

June 2015

Commission Meeting Summaries

These are summaries of orders voted by the Federal Energy Regulatory Commission at its June 18, 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-2, E-3, and E-5 – Press Release

FERC denies rehearing requests; grants in part and denies in part a complaint; institutes a Federal Power Act section 206 proceeding

E-1, *Midcontinent Independent System Operator, Inc., et al.*, Docket No. ER14-2464-002, *et al.* This order denies requests for rehearing of a December 12, 2014 Commission order conditionally accepting an unexecuted non-conforming Facilities Construction Agreement (FCA) among Border Winds Energy, LLC as interconnection customer, Otter Tail Power Company (Otter Tail) as transmission owner, and Midcontinent Independent System Operator, Inc. (MISO) as transmission provider, subject to the removal of provisions that deviate from MISO's *pro forma* FCA. This order also grants in part and denies in part a complaint filed by Otter Tail alleging that MISO's Open Access Transmission, Energy and Operating Reserve Markets Tariff (Tariff) is unjust and unreasonable to the extent that the *pro forma* FCA contained therein does not permit an affected system operator to elect to provide the initial funding for network upgrades. Further, this order institutes a proceeding, in accordance with section 206 of the Federal Power Act, to examine MISO's *pro forma* FCA, *pro forma* Generator Interconnection Agreement and *pro forma* Multi-Party Facilities Construction Agreement. This order directs MISO to submit to the Commission a filing either to (1) report whether it will propose Tariff changes providing that a transmission owner or affected system operator may only elect to provide the initial funding for network upgrades if the interconnection customer agrees to such election, or (2) explain why such changes are not necessary.

FERC approves final rule to revise exhibit submission requirements

E-4, *Revised Exhibit Submission Requirements for Commission Hearings*, Docket No. RM15-5-000. The Commission is amending Rule 508 of the Commission's Rules of

Practice and Procedure to eliminate the requirement that participants in Commission trial-type evidentiary hearings must provide, at the hearing, paper copies of all exhibits introduced as evidence. This final rule explains that the amendment facilitates a shift toward electronic hearing procedures, improving the efficiency and administrative convenience of the Commission hearing process, reducing the burden and expense associated with paper exhibits, and facilitating the compilation and transmittal of the hearing record to the Commission in electronic format.

FERC denies rehearing

E-6, *Duke Energy Corporation; Progress Energy, Inc; Carolina Power & Light Co.*, Docket Nos. ER12-1338-001 and ER12-1347-002. This order denies the request for rehearing submitted by City of Orangeburg, South Carolina (Orangeburg) of the Commission's June 8, 2012 order that conditionally accepted the Joint Dispatch Agreement filed on behalf of Duke Energy Carolinas, LLC and Carolina Power and Light Company.

FERC denies rehearing

E-7, *PJM Interconnection LLC*, Docket No. ER15-3-001. The order denies Energy Storage Association's (ESA) request for rehearing of the Commission's November 28, 2014 order accepting proposed revisions to PJM's Open Access Transmission Tariff. The revisions enabled Commonwealth Edison Company (ComEd) to assess a wholesale distribution charge on an energy storage battery facility connected to the ComEd distribution system. The order denies rehearing, finding that the need to charge the energy storage battery facility warrants its being assessed a wholesale distribution charge.

FERC accepts a filing

E-8, *ISO New England Inc.*, Docket No. ER15-1137-000. The order accepts ISO New England's filing detailing the results of its ninth Forward Capacity Auction (FCA 9). Based on the evidence presented, the order finds that ISO-NE has demonstrated that the results of FCA 9 are just and reasonable.

FERC denies requests for rehearing and clarification

E-9, *Southwest Power Pool, Inc.*, Docket Nos. ER14-781-002 and ER14-781-003. This order denies requests for rehearing and clarification of the Commission's June 2014 order concerning SPP's proposed revisions to its generator interconnection procedures. In addition, this order conditionally accepts SPP's compliance filing, subject to an additional compliance filing.

FERC declines to initiate an enforcement action

E-10, *Benjamin Riggs v. Rhode Island Public Utilities Commission*, Docket No. EL15-61-000. This order gives notice that the Commission declines to initiate an enforcement action against the Rhode Island Public Utilities Commission under section 210(h)(2) of Public Utility Regulatory Policies Act of 1978, thus allowing Mr. Riggs to bring his own enforcement action.

