

# April 2016

## Commission Meeting Summaries

These are summaries of orders voted by the Federal Energy Regulatory Commission at its April 21, 2016 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](http://www.ferc.gov).

### FERC denies reconsideration

**E-1**, *Exelon Wind 1, LLC, et al.*, Docket Nos. EL12-80-001, *et al.* The order denies reconsideration of the Commission's August 28, 2012 order that granted in part Exelon Wind's petition for declaratory order, but declined to initiate an enforcement action against the Public Utility Commission of Texas. The order finds that the substantive issue of the Texas Commission's reliance on Southwest Power Pool, Inc.'s (SPP) locational imbalance price (LIP) to calculate avoided costs has been overtaken by events, because SPP has evolved from an energy imbalance service market into an Integrated Marketplace that now uses, as does the Texas Commission for purposes of determining avoided costs, locational marginal pricing in lieu of LIP.

### FERC declines to initiate an enforcement action

**E-2**, *Occidental Chemical Corporation*, Docket Nos. EL14-28-000 and QF00-64-002. This order declines to initiate an enforcement action that Occidental requested in accordance with section 210(h)(2) of the Public Utility Regulatory Policies Act of 1978 (PURPA) against the Louisiana Public Service Commission (Louisiana Commission). Occidental had alleged that the Louisiana Commission's January 9, 2014 order, which approved Entergy's application to modify its methodology for calculating avoided cost rates paid to qualifying cogeneration or small power production facilities, violated PURPA.

### FERC denies complaint

**E-3**, *Occidental Chemical Corporation v. Midwest Independent Transmission System Operator, Inc.*, Docket Nos. EL13-41-000. This order addresses Occidental's complaint and petition for declaratory order against MISO, requesting that the Commission find that

MISO's treatment of qualifying cogeneration or small power production facilities (QF) in the Entergy Services, Inc.'s service territories violates sections 205 and 206 of the Federal Power Act (FPA), the Public Utility Regulatory Policies Act of 1978 (PURPA), and the Commission's regulations, and improperly conditions QFs' registration for and participation in MISO's markets upon QFs' foregoing their rights under PURPA and the Commission's regulations implementing PURPA. The order finds that MISO's treatment of QFs in Entergy's service territories is consistent with the requirements of PURPA and does not violate sections 205 and 206 of the FPA.

### **FERC grants, in part, and denies, in part, a complaint**

**E-4**, *Northern Indiana Public Service Company v. Midcontinent Independent System Operator, Inc. and PJM Interconnection, L.L.C.*, Docket No. EL13-88-000. This order grants, in part, and denies, in part, a complaint filed by NIPSCO requesting reforms to the interregional transmission planning process of the Joint Operating Agreement between MISO and PJM.

### **FERC denies complaint**

**E-5**, *Independent Market Monitor for PJM v. PJM Interconnection, L.L.C.*, Docket No. EL14-20-000. This order denies the PJM Market Monitor's complaint that PJM's capacity market rules fail to treat demand response resources in a manner comparable to generation resources, unless PJM establishes: (1) a must-offer requirement, like that applicable to PJM's day-ahead energy market; and (2) an offer cap on all energy offers, like that applicable to generation resources. The order finds that PJM's treatment of demand response resources is comparable to, albeit not identical to, its treatment of generation resources.

### **FERC denies complaint**

**E-6**, *Viridity Energy, Inc. v. PJM Interconnection, L.L.C.*, Docket No. EL12-54-000. The order denies Viridity's complaint that PJM's tariff is unduly discriminatory, as applicable to the differing classifications and treatment of end-use customers eligible to participate in PJM's Emergency Load Response Program. Viridity challenges PJM's treatment of, respectively: (1) an end-use customer that registers with a Curtailment Service Provider (CSP) for capacity market purposes and uses that same CSP for energy and ancillary services purposes; versus (2) an end-use customer that registers with one CSP for capacity market purposes and a second CSP for energy and ancillary services purposes. Viridity asserts that, under either scenario, the payment made for load reductions should be equal because the end-use customers at issue are similarly-situated. The order denies the complaint, finding no undue discrimination, because, among other reasons, the provision at issue is warranted based on reliability considerations and to avoid the possibility of double payments.

