did the Commission intend to grant a blanket exemption for all state programs that subsidize demand response. The order relieves NYISO of the obligation to provide a list of criteria to govern the determination of the inclusion or exclusion of specific program payments for purposes of the Offer Floor determination as directed in the May 20, 2010 Order, and provides, instead, that the Commission will decide on a case-by-case basis following a petition for exemption filed by the state. The order grants rehearing with respect to the prior exclusion from the SCR Offer Floor of payments under ConEd's Distribution Load Relief Program and the NYSERDA rebate program. The two programs may seek exemption prospectively under the procedure established in the order. The order accepts NYISO's compliance filing with the exception of NYISO's proposal to grant a blanket exemption for all payments and other benefits to SCRs under state programs from the Offer Floor calculation.

FERC denies rehearing

H-1, *Hydraco Power, Inc. and Warren David Long*, Project No. 12588-011. The order denies Hydraco Power, Inc.'s and Warren David Long's request for rehearing of the November 20, 2014 order terminating, by implied surrender, the exemption for the AH Smith Dam, located on the San Marcos River in Caldwell County, Texas.

FERC terminates license

H-2, *Clark Canyon Hydro, LLC*, Project No. 12429-013. The order reviews the history of the proposed 4.7-megawatt Clark Canyon Dam Hydroelectric Project No. 12429 and finds that the licensee, Clark Canyon Hydro, LLC, failed to commence construction of the project by the statutory deadline. The order terminates the license as required by section 13 of the Federal Power Act.

FERC grants certificate authorization, with conditions

C-1, *Transcontinental Gas Pipe Line Company, LLC*, Docket No. CP14-504-000. The order grants Transco certificate authorization to construct and operate the Rock Springs Expansion Project that would be located in Lancaster County, PA, and Cecil County, MD. The proposed project will include a new 11.17-mile-long lateral with design capacity of 192,000 dekatherms per day and modifications at an existing upstream compressor station to make a segment of Transco's mainline facilities bi-directional. The project will transport gas from north to south to the shipper, Old Dominion Electric

Cooperative's proposed 1,000 megawatt natural gas-fired electric generation plant located in Cecil County.

FERC authorizes abandonment of certain interstate natural gas facilities

C-2, *Southern Natural Gas Company, LLC and AMP Gathering I, LP*, Docket Nos. CP15-30-000 and CP15-34-000. The order grants Southern's requests for authority to abandon by sale to AMP Gathering I, LP (AMP) approximately 33.565 miles of its 33.6-mile, 10-inch-diameter Carthage Lateral Pipeline and appurtenant facilities in Panola and Shelby counties, Texas and DeSoto Parish, Louisiana. The order also grants Southern's request for authority to abandon by retirement in place the remaining 300 feet of the Carthage Pipeline. In addition, the order grants AMP's request and determines that, upon acquisition by AMP, the facilities will perform a gathering function exempt from the Commission's jurisdiction in accordance with section 1(b) of the Natural Gas Act.

FERC denies abandonment request

C-3, *Tres Palacios Gas Storage LLC*, Docket No. CP14-70-000. The order denies Tres Palacios' request to abandon up to 22.9 billion cubic feet of certificated working gas capacity in its salt dome natural gas storage facility located in Matagorda, Colorado, and Wharton counties, Texas. The abandonment would have allowed Tres Palacios to decrease operating costs by reducing its payments under a cavern capacity lease. The order denies the request because Tres Palacios' proposal does not explain how the capacity reduction would apply to each cavern nor contain sufficient engineering or geological data to ensure cavern preservation and safe facility operations.