

151 FERC ¶ 61,109  
UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Norman C. Bay, Chairman;  
Philip D. Moeller, Cheryl A. LaFleur,  
Tony Clark, and Colette D. Honorable.

CinCap V, LLC	Docket Nos. ER10-1325-002
Duke Energy Beckjord, LLC	ER12-1946-002
Duke Energy Carolinas, LLC	ER14-2323-000
Duke Energy Commercial Asset Management, LLC	ER11-2080-002
Duke Energy Commercial Enterprises, Inc.	ER10-1333-002
Duke Energy Florida, Inc.	ER14-2319-000
Duke Energy Piketon, LLC	ER12-1958-002
Duke Energy Progress, Inc.	ER14-2321-000
Duke Energy Retail Sales, LLC	ER10-1335-002
Louisville Gas and Electric Company	ER10-1511-005
Kentucky Utilities Company	ER10-2231-004
LG&E Energy Marketing Inc.	ER10-1714-005
PPL EnergyPlus, LLC	ER10-2011-007
Florida Power & Light Company	ER10-1852-008
NextEra Energy Power Marketing, LLC	ER10-1971-016
NEPM II, LLC	ER11-4462-009
South Carolina Electric & Gas Company	ER10-2498-002
Alabama Power Company	ER10-2881-014
Southern Power Company	ER10-2882-014
Mississippi Power Company	ER10-2883-014
Georgia Power Company	ER10-2884-014
Gulf Power Company	ER10-2885-014
Oleander Power Project, LP	ER10-2641-014
Southern Company - Florida LLC	ER10-2663-014
Southern Turner Cimarron I, LLC	ER10-2886-014
Spectrum Nevada Solar, LLC	ER13-1101-009
Campo Verde Solar, LLC	ER13-1541-008
Macho Springs Solar, LLC	ER14-787-002

ORDER ON SIMULTANEOUS TRANSMISSION IMPORT  
LIMIT VALUES FOR THE SOUTHEAST REGION

(Issued May 12, 2015)

1. On June 30, 2014,<sup>1</sup> CinCap V, LLC, Duke Energy Beckjord, LLC, Duke Energy Carolinas, LLC, Duke Energy Commercial Asset Management, LLC, Duke Energy Commercial Enterprises, Inc., Duke Energy Florida, Inc., Duke Energy Piketon, LLC, Duke Energy Progress, Inc., Duke Energy Retail Sales, LLC; Louisville Gas and Electric Company, Kentucky Utilities Company, LG&E Energy Marketing, Inc., PPL EnergyPlus, LLC; Florida Power & Light Company, NextEra Energy Power Marketing, LLC, NEPM II, LLC; South Carolina Electric & Gas Company; and Southern Company Services, Inc., acting as agent for Alabama Power Company, Southern Power Company, Mississippi Power Company, Georgia Power Company, Gulf Power Company, and their affiliates, Oleander Power Project, LP, Southern Company - Florida LLC, Southern Turner Cimarron I, LLC, Spectrum Nevada Solar, LLC, Campo Verde Solar, LLC, and Macho Springs Solar, LLC (collectively, the Southeast Transmission Owners) submitted updated market power analyses for the Southeast region in accordance with the regional reporting schedule adopted in Order No. 697.<sup>2</sup> The Southeast Transmission Owners included Simultaneous Transmission Import Limit (SIL) values for the December 2011 - November 2012 study period for balancing authority areas in the Southeast region.<sup>3</sup>

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<sup>1</sup> We note that some of the Southeast Transmission Owners submitted amendments to their filings in September 2014, October 2014, and March 2015.

<sup>2</sup> *Market-Based Rates for Wholesale Sales of Electric Energy, Capacity and Ancillary Services by Public Utilities*, Order No. 697, FERC Stats. & Regs. ¶ 31,252, *clarified*, 121 FERC ¶ 61,260 (2007), *order on reh'g*, Order No. 697-A, FERC Stats. & Regs. ¶ 31,268, *clarified*, 124 FERC ¶ 61,055, *order on reh'g*, Order No. 697-B, FERC Stats. & Regs. ¶ 31,285 (2008), *order on reh'g*, Order No. 697-C, FERC Stats. & Regs. ¶ 31,291 (2009), *order on reh'g*, Order No. 697-D, FERC Stats. & Regs. ¶ 31,305 (2010), *aff'd sub nom. Montana Consumer Counsel v. FERC*, 659 F.3d 910 (9th Cir. 2011).

<sup>3</sup> Tampa Electric Company (Tampa Electric) also submitted a SIL study with its updated market power analysis for the Southeast region in Docket No. ER10-1437-002. Tampa Electric's study calculated SIL values for several balancing authority areas in Florida that are not addressed in this order. Southern Company also submitted SIL studies for the Florida Power & Light and Duke Energy Florida balancing authority areas. The Commission will address these balancing authority areas and the other balancing authority areas studied by Tampa Electric in a separate order.

2. In this order, the Commission accepts the SIL values identified in Appendix A (Commission-accepted SIL values). These Commission-accepted SIL values will be used by the Commission to analyze updated market power analyses submitted for the Southeast region. SIL studies are used as a basis for calculating import capability to serve load in the relevant geographic market when performing market power analyses. SIL values quantify a study area's simultaneous import capability from its aggregated first-tier area. The values accepted herein are based on SIL studies submitted by the Southeast Transmission Owners with their updated market power analyses. The Southeast Transmission Owners' updated market power analyses themselves, including any responsive pleadings, are being addressed in separate orders in the relevant dockets.