## **FERC approves proposed power, transmission and ancillary service rates**

**E-7**, *Western Area Power Administration*, Docket No. EF15-10-000. This order approves and confirms, on a final basis, Western Area Power Administration's proposed firm power rates from the Salt Lake City Area Integrated Projects, and certain transmission and ancillary services rates including rates for non-firm transmission service on the Colorado River Storage Project.

## **FERC denies rehearing**

**E-8**, *Entergy Services, Inc.*, QM14-3-001. This order denies Occidental Chemical Corporation's (Occidental) request for rehearing of the Commission's January 21, 2016 order that granted, in part, and denied, in part, Entergy Services' application seeking termination, on a service territory-wide basis, of the requirement to enter into new power purchase obligations or contracts to purchase electric energy and capacity from qualifying cogeneration or small power production facilities (QFs) with a net capacity in excess of 20 megawatts. The order affirms that Occidental failed to rebut the presumption that its Taft QF has non-discriminatory access to the Midcontinent Independent System Operator, Inc. markets.

## **FERC accepts a joint offer of partial settlement**

**E-9**, *Southwest Power Pool, Inc.*, Docket Nos. ER14-2850-004 and ER14-2851-004. This letter order accepts a Joint Offer of Partial Settlement on behalf of SPP, Western Area Power Administration – Upper Great Plains Region (Western-UGP), and Municipal Energy Agency of Nebraska. The proceeding relates to the integration of Western-UGP, Basin Electric Power Cooperative, and Heartland Consumers Power District into SPP as transmission-owning members.

## **FERC accepts, in part, and rejects, in part, a compliance filing**

**E-12**, *Midwest Independent Transmission System Operator, Inc.*, Docket No. ER11-2275-003. This order accepts, in part, and rejects, in part, a compliance filing pertaining to Revenue Sufficiency Guarantee charges and requires a further compliance filing.

## **FERC denies request for clarification or rehearing**

**E-13**, *New Jersey Energy Associates, a Limited Partnership*, Docket No. ER15-952-001. The order denies NJEA's request for clarification and rehearing of the Commission's September 4, 2015 order denying NJEA's petition for waiver of certain provisions in PJM Interconnection, L.L.C.'s Amended and Restated Operating Agreement and Open Access Transmission Tariff. The waiver would have allowed NJEA to recover costs incurred during the cold weather events of January 2014.

## **FERC accepts termination of an agreement**

**E-14**, *NorthWestern Corporation*, Docket No. EL16-763-000. The order accepts NorthWestern's notice of termination of the Large Generator Interconnection Agreement between NorthWestern and Southern Montana Electric Generation and Transmission Cooperative, Inc. (Southern Montana). The order also clarifies that NorthWestern is not required to make further reimbursements to Southern Montana for Network Upgrade costs.

## **FERC grants rehearing, in part**

**E-15**, *Tucson Electric Power Company*, Docket Nos. ER15-1861-001 and ER15-1862-001. This order grants Tucson's request for rehearing, in part, finding that time value refunds are not warranted for the three Transmission Service Agreements (TSAs) with its affiliates and for a TSA where service had not commenced. However, the order denies Tucson's request for rehearing as to the remaining 19 late-filed TSAs and directs Tucson to file a revised refund report.

## **FERC denies rehearing**

**E-16**, *San Diego Gas & Electric Company*, Docket No. ER15-553-001. The order denies a request for rehearing filed by the California Public Utilities Commission concerning whether the Commission should have held in abeyance consideration of San Diego Gas & Electric's informational filing in this proceeding given, among other arguments, the California Commission's concerns that it might be forced to prejudge issues pending before the California Commission.

## **FERC denies a waiver**

**E-17**, *MDU Resources Group, Inc.*, Docket No. ER16-866-000. The order denies Montana-Dakota Utilities Co.'s request for waiver of Schedule 12 of the Southwest Power Pool, Inc. (SPP) Open Access Transmission Tariff under which SPP assesses transmission customers for the annual charges paid to the Commission under section 382.201 of the Commission's regulations.

