

151 FERC ¶ 61,149  
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.

Emera Maine

Docket No. ER15-1419-001

ORDER ON COMPLIANCE AND REQUEST FOR WAIVERS

(Issued May 18, 2015)

1. On March 31, 2015, Emera Maine filed a compliance filing and a request for waiver in response to the compliance requirements of Order No. 676-H<sup>1</sup> (Order No. 676-H Compliance Filing). On April 28, 2015, Emera Maine filed an amendment to its Order No. 676-H Compliance Filing and a request for waiver of certain standards.<sup>2</sup> Order No. 676-H revised the Commission's regulations to incorporate by reference, with certain enumerated exceptions, the latest version (Version 003) of the Standards for Business Practices and Communication Protocols for Public Utilities (Business Practice Standards) adopted by the Wholesale Electric Quadrant (WEQ) of the North American Energy Standards Board (NAESB) as mandatory enforceable requirements. In this order, we conditionally accept the compliance filing, effective May 15, 2015, grant certain requested waivers, deny certain requested waivers, dismiss other requested waivers as unnecessary, and direct a further compliance filing within 60 days of the date of this order.

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<sup>1</sup> *Standards for Business Practices and Communication Protocols for Public Utilities*, Order No. 676-H, 79 Fed. Reg. 56,939 (Sept. 24, 2014), FERC Stats. & Regs. ¶ 31,359 (2014) (Order No. 676-H), *as modified, errata notice*, 149 FERC ¶ 61,014 (2014), *order on reh'g*, 151 FERC ¶ 61,046 (2015) (Order No. 676-H Rehearing Order).

<sup>2</sup> Emera Maine's compliance filing dated March 31, 2015 was filed in Docket No. ER15-1419-000, and its amended filing dated April 28, 2015 was filed in Docket No. ER15-1419-001.

## I. Background

2. On September 18, 2014, the Commission issued Order No. 676-H, which amends the Commission's regulations under the Federal Power Act (FPA)<sup>3</sup> to incorporate by reference, with certain enumerated exceptions, Version 003 of the Business Practice Standards.<sup>4</sup> In addition, in Order No. 676-H, the Commission listed, as guidance, NAESB's Smart Grid Standards (Standards WEQ-016, WEQ-017, WEQ-018, WEQ-019, and WEQ-020) in Part 2 of the Commission's regulations but did not incorporate these standards by reference into its regulations.<sup>5</sup>

3. The Version 003 Business Practice Standards update earlier versions of the WEQ standards that the Commission previously incorporated by reference into its regulations.<sup>6</sup> These revised standards include modifications to support Order Nos. 890, 890-A, 890-B, and 890-C,<sup>7</sup> including standards to support Network Integration Transmission Service (NITS) on an Open Access Same-Time Information System (OASIS), Service Across Multiple Transmission Systems (SAMTS), standards to support the Commission's policy regarding rollover rights for redirects on a firm basis, standards that incorporate the functionality for Transmission Providers to credit redirect requests with the capacity of the parent reservation, and standards modifications to support consistency across the OASIS-related standards.<sup>8</sup>

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<sup>3</sup> 16 U.S.C. § 791a (2012).

<sup>4</sup> The specific NAESB standards that the Commission incorporated by reference in Order No. 676-H are WEQ-000, WEQ-001, WEQ-002, WEQ-003, WEQ-004, WEQ-005, WEQ-006, WEQ-007, WEQ-008, WEQ-011, WEQ-012, WEQ-013, WEQ-015, and WEQ-021. *See* Order No. 676-H, FERC Stats. & Regs. ¶ 31,359 at P 18.

<sup>5</sup> *See id.* P 1; Order No. 676-H Rehearing Order, 151 FERC ¶ 61,046 at P 2 (citations omitted).

<sup>6</sup> 18 C.F.R. § 38.2 (2014).

<sup>7</sup> *Preventing Undue Discrimination and Preference in Transmission Service*, Order No. 890, FERC Stats. & Regs. ¶ 31,241 (2007), *order on reh'g*, Order No. 890-A, FERC Stats. & Regs. ¶ 31,261 (2007), *order on reh'g*, Order No. 890-B, 123 FERC ¶ 61,299 (2008), *order on reh'g*, Order No. 890-C, 126 FERC ¶ 61,228 (2009), *order on clarification*, Order No. 890-D, 129 FERC ¶ 61,126 (2009). The Version 002 standards also included revisions made in response to Order No. 890.

<sup>8</sup> *See* Order No. 676-H, FERC Stats. & Regs. ¶ 31,359 at P 2.

4. In Order No. 676-H, the Commission explained that public utilities have a number of options with respect to compliance with Order No. 676-H. The Commission explained that public utilities can incorporate the complete set of NAESB standards into their tariffs without modification by submitting a compliance filing containing a single statement acknowledging their obligation to comply with Version 003 Business Practice Standards as specified in Part 38 of the Commission's regulations as updated and revised.<sup>9</sup> Alternatively, public utilities may incorporate the complete set of Version 003 Business Practice Standards into their tariffs, without modification, if they so choose.<sup>10</sup> The Commission also indicated that a public utility can file a request for waivers of specific provisions, along with its reasons supporting the request.<sup>11</sup>

5. The Commission required public utilities to make compliance filings by December 1, 2014 in order to achieve compliance with the incorporated Version 003 Business Practice Standards by February 2, 2015.<sup>12</sup> Subsequently, the February 2, 2015 deadline was extended to May 15, 2015.<sup>13</sup>

6. On April 16, 2015, the Commission issued the Order No. 676-H Rehearing Order, which addressed various requests for rehearing of Order No. 676-H. With respect to entities seeking waivers of certain NAESB WEQ standards, the Commission clarified that:

[r]equiring a public utility to file (and the Commission to process) a waiver request for standards that on their face specifically state [that they] are only applicable to entity groups that the potential waiver requestor does not belong to is an unnecessary expenditure of time and effort for both the

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<sup>9</sup> *See id.* PP 87-88, 95.

<sup>10</sup> *See id.* P 89.

<sup>11</sup> *See id.* P 88.

<sup>12</sup> *See id.* PP 20, 88, 95. The Commission also established a separate 18-month compliance schedule for Standard 002-5.10.3 regarding the implementation of Network Integration Transmission Service OASIS templates, which are not at issue in this compliance filing.

<sup>13</sup> *Standards for Business Practices and Communication Protocols for Public Utilities*, Notice Granting Limited Time Extension, Docket No. RM05-5-024 (issued Jan. 15, 2015).

potential waiver requestors and the Commission, since the standard itself makes clear to whom it applies.<sup>14</sup>

Thus, the Commission stated that, going forward, any request for waivers of standards that by their terms do not apply to an entity potentially requesting waivers during the time frame the standards are effective would be dismissed as unnecessary.<sup>15</sup>

## II. Emera Maine's Filing

7. In response to the Commission's directive in Order No. 676-H, Emera Maine submitted compliance filings that incorporate by reference the Version 003 Business Practice Standards.<sup>16</sup> This compliance filing also contains a request for waiver of certain of the Version 003 Business Practice Standards that Emera Maine claims are inapplicable to it, as discussed more fully below. Emera Maine proposes revisions to Section 4 of the Emera Maine Open Access Transmission Tariff for Maine Public District (MPD OATT).<sup>17</sup>

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<sup>14</sup> Order No. 676-H Rehearing Order, 151 FERC ¶ 61,046 at P 20.

<sup>15</sup>*Id.* P 19.

<sup>16</sup> Emera Maine proposes to incorporate by reference the following standards: WEQ-000, WEQ-001 (excluding Standards 001-9.5, 001-10.5, 001-14.1.3, 001-15.1.2, 001-23, and 001-101, through 001-107), WEQ-002 (excluding standards 002-101 through 002-107), WEQ-003, WEQ-0012, and WEQ-013 (excluding Standards 013-101 through 013-106). For those standards that Emera Maine does not adopt, it requests waivers. Specifically, Emera Maine requests waivers of WEQ-004, WEQ-005, WEQ-006, WEQ-007, WEQ-008, WEQ-011, WEQ-015, WEQ-021, and WEQ-001-23. In addition, Emera Maine requests waivers of the following standards applicable to Network Integration Transmission Service (NITS): WEQ-001-101 through WEQ-001-107, WEQ-002-101 through WEQ-002-107, and WEQ-013-101 through WEQ-013-106.

<sup>17</sup> Emera Maine, Section 4, Open Access Same-Time Info System, 1.0.0. Emera Maine states that it operates two "districts" that are not directly interconnected and that operate under separate Commission tariffs. Open access to Emera Maine's transmission facilities in eastern and coastal Maine (Emera Maine, Bangor Hydro District) is provided pursuant to the ISO New England Inc. Transmission, Markets and Services Tariff. Open access to Emera Maine's transmission facilities in Northern Maine (the Emera Maine, MPD) is provided pursuant to the MPD OATT. Emera Maine states that its Order No. 676-H Compliance Filing pertains only to the MPD OATT. Emera Maine March 31, 2015 Filing at 2.

### **Waiver Request**

8. Emera Maine states that the electric facilities in the MPD are not directly interconnected with any portion of the United States interstate transmission grid. Emera Maine explains that its transmission system is limited; it is interconnected directly with New Brunswick Power Corporation (NB Power) through three limited electric connections (two 69 kV transmission lines and one 138 kV transmission line) and indirectly through Algonquin Tinker Gen Co.'s two 69 kV transmission lines with a total capacity of 200 MVA. Emera Maine also states that it no longer has a franchised service area for the sale of electricity and that the MPD is part of the NB Power Balancing Authority Area.<sup>18</sup>

9. Emera Maine further states that it is a transmission-owning member of the Northern Maine Independent System Administrator, Inc. (Northern Maine ISA), which provides for the administration of the reservation, scheduling, and dispatch of the Northern Maine transmission systems, including that of Emera Maine in the MPD, as well as the administration of certain Northern Maine markets, including markets for energy, ancillary, and related services.<sup>19</sup>

10. Emera Maine states that has incorporated by reference into the MPD OATT certain of the standards required by Order No. 676-H, and it requests waiver of certain of the standards that are not applicable to Emera Maine MPD.<sup>20</sup>

11. Emera Maine requests waiver of Standard WEQ-004 (Coordinate Interchange) and indicates that these standards set forth procedures for implementing transactions crossing one or more Balancing Authority Area. As Emera Maine's transmission facilities in the MPD are located entirely within NB Power's Balancing Authority Area and do not directly interconnect with facilities located in any other Balancing Authority Area, Emera Maine states that it does not have authority over matters affecting the identification, quantification, or approval of net interchange transactions as contemplated by WEQ-004. Instead, Emera Maine states that NB Power is the net interchange authority and the Approval Entity and, accordingly, waiver is appropriate.

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<sup>18</sup> *Id.* at 3.

<sup>19</sup> *Id.*

<sup>20</sup> *Id.* at 1.

12. Emera Maine states that standards WEQ-005, WEQ-006, and WEQ-007 involve obligations specific to balancing authorities. According to Emera Maine, the Commission has made clear that transmission providers that do not serve as balancing authorities may obtain a waiver of the WEQ requirements specifically applicable only to that function.<sup>21</sup> Emera Maine states that MPD is not a balancing authority and NB Power acts as the balancing authority and performs all functions associated with these standards. Therefore, Emera Maine contends that waiver is appropriate.

