

April 2015

Commission Meeting Summaries

These are summaries of orders voted by the Federal Energy Regulatory Commission at its April 16, 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.

G-1 – Press Release

M-1 – Press Release

FERC approves a final rule

E-1, *Communications Reliability Standards*, Docket No. RM14-13-000. The final rule approves two revised reliability standards, COM-001-2 (Communications) and COM-002-4 (Operating Personnel Communications Protocols). The final rule finds that the revised standards will enhance reliability by requiring adoption of predefined communications protocols, annual assessment of performance under the protocols and training on the protocols, and use of three-part communication for operating instructions. The final rule also directs the North American Electric Reliability Corporation to revise Reliability Standard COM-001-2 or to develop a new or revised standard to address requirements for internal communications capabilities to the extent such communications could impact the reliable operation of the Bulk-Power System.

FERC proposes new electronic filing protocols, announces technical conference

E-2, *Electronic Filing Protocols for Commission Forms*, Docket No. AD15-11-000. This order provides notice that the Commission intends to replace its current electronic filing format – Visual FoxPro, which Microsoft no longer supports – for many of the forms submitted by industry (e.g., FERC Form Nos. 1, 2 and 6, among others). The Commission proposes adopting the Extensible Mark-Up Language (XML) file format, which industry is currently using for submission of other files and reports to the Commission, including electronic tariff filings. The order also announces a staff-led technical conference that will include the North American Energy Standards Board,

where interested members of industry may discuss this proposal and how best to coordinate in effectuating the needed transition to a new electronic submission format for certain forms.

FERC approves a final rule

E-3, *Real Power Balancing Control Performance Reliability Standard*, Docket No. RM14-10-000. This final rule approves Reliability Standard BAL-001-2 (Real Power Balancing Control Performance) and four new definitions submitted by the North American Electric Reliability Corporation (NERC). The Reliability Standard is designed to ensure that balancing authorities and Regulation Reserve Sharing Groups maintain interconnection frequency within narrow bounds around a scheduled value. By utilizing pre-defined frequency trigger limits for balancing authority within each interconnection, the real-time measurements established in the Reliability Standard will help ensure that the interconnection frequency returns to a reliable state should a balancing authority's area control error, or the interconnection's frequency, exceed acceptable bounds. Also, the Reliability Standard satisfies a directive in Order No. 693 concerning Reliability Standard BAL-002. In addition, the Commission directs NERC to submit an informational filing pertaining to the potential impact of the Reliability Standard, and also directs NERC to revise one definition.

FERC grants clarification, in part, and denies rehearing

E-4, *Standards for Business Practices and Communication Protocols for Public Utilities*, Docket No. RM05-5-024. The order grants clarification, in part, but otherwise denies requests for rehearing and/or clarification of Order No. 676-H, a final rule that incorporated by reference the latest version of certain business practice standards for public utilities developed by the Wholesale Electric Quadrant of the North American Energy Standards Board. The order clarifies that the posting of Available Transfer Capability narratives within one business day appears reasonable and clarifies that whenever a standard specifically states on its face that it only applies to certain types of entities, there is no need for other entities outside of that grouping to obtain a waiver of that standard to be excused from compliance, as those standards clearly do not apply to them. The order also rejects requests to revise the compliance schedule.

FERC proposes a rule

E-5, *Protection System, Automatic Reclosing, and Sudden Pressure Relaying Maintenance Reliability Standard*, Docket No. RM15-9-000. This Notice of Proposed Rulemaking proposes to approve a revised Reliability Standard, PRC-005-4 (Protection System, Automatic Reclosing, and Sudden Pressure Relaying Maintenance), that would revise the current protection system maintenance Reliability Standard to add certain sudden pressure relaying systems.

FERC proposes a rule

E-6, *Disturbance Monitoring and Reporting Requirements Reliability Standard*, Docket No. RM15-4-000. The Notice of Proposed Rulemaking proposes to approve the proposed Reliability Standard PRC-002-2 (Disturbance Monitoring and Reporting Requirements), that would require the availability of adequate time-synchronized data for post-disturbance analysis.

FERC responds to Environmental Protection Agency's request for comments

E-7, *Grand River Dam Authority*, Docket No. AD15-6-000. These comments address Grand River Dam Authority's (GRDA) request to the Environmental Protection Agency (EPA) for an EPA administrative order to allow the continued operation of its Unit No. 1 for a one-year period, notwithstanding that Unit No. 1 will not be in compliance with EPA's Mercury and Air Toxics Standards. The comments state that, unless GRDA is able to procure replacement capacity, the loss of Unit No. 1 would result in GRDA falling below the 12 percent capacity reserve requirement stipulated in Southwest Power Pool Criteria 2.1.9. Thus, absent a significant change in future circumstances, Unit No. 1 is needed as requested by GRDA to maintain electric reliability.