## **FERC denies, in part, and grants, in part, rehearing**

**E-18**, *Louisiana Public Service Commission v. Entergy Corporation, et al.*, Docket No. EL09-61-003. The order denies, in part, and grants, in part, requests for rehearing of Entergy Services, Inc. and the Louisiana Public Service Commission of Opinion No. 521. In Opinion No. 521, the Commission found that the Entergy Operating Companies were permitted under the Entergy System Agreement to make off-system sales of energy for

their own behalf but had violated the System Agreement through improper allocation of energy used to source those off-system sales from 2000 through 2009.

### **FERC affirms, in part, and reverses, in part, an Initial Decision**

**E-19**, *Louisiana Public Service Commission v. Entergy Corporation, et al.*, Docket No. EL09-61-002. The order affirms, in part, and reverses, in part, an Initial Decision and remands for further hearing procedures for a final determination of refunds. The Initial Decision addressed the proper calculation of refunds based upon the Commission's findings in Opinion No. 521. In Opinion No. 521, the Commission found that the Entergy Operating Companies were permitted under the Entergy System Agreement to make off-system sales of energy for their own behalf but had violated the System Agreement through improper allocation of energy used to source those off-system sales from 2000 through 2009.

### **FERC denies rehearing**

**E-21**, *PJM Interconnection, L.L.C.*, Docket Nos. ER14-822-002 and ER14-822-003. The order denies the rehearing arguments of EnergyConnect and Comverge (ECI/Comverge), challenging the Commission's May 2014 order that conditionally accepted a PJM tariff filing that increased operational flexibility by providing that demand response resources meet a 30-minute versus 2-hour response requirement. The order finds that ECI/Comverge's cost impact arguments do not undermine the reliability rationale underlying PJM's filing. The order also finds that PJM's filing was not unduly discriminatory, given the operational characteristics that apply to demand response resources and given the exceptions process that PJM's proposal provides. Finally, the order addresses PJM's compliance filing, finding that it satisfies the requirements of the May 2014 order.

### **FERC denies rehearing**

**E-22**, *PJM Interconnection, L.L.C.*, Docket No. ER14-504-001. The order denies rehearing arguments filed by the PJM Industrial Customer Coalition (PJM-ICC), challenging the Commission's acceptance of a PJM filing that caps PJM's procurement of certain limited-availability demand response products. The order finds that PJM's proposal does not impose excessive costs, as PJM-ICC claims, given that PJM's proposal strikes an appropriate balance by enhancing PJM's ability to meet its reliability requirement, with resources that are capable of responding when needed, while retaining an adequate opportunity for limited-availability demand response to participate in PJM's capacity markets. The order further finds that PJM's tariff changes are not unduly discriminatory and that these limited-availability demand response products are substantially different from and need not be treated the same as an annual demand response product.

### **FERC denies rehearing**

**E-23**, *PJM Interconnection, L.L.C.*, Docket No. ER13-2108-001. This order denies PSEG Companies' rehearing arguments challenging the Commission's acceptance of a PJM filing requiring that a demand resource provider seeking to participate in PJM's capacity market auctions submit certain information, in advance of the relevant base residual auction, demonstrating its ability to perform when needed.

### **FERC denies rehearing**

**E-25**, *Midwest Independent Transmission System Operator, Inc.*, Docket No. ER09-411-005. This order denies rehearing of the Commission's order that accepted, in part, and rejected, in part, a compliance filing with proposed tariff revisions concerning Revenue Sufficiency Guarantee charges, subject to further compliance filings.

### **FERC grants, in part, and denies, in part, rehearing request**

**E-26**, *Midwest Independent Transmission System Operator, Inc.*, Docket No. ER11-2275-002. This order grants, in part, and denies, in part, requests for rehearing and clarification of an order that conditionally accepted revised tariff provisions pertaining to the allocation of costs associated with the real-time Revenue Sufficiency Guarantee charge to market participants. The order also requires a further compliance filing.