13. Emera Maine also requests waiver of Standard WEQ-008 (Transmission Loading Relief – Eastern Interconnection) stating that it does not administer Interchange Transactions, nor does it use Transmission Loading Relief procedures. Emera Maine states that, instead, NB Power (as Reliability Coordinator) performs the Transmission Loading Relief function and therefore waiver is appropriate.

14. Emera Maine explains that standard WEQ-011 (Gas/Electric Coordination) is not applicable to Emera Maine as there are no gas-fired generation facilities directly interconnected with the MPD transmission system. As this standard addresses improving coordination and daily operational communications between transportation providers and gas-fired power plants, Emera Maine states waiver is appropriate.

15. Emera Maine also requests waiver of standards WEQ-015 and WEQ-021. Emera Maine states that in Order No. 676-G, the Commission declared that WEQ-015 and WEQ-021 should be incorporated by reference only by transmission system owners in regional transmission organization (RTO) or independent system operator (ISO) markets.<sup>22</sup> Emera Maine contends that the MPD is not subject to the functional control or oversight of any RTO or ISO and waiver of these standards is therefore appropriate.

16. Emera Maine also requests waiver of the SAMTS standards required under WEQ-001-23 as the MPD transmission system is directly interconnected only with NB Power's system and not directly interconnected with the United States transmission grid. As a result, Emera Maine states that NB Power is the only transmission system with which MPD could coordinate point-to-point transmission and/or network transmission service and as NB Power is not subject to the Commission's jurisdiction and does not have a Commission-filed OATT, Emera Maine will not be able to utilize the SAMTS standards

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<sup>21</sup> Emera Maine March 31, 2015 Filing at 2 (citing *Participating Transmission Owners Administrative Committee*, 133 FERC ¶ 61,197, at P 13 (2010)).

<sup>22</sup> Emera Maine March 31, 2015 Filing at 8 (citing *Standards for Business Practices and Communication Protocols for Public Utilities*, Order No. 676-G, FERC Stats. & Regs. ¶ 31,343, at PP 37, 47 (2013)).

unless NB Power adopts such standards. Emera Maine states that waiver is therefore appropriate.

17. Finally, Emera Maine requests waiver of the proposed NITS standards under the following NAESB Standards: WEQ-001-101 through WEQ-001-107, WEQ-002-101 through WEQ-002-107, and WEQ-013-101 through WEQ-013-10. Emera Maine explains that it has only two network customers interconnected with the MPD system and that both of these entities are Load Serving Entities that meet their load obligations in accordance with Northern Maine ISA's Market Rules and the requirements of the Balancing Authority, NB Power. Accordingly, Emera Maine states that the designation of NITS resources is administered by the Northern Maine ISA, not Emera Maine and therefore waiver is appropriate.

### **III. Notice and Responsive Pleadings**

18. Notice of Emera Maine's March 31, 2015 filing was published in the *Federal Register*, 80 Fed. Reg. 18,614 (2015), with interventions and protests due on or before April 21, 2015. Notice of the April 28, 2015 amended filing was published in the *Federal Register*, 80 Fed. Reg. 26,027 (2015), with interventions and protests due on or before May 8, 2015. None was filed.

### **IV. Discussion**

19. We find that Emera Maine's compliance filing, absent the waiver requests, satisfactorily complies with the Commission's directives set forth in Order No. 676-H, with the exception that in section 4.2 of its proposed tariff provision incorporating certain standards by reference, Emera Maine has incorrectly labeled WEQ-012 as WEQ-0012. Therefore, we direct Emera Maine to correct this error in the further compliance filing directed below. Accordingly, we conditionally accept Emera Maine's March 15, 2015 compliance filing, effective May 15, 2015, as requested.

20. We will grant Emera Maine's requests for waiver of NITS NAESB Business Practice Standards WEQ-001-101 through WEQ-001-107, WEQ-002-101 through WEQ-002-107, and WEQ-013-101 through WEQ-013-10. As Emera Maine explains, it only has two network customers interconnected with the MPD system and both of these customers are Load Serving Entities that meet their load obligations in accordance with Northern Maine ISA's Market Rules. As the designation of NITS resources is administered by the Northern Maine ISA, Emera Maine reasons that waiver is appropriate. We agree and grant waiver of these standards for good cause shown.

21. We will also grant Emera Maine's request for waiver of SAMTS standards required under WEQ-001-23. As Emera Maine states, NB Power is the only transmission system with which MPD could coordinate point-to-point transmission and/or network transmission service and as NB Power is not subject to the Commission's jurisdiction and

does not have a Commission-filed OATT, Emera Maine will not be able to utilize the SAMTS standards unless NB Power adopts such standards. We agree and grant waiver for good cause shown.

22. We dismiss as unnecessary Emera Maine's requests for waiver of WEQ-005, WEQ-006, WEQ-007, WEQ-015 and WEQ-021. As clarified in the Order No. 676-H Rehearing Order, requiring a public utility to file (and the Commission to process) a waiver request for standards that on their face specifically state that they are only applicable to entity groups that the potential waiver requestor does not belong to is an unnecessary expenditure of time and effort for both the potential waiver requestors and the Commission. The Commission explained that including such standards in the public utility's tariff will have no adverse effects on the company, since the standards would not impose the compliance obligation prescribed by the standard on that entity.<sup>23</sup> The Commission stated that in each public utility's compliance filing in which it submits a tariff revision incorporating the NAESB standards, the public utility must either incorporate by reference each standard or indicate in its tariff that it has obtained a waiver of that standard.<sup>24</sup>

23. WEQ-005, WEQ-006 and WEQ-007 all specifically apply to Reliability Coordinators or Balancing Authorities. Since Emera Maine is neither a Reliability Coordinator nor Balancing Authority, the Commission dismisses the request for waiver of those standards as unnecessary.

24. WEQ-015 and WEQ-021 provide, in their respective applicability sections, that they are only applicable to RTOs and ISOs. Therefore, because Emera Maine is not an RTO or ISO, WEQ-015 and WEQ-021 does not apply to it, and we dismiss the request for waiver of those standards as unnecessary.

25. The Commission finds that Emera Maine has not shown good cause for waiver of WEQ-004, and therefore denies the request for waiver of that standard. The Commission notes that, although Emera Maine is not a Reliability Coordinator or Balancing Authority, there are parts of WEQ-004 that could potentially still apply to it. Our denial is without prejudice to the Emera Maine filing a new request for waiver that specifies a justification for waiver for each subsection of WEQ-004.

26. We also deny waiver of WEQ-008 and WEQ-011. Emera Maine is a transmission provider, so the standards apply to it, and Emera Maine is required to implement those standards once it performs the relevant business practice (even if it currently does not

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<sup>23</sup> Order No. 676 Rehearing Order, 151 FERC ¶ 61,046 at P 20.

<sup>24</sup> *Id.* P 21.

perform that practice). By denying the waiver, we ensure that Emera Maine begins performing the relevant business practice when it becomes applicable, without the administrative burden of being responsible for submitting a filing to amend its respective tariff.

27. Consistent with the foregoing determination, the Commission finds that Emera Maine must submit a compliance filing, within 60 days of the date of this order, to revise its tariff to (1) indicate those standards for which the Commission has granted waiver, and for each of those standards granted waiver, (2) include a citation to the order granting the waiver requests, and (3) incorporate by reference those standards for which waivers were dismissed as unnecessary.

The Commission orders:

(A) Emera Maine's compliance filing is hereby conditionally accepted, effective May 15, 2015, as discussed in the body of this order.

(B) Emera Maine's requests for waiver are hereby granted, in part, denied, in part, and dismissed, in part, as unnecessary, as discussed in the body of this order.

(C) Emera Maine is directed to submit a compliance filing, within 60 days of the date of this order, as discussed in the body of this order.

By the Commission.

( S E A L )

Nathaniel J. Davis, Sr.,  
Deputy Secretary.