FERC rejects a tariff filing

E-8, *New England Power Co.*, Docket No. ER15-418-001. This order rejects a Federal Power Act section 205 filing that New England Power submitted, as required by Schedule III-B of its tariff, to conform the tariff sections setting forth the return on equity (ROE) for integrated facilities service to the ROE changes the Commission directed in Opinion No. 531. The order explains that the filing is inconsistent with the Commission's policy on the capping of project-specific incentive ROE adders and total ROE at the zone of reasonableness, as the filing would allow the earning of a total ROE on certain assets that exceeds the zone of reasonableness.

FERC denies an application

E-11, *Virginia Electric and Power Company*, Docket No. QM15-1-000. This order denies Virginia Electric and Power's application filed pursuant to section 210(m) of the Public Utility Regulatory Policies Act of 1978 and section 292.309(a) of the Commission's regulations to be relieved of its requirement to enter into new contracts or obligations to purchase electric energy with respect to nine qualifying facilities owned by Community Energy Solar, LLC. The order explains that, for the nine facilities at issue, there are already-established legally enforceable obligations in place that require Virginia Electric and Power to purchase electric energy, rather than new contracts or obligations.

FERC approves a filing

E-12, *Consumers Energy Company*, Docket No. ER15-910-000. The order grants Consumers' request for approval of the reclassification of certain assets from distribution to transmission.

FERC approves a filing

E-13, *Wolverine Power Supply Cooperative, Inc.*, Docket No. ER15-976-000. The order grants Wolverine's request for approval of the reclassification of certain facilities from distribution to transmission.

FERC approves a settlement agreement

E-15, *Duke Energy Ohio, Inc. and Duke Energy Kentucky, Inc.*, Docket Nos. ER12-91-008 and ER12-92-008. The order approves an uncontested settlement agreement submitted by Duke Energy Ohio, Inc. and Duke Energy Kentucky, Inc. that resolves all pending issues that were set for hearing and those that remained pending on rehearing.

FERC establishes hearing and settlement judge procedures

E-16, *San Francisco Bay Area Rapid Transit District*, Docket No. EL15-30-000. This order sets for hearing and settlement judge procedures the San Francisco Bay Area Rapid Transit District's (BART) complaint, filed December 12, 2014, against Pacific Gas & Electric Company (PG&E). In its complaint, BART argues that PG&E violated the network integration transmission service agreement between BART and PG&E, because PG&E has declined to renew its registration as a purchasing-selling entity, which allowed importation of energy that BART purchases from resources outside of California Independent System Operator Corporation's balancing authority area.

FERC denies rehearing

E-17, *New York Independent System Operator, Inc.*, Docket Nos. ER13-102-005 and ER13-102-006. This order denies requests for rehearing of the Commission's Second Compliance Order on NYISO's Order No. 1000 regional compliance. The order also finds that NYISO's third compliance filing partially complies with the Commission's directives in the Second Compliance Order and accepts the compliance filing subject to further compliance.

FERC dismisses request for clarification

E-18, *Michigan Electric Transmission Company, LLC*, Docket No. EC12-15-001. This order dismisses Consumers Energy Company's (Consumers) request for clarification of a

delegated order. Consumers requested that the Commission consider its arguments that the Federal Power Act section 203 authorization was unnecessary for one of the transactions approved by the delegated order. The order dismisses Consumers' request as outside the scope of the proceeding because Michigan Electric Transmission Company, LLC, the applicant, conceded the jurisdiction of the transaction in question.

FERC denies rehearing, and grants clarification, in part

E-19, *Astoria Generating Co. L.P. et al. v. New York Independent System Operator, Inc.*, Docket No. EL11-42-001 *et al.* In a June 22, 2012 order, the Commission granted in part, and denied in part, a complaint filed by Astoria Generating Company, NRG Companies, and TC Ravenswood against NYISO, alleging that NYISO improperly implemented its buyer-side market mitigation provisions in the New York City installed capacity market. In this order, the Commission denies rehearing and grants clarification, in part, of the June 22, 2012 order. The order confirms certain understandings of NYISO with respect to a number of calculations used in mitigation exemption testing and offer floor determinations, and clarifies the June 22, 2012 order with respect to: the inflation rate to use in applying the exemption test; NYISO's evaluation of contracts to determine whether a cost is appropriate to use in determining a project's Unit Net Cost of New Entry (CONE); and eligibility for retesting for market mitigation exemption in specified situations. The order also accepts NYISO's tariff changes intended to increase transparency of NYISO's market mitigation exemption process. It requires NYISO to make a further compliance filing to modify its proposed tariff revisions related to the inflation component used for Unit Net CONE during all years of the Mitigation Study Period.