3. We note that other transmission owners in the Southeast region also submitted updated market power analyses. The updated market power analyses for those transmission owners have been addressed in separate orders in the relevant dockets.<sup>4</sup>

### **I. Background**

4. In Order No. 697, the Commission adopted a regional filing schedule for filing updated market power analyses.<sup>5</sup> The Commission explained that the transmission-owning utilities have the information necessary to perform SIL studies and therefore determined that such utilities would be required to file their updated market power analyses in advance of other entities in each region.<sup>6</sup>

5. In addition to providing SIL studies for their respective balancing authority areas, the Southeast Transmission Owners provided SIL studies for their respective first-tier balancing authority areas, including balancing authority areas that are not operated by public utilities as defined under Part II of the Federal Power Act.<sup>7</sup> Specifically, SIL studies were submitted for the following balancing authority areas that, collectively, are first-tier to the Southeast Transmission Owners: City of Tallahassee, East Kentucky Power Cooperative, Inc., Entergy Services Inc., Jacksonville Electric Authority, Midcontinent Independent System Operator, Inc. (MISO), PJM Interconnection, L.L.C.

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<sup>4</sup> See, e.g., *Lockhart Power Co.*, Docket No. ER10-2651-003 (Feb. 4, 2015) (delegated letter order); *Alcoa Power Generating Inc.*, Docket No. ER10-3069-005 (Feb. 4, 2015) (delegated letter order); *Brookfield Energy Marketing Inc.*, ER11-2292-010 (Jan. 15, 2015) (delegated letter order).

<sup>5</sup> Order No. 697, FERC Stats. & Regs. ¶ 31,252 at P 882.

<sup>6</sup> *Id.* P 889.

<sup>7</sup> 16 U.S.C. § 824 (2012).

(PJM),<sup>8</sup> PowerSouth Energy Cooperative, South Carolina Public Service Authority (Santee Cooper), South Mississippi Electric Power Association,<sup>9</sup> and the Tennessee Valley Authority.

## II. Discussion

6. We begin by commending the Southeast Transmission Owners for coordinating the preparation of their SIL studies. Such coordination leads to more accurate and consistent SIL study results. The SIL values we accept herein are based on calculations by the Southeast Transmission Owners.

7. The Commission will use the Commission-accepted SIL values identified in Appendix A when reviewing the pending updated market power analyses submitted by transmission owners in the Southeast region as well as any updated market power analyses filed by non-transmission owning sellers in the Southeast region for this study period. Future filers submitting screens for the balancing authority areas and study period identified in Appendix A are encouraged to use these Commission-accepted SIL values. In the alternative, a filer may propose different SIL values provided that the filer's accompanying SIL studies comply with Commission directives and that the filer fully supports the values used and explains why the Commission should consider a different SIL value for a particular study area other than the Commission-accepted SIL values provided in Appendix A. In the event that the results<sup>10</sup> for one or more of a particular seller's screens differ if the seller-supplied SIL value is used instead of the Commission-accepted SIL value, the order on that particular filing will examine the seller-supplied SIL study and address whether the seller-supplied SIL value is acceptable. However, when the overall results of the screens would be unchanged, i.e., the seller would pass using either set of SIL values or fail using either set of SIL values, the order

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<sup>8</sup> This order does not address SIL values for the PJM and MISO markets. The Commission has already accepted updated SIL values for PJM in *New Brunswick Energy Marketing Corp.*, 147 FERC ¶ 61,190 (2014) and the Commission will address updated SIL values for the MISO market in a future order.

<sup>9</sup> Entergy Services Inc. and South Mississippi Electric Power Association turned over control of their transmission facilities to MISO effective December 2013. However, during the December 2011 – November 2012 study period, these two entities operated independent balancing authority areas.

<sup>10</sup> Results refer to the results of the market share and/or pivotal supplier screens. For example, if a seller fails the market share screen for a particular season in a particular market using either SIL value, we would consider the result unchanged. Similarly, if the seller passes the screen using either value, the result is also unchanged.

would be based on the Commission-accepted SIL values found in Appendix A and would not address the seller-supplied SIL values.

The Commission orders:

The specific Commission-accepted SIL values identified in Appendix A to this order are hereby accepted for purposes of analyzing updated market power analyses for the Southeast region, as discussed in the body of this order.

By the Commission.

( S E A L )

Nathaniel J. Davis, Sr.,  
Deputy Secretary.

<b>Appendix A</b>						
<b>Accepted SIL Values (MW) for the Southeast Region</b>						
Study Period of December 2011 to November 2012						
			<b>Winter</b>	<b>Spring</b>	<b>Summer</b>	<b>Fall</b>
	<b>Abbrev.</b>	<b>Balancing Authority Area</b>	<b>2011</b>	<b>2012</b>	<b>2012</b>	<b>2012</b>
1	CPL	Duke Energy Progress - East	4,366	2,627	1,521	1,766
2	CPLW	Duke Energy Progress - West	704	699	792	727
3	DUK	Duke Energy Carolinas	2,034	1,748	1,608	1,199
4	EES	Entergy Services Inc.	3,481	3,732	2,654	2,232
5	EKPC	East Kentucky Power Coop., Inc.	2,042	1,227	1,779	1,259
6	JEA	Jacksonville Electric Authority	0	533	104	0
7	LGEE	Louisville Gas & Electric Co.	2,344	2,839	1,611	1,921
8	PSEC	PowerSouth Energy Coop.	582	619	71	0
9	SCEG	South Carolina Electric & Gas Co.	1,586	2,290	1,233	1,961
10	SC	Santee Cooper	1,664	2,285	1,315	1,671
11	SMEE	South Mississippi Electric Power Association	0	0	0	0
12	SOCO	Southern Company Services, Inc.	7,737	8,835	5,810	6,497
13	TAL	City of Tallahassee	89	273	161	383
14	TVA	Tennessee Valley Authority	4,217	7,620	7,035	5,767