### **FERC denies rehearing**

**E-28**, *Ameren Services Co. v. Midwest Independent Transmission System Operator, Inc.*, Docket No. EL07-86-012, *et al.* The order denies rehearing of the Commission's order on a compliance filing concerning Revenue Sufficiency Guarantee charges.

### **FERC grants a petition for declaratory order**

**E-30**, *Morongo Transmission LLC*, Docket No. EL16-41-000. This order grants Morongo Transmission's request for a declaratory order confirming that the rate methodology the Commission authorized in its August 25, 2014 order for the West of Devers Transmission Upgrade Project will apply to investment by Morongo Transmission in excess of \$400 million. The order also clarifies that the return on equity issue will be subject to a future Federal Power Act section 205 filing.

### **FERC approves an uncontested partial settlement**

**E-31**, *E. ON Climate and Renewables North America LLC, et al. v. Northern Indiana Public Service Company*, Docket No. EL14-66-003. This letter order approves an uncontested partial settlement reached among Northern Indiana and Meadow Lake Wind

Farm, LLC, Meadow Lake Wind Farm II LLC, Meadow Lake Wind Farm III LLC, Meadow Lake Wind Farm IV LLC (collectively, the Meadow Lake Companies) and Fowler Ridge Wind Farm LLC, Fowler Ridge II Wind Farm LLC, and Fowler Ridge III Wind Farm LLC (the Fowler Ridge Companies). The partial settlement resolves issues involving the costs Northern Indiana will incur in accordance with a 138 kV Transmission Upgrade Agreement for ownership and operation of upgrades that are attributable to the Meadow Lake Companies and the Fowler Ridge Companies.

### **FERC sets hearing and settlement judge procedures**

**E-32**, *North Carolina Electric Membership Corp. v. Duke Energy Carolinas, LLC*, Docket No. EL16-29-000, *et al.* This order consolidates and sets for hearing and settlement judge procedures two return-on-equity complaints filed by overlapping groups of complainants against Duke Energy Carolinas, LLC and Duke Energy Progress, LLC.

### **FERC grants, in part, and denies, in part, request for declaratory order**

**E-33**, *Southwest Power Pool, Inc.*, Docket Nos. EL12-60-001, ER12-1586-002, and ER12-1586-003. The order grants, in part, and denies, in part, requests for clarification or rehearing of the Commission's September 18, 2012 order, which interpreted the Joint Operating Agreement between SPP and Midcontinent Independent System Operator, Inc. The order also accepts SPP's compliance filing.

### **FERC accepts, in part, subject to condition, and rejects, in part, a compliance filing**

**E-34**, *New York Independent System Operator, Inc.*, Docket Nos. ER16-120-000 and EL15-37-001. This order accepts in part, subject to condition, and rejects, in part, the NYISO's compliance filing submitted in response to the Commission's February 19, 2015 order instituting a proceeding under section 206 of the Federal Power Act to require tariff revisions governing the retention of and compensation to generating units needed for reliability, including procedures for designating such resources; the rates, terms, and conditions for reliability must run (RMR) service; provisions for the allocation of costs of RMR service; and a *pro forma* agreement for RMR service. The order also denies the requests for rehearing and clarification of the February 19, 2015 order.

### **FERC approves an uncontested settlement agreement**

**G-1**, *ANR Pipeline Company*, Docket No. RP13-743-004, *et al.* The order approves an uncontested settlement agreement filed February 5, 2016 and reached among ANR Pipeline Company (ANR), Great Lakes Gas Transmission Limited Partnership, and DTE Gas Company (DTE Gas). The settlement provides that DTE Gas will become a supporting/non-contesting party to the settlement agreement the Commission previously approved on October 15, 2015 for all other parties in these proceedings. The settlement

also resolves issues between ANR and DTE Gas concerning service on Blue Lake Storage Company, which is owned by affiliates of both ANR and DTE Gas.