FERC denies complaint

E-12, *Consolidated Edison Company of New York, Inc. v. PJM Interconnection, L.L.C.; PJM Interconnection, L.L.C.*, Docket No. EL15-18-000 *et al.* This order denies a complaint submitted by Consolidated Edison Company of New York, Inc. regarding the assignment of cost allocation for two transmission projects that were approved through the PJM Interconnection, L.L.C. (PJM) Regional Transmission Expansion Planning (RTEP) process, and which were addressed in two underlying cost allocation proceedings submitted by PJM pursuant to the regional cost allocation method accepted by the Commission to comply with Order No. 1000. The RTEP projects at issue are the Bergen-Linden Corridor Project and the Sewaren Project. The order also denies requests for rehearing on the underlying cost allocation proceeding for the Bergin-Linden Corridor Project, and accepts the compliance filing in that proceeding.

FERC denies a petition for declaratory order

E-11, *Ameren Services Company*, Docket No. EL14-46-000. Ameren Services Company, on behalf of Union Electric Company d/b/a Ameren Missouri (Ameren Missouri) (Ameren Services and Ameren Missouri, collectively, Ameren) filed a petition for a declaratory order asking the Commission to clarify the rate treatment of Ameren Missouri's native load in the "Boot Heel" region of Missouri (Boot Heel Load) following the integration of Entergy Arkansas, Inc. into the Midcontinent Independent System Operator, Inc. (MISO) in December 2013. This order denies Ameren's request that the Commission interpret the Agreement for the Provision of Transmission Service to Bundled Retail Load between MISO and Ameren Missouri as requiring the Boot Heel Load to be in the Ameren Missouri Transmission Pricing Zone, rather than in the Entergy Arkansas Transmission Pricing Zone, for purposes of charges for MISO's provision of network integration transmission service, after Entergy Arkansas' integration into MISO.

FERC affirms interpretation of statutes

E-14, *Delta-Montrose Electric Association*, Docket No. EL15-43-000. This order finds Delta-Montrose Electric Association is obligated to purchase power from qualifying facilities offering energy and capacity under the Public Utility Regulatory Policies Act of

1978 and in accordance with section 292.303(a) of the Commission's regulations, and that such sales may be made at negotiated rates. The order also finds that Tri-State Generation and Transmission Association, Inc. is not subject to the requirements of sections 205 and 206 of the Federal Power Act (FPA) because it is exempt from such requirements by application of section 201(f) of the FPA.

FERC denies a petition for declaratory order

E-15, *City of Orangeburg*, Docket No. EL09-63-000. The order denies as moot the petition for declaratory order from the City of Orangeburg, South Carolina. The petition asks the Commission to find that the March 30, 2009 order of the North Carolina Utilities Commission (NCUC) does not apply to the Orangeburg Department of Public Utilities and other affected electric utilities by reason of federal preemption and/or section 205(a) of the Public Utility Regulatory Policies Act of 1978. The NCUC's order established that, in any future retail ratemaking proceeding, the NCUC would credit the revenues associated with a wholesale power purchase and coordination agreement between Duke Energy Carolinas, LLC (Duke) and the City of Orangeburg based on a rate design utilizing incremental costs rather than the system average costs used in the Agreement. The order finds that the petition is moot because the agreement between Duke and the City of Orangeburg terminated by its own terms.

FERC denies rehearing

E-16, *PáTu Wind Farm, LLC v. Portland General Electric Company*, Docket Nos. EL15-6-001 and QF06-17-003. The order denies requests for rehearing by PáTu Wind Farm, LLC (PáTu), Portland General Electric Company (Portland General), and Community Renewable Energy Association of the January 22, 2015 order issued in this proceeding (January 22 Order). The Commission issued the January 22 Order in response to a complaint filed by PáTu, a qualifying facility (QF) pursuant to the Public Utility Regulatory Policies Act of 1978, against Portland General, PáTu's purchasing utility. The Commission partially granted PáTu's complaint by ordering Portland General to accept PáTu's entire net output delivered to the Portland General balancing authority area and to do so at avoided cost rates. In denying the rehearing requests, the order also notes that the Oregon Public Utilities Commission has already determined that, under the contract pursuant to which PáTu sells to Portland General, small wind QFs such as PáTu are not responsible for wind integration costs.

FERC denies rehearing

E-17, *Louisiana Public Service Commission v. Entergy Corporation, et al.*, Docket No. EL11-63-001. This order denies rehearing of Commission determinations regarding

Entergy Corporation's allocation of the cost of transmission upgrades at the Ouachita Generating Station in Louisiana.

FERC conditionally accepts a compliance filing

E-19, *PJM Interconnection, LLC*, Docket No. ER15-696-000. This order conditionally accepts PJM's proposed tariff revisions to Schedule 2 of its Open Access Transmission Tariff, subject to a further compliance filing. The proposed revisions were submitted to comply with the Commission's November 20, 2014 Order to Show Cause, and require that, 90 days prior to the deactivation or transfer of a generation unit, each reactive power supplier either: (1) submit a filing to terminate or adjust its cost-based rate schedule to account for the deactivated or transferred unit; or (2) submit an informational filing explaining the basis for the decision not to terminate or revise its cost-based rate schedule.

FERC sets complaint for hearing procedures

E-20, *Arkansas Electric Cooperative Corporation, et al. v. ALLETE, Inc., et al.*, Docket No. EL15-45-000. This order addresses the complaint filed by Arkansas Electric Cooperative Corporation, *et al.* (Complainants) alleging that the current base return on equity (ROE) earned by MISO Transmission Owners (12.38 percent) and American Transmission Company LLC (12.2 percent) through the MISO tariff is unjust and unreasonable, and that the ROE should be set no higher than 8.67 percent. This order finds that, with respect to whether MISO Transmission Owners' base ROE has been shown to be unjust and unreasonable, the Complaint raises issues of material fact that cannot be resolved based upon the record before the Commission and that are more appropriately addressed in the hearing procedures. With regard to the Complainants' request for consolidation, the order leaves to the discretion of the Chief Administrative Law Judge whether it is appropriate to consolidate this proceeding and the ongoing proceeding in Docket No. EL14-12-000 for purposes of hearing and decision.

FERC grants rehearing

H-1, *Soldier Canyon Filter Plant*, Docket No. CD15-18-001. The order grants Soldier Canyon's request for rehearing of a Commission staff determination that the proposed facility did not meet the requirements of section 30(a) of the Federal Power Act (FPA) for a qualifying facility. In granting rehearing, the order makes a preliminary determination that the proposed project meets the requirements of FPA section 30(a). In doing so, the order explains that in key respects the statutory requirements are the same for qualifying conduit facilities and small conduit facilities.

FERC denies rehearing

H-2, *Turlock Irrigation District and Modesto Irrigation District*, Project No. 14581-001. The order denies a rehearing request filed by the National Marine Fisheries Service (NMFS) of a February 27, 2015 Commission staff decision in the pre-filing phase of the licensing proceeding for the La Grange hydroelectric Project No. 14581. The order affirms the earlier determination that NMFS' request to study the habitat of the upstream Tuolumne River would not be considered by a study dispute panel because the same study was considered and not required by the study dispute panel in the related Don Pedro Project proceeding and because there is no nexus between the operations of the La Grange Project and the upstream habitat of the Tuolumne River.

FERC denies rehearing

H-3, *Kenai Hydro, LLC*, Project No. 13212-004. The order denies the request for rehearing of the Commission staff's February 27, 2015 order denying Kenai Hydro's request for a ten-month extension of its second preliminary permit for the proposed Grant Lake Project No. 13212, to be located on Grant Lake and Grant Creek, near the town of Moose Pass, in Kenai Peninsula Borough, Alaska, and occupy federal lands managed by the Chugach National Forest.

FERC authorizes abandonment request

C-1, *Natural Gas Pipeline Company of America, LLC and Devon Gas Services, L.P.*, Docket Nos. CP14-548-000 and CP14-547-000. This order grants Natural Gas Pipeline Company of America's request for authority to abandon by sale to Devon Gas Services, L.P. (Devon) certain natural gas pipeline and appurtenant facilities located in Texas and Oklahoma known as the Segment 1 Facilities. The order also grants Devon's request for a declaratory order determining that, upon transfer to Devon, the subject facilities will be non-jurisdictional gathering facilities exempt from the Commission's jurisdiction under Natural Gas Act section 1(b).