FERC grants, in part, and denies, in part, rehearing and clarification

E-20, *Astoria Generating Co. L.P. and TC Ravenswood, LLC v. New York Independent System Operator, Inc.*, Docket No. EL11-50-001. This order grants clarification, in part, and grants, in part, and denies, in part, rehearing of a September 10, 2012 order in this proceeding. The September 10, 2012 order had granted, in part, and denied, in part, a complaint filed by Astoria Generating Company and TC Ravenswood against NYISO, alleging that NYISO improperly implemented its buyer-side market mitigation provisions in the New York City installed capacity market. It required NYISO to recalculate certain exemption determinations. The order largely denies rehearing, with the exception that it grants rehearing of the earlier finding that NYISO erred in using Astoria II's actual cost of capital in the calculation of its Unit Net Cost of New Entry. The order also clarifies that NYISO may use appropriate proxy data if it shows that a specific actual data input is unreasonable, invalid, or otherwise inappropriate to use.

FERC denies rehearing, conditionally accepts compliance filing

E-21, *Southwest Power Pool*, Docket No. ER13-366-004. On October 16, 2014, the Commission issued an order conditionally accepting Southwest Power Pool, Inc.'s (SPP) second filing to comply with the local and regional transmission planning and cost allocation requirements of Order No. 1000 and the Commission's First Compliance Order. The Commission accepted SPP's second compliance filing, effective March 30, 2014, subject to a further compliance. On November 17, 2014, LS Power Transmission, LLC and LSP Transmission Holdings, LLC (together, LS Power) submitted a timely request for rehearing of the Second Compliance Order. On December 15, 2014, in Docket No. ER13-366-005, SPP submitted revisions to Attachments O and Y of the SPP Open Access Transmission Tariff (Tariff) to comply with the Second Compliance Order. This order denies LS Power's request for rehearing. The order also finds that SPP's December 15, 2014 compliance filing partially complies with the directives of the Second Compliance Order. The order conditionally accepts SPP's proposed revisions to the tariff, subject to a further compliance filing within 30 days of the date of issuance of this order.

FERC grants, in part, and denies, in part, rehearing and clarification request

H-1, *Sabine River Authority of Texas and Sabine River Authority, State of Louisiana*, Project No. 2305-044. The order grants, in part, and denies, in part, the Sabine River Authorities' request for rehearing of Commission staff's August 29, 2014 order issuing a new license to continue operating the Toledo Bend Hydroelectric Project, located on the Sabine River on the Texas-Louisiana border in Panola, Shelby, Sabine, and Newton counties in Texas, and Desoto, Sabine, and Vernon parishes in Louisiana. The order grants the Authorities' request to revise articles dealing with annual charges; denies the Authorities' request to limit Commission review of pre-construction activities; and clarifies the Authorities' responsibilities pertaining to seasonal powerhouse operations and submission of a weekend operations plan. Additionally, the order establishes an operating range for hydroelectric generation, revises the minimum reservoir elevation requirement, and requires a drought contingency plan.

FERC authorizes construction of natural gas facilities; denies protest

C-1, *Enable Gas Transmission, LLC*, Docket No. CP14-503-000. The order denies a landowner protest to Enable Gas Transmission's (EGT) prior notice request, filed under Natural Gas Act section 7 and section 157.205 of the Commission's regulations. The order authorizes EGT to construct and operate the proposed pipeline lateral under its Part 157 blanket certificate to construct and operate the Bradley Pipeline Lateral in Grady and McClain counties, Oklahoma.

FERC denies rehearing

C-2, *Southeast Supply Header, LLC*, Docket No. CP14-87-001. The order denies Southeast Supply Header's (SESH) requests for rehearing of the Commission's September 14, 2014 order that recognized that incremental revenues from increased pipeline capacity would exceed fuel costs, but denied SESH's request for a determination that it may roll the fuel reimbursement costs into its fuel tracker mechanism because the increase in SESH's system-wide fuel percentage would constitute subsidization by existing customers. In its request for rehearing, SESH asserts that the Commission must combine projected revenues and fuel costs in its analysis of whether project costs will lead to subsidization by existing customers. The order disagrees with this assertion and explains that current Commission policy is to analyze separately revenues and fuels costs, and to disallow rolled-in treatment of fuel costs if the impact would increase the pipeline's overall fuel rate. The order also rejects SESH's argument that the operational benefits of increased compression on its system warrants rolling in the fuel costs. FERC policy requires no subsidy from existing customers in cases such as this, where the purpose of a project is to expand capacity to serve new customers rather than to address reliability issues.

FERC approves an uncontested settlement

C-3, *Atmos Energy Corporation v. American Midstream (Midla), LLC, et al.* Docket Nos. RP14-638-000, et al. The order approves a Stipulation and Agreement (Settlement) filed by American Midstream, LLC (Midla) that provides for, among other things, Commission approval of Midla's abandonment applications, as amended and conditioned in the Settlement. In addition, the Settlement requires Midla to take several actions after the Settlement is approved by the Commission, including filing an application under Natural Gas Act section 7(c) to construct and operate a new pipeline from near Winnsboro, Louisiana, to the Natchez, Mississippi, area. Under the provisions of the Settlement, all of Midla's existing shippers will continue to be served either through the Natchez Line or an alternate gas provider, or converted to propane service.