### **FERC approves a settlement agreement**

**G-2**, *Colonial Pipeline Company*, Docket No. OR14-17-001. The order approves a request submitted February 19, 2016 by Colonial Pipeline Company and American Airlines to extend and amend a 2013 Settlement Agreement. The extension supersedes the 2013 Settlement Agreement and continues the resolution of the controversies between the parties until December 31, 2018.

### **FERC accepts uncontested proposal to charge market-based rates**

**G-3**, *Buckeye Pipe Line Company, L.P.*, Docket No. OR13-3-000. The order grants Buckeye's revised uncontested application for authority to charge market-based rates for certain destinations for its petroleum products pipeline in New York City, NY.

### **FERC accepts a compliance filing with modifications, orders refunds**

**G-4**, *BP Pipelines (Alaska) Inc., et al.*, Docket No. IS11-348-011, *et al.* The order accepts a January 15, 2016 compliance filing submitted by the Trans Alaska Pipeline System (TAPS) Carriers in accordance with Opinion No. 544 that addresses a series of 2009 and 2010 rate filings by the Carriers. The order finds that Carriers' compliance filing, as modified in their reply comments, is consistent with Opinion No. 544. Also, the order resolves certain cost-of-capital issues related to 2010 rates that had previously been held in abeyance. The order directs the Carriers to issue, within 30 days of the order's issuance, refunds reflecting the difference between the 2009 and 2010 rates previously charged and the 2009 and 2010 rates established in the compliance filing.

### **FERC directs the filing of revised rate filings, sets hearing and settlement judge procedures**

**G-5**, *BP Pipelines (Alaska) Inc., et al.*, Docket No. IS11-335-000, *et al.* The order directs the TAPS Carriers to file revised rates, costs of service, and preliminary refunds in the above-captioned matters consistent with the holdings of Opinion No. 544 that addressed a series of 2009 and 2010 rate filings submitted by the Carriers. The order also directs the commencement of hearing proceedings to address the remaining issues in these proceedings.

### **FERC denies rehearing**

**G-6**, *ConocoPhillips Transportation Alaska, Inc.*, Docket No. IS15-522-001, *et al.* The order denies a request filed by Anadarko Petroleum Corporation and Tesoro Alaska Company for rehearing of the Commission's July 2015 order that accepted, suspended,

consolidated, and held in abeyance ConocoPhillips Transportation Alaska's proposed tariff rate increase, subject to refund.

### **FERC denies rehearing**

**G-7**, *ExxonMobil Pipeline Company*, Docket No. IS15-580-001, *et al.* The order denies a request filed by Anadarko Petroleum Corporation and Tesoro Alaska Company for rehearing of the Commission's August 2015 order that accepted, suspended, consolidated, and held in abeyance ExxonMobil Pipeline's proposed tariff rate increase, subject to refund.

### **FERC grants extension of time and denies stay**

**H-1**, *The City of New York, New York*, Project No. 13287-004. The order grants a request filed by the City of New York, New York, for two-year extensions of deadlines set in its original license for the Cannonsville Hydroelectric Project. In addition, the order denies a request for a stay, determining that it is premature at this stage to grant a stay when the extent of any further delay is speculative.

### **FERC denies rehearing**

**H-2**, *Columbia Basin Hydropower*, Project Nos. 14316-002, 14318-002, 14349-002 and 14351-002. The order denies Columbia Basin's request for rehearing of Commission staff's January 15, 2016 order rejecting Columbia Basin's request for two-year extensions on the term of its preliminary permits for the following proposed projects: the PEC 1973 Drop Hydroelectric Project No. 14316, the Scooteney Inlet Drop Hydroelectric Project No. 14318, the P.E. 16.4 Wasteway Hydroelectric Project No. 14349, and the P.E. 46A Wasteway Hydroelectric Project No. 14351. The order affirms staff's finding that the permit extensions were not warranted due to Columbia Basin's lack of diligence during its first permit term.

### **FERC denies rehearing**

**H-3**, *Public Utility District No.1 of Klickitat County, Washington and Clean Power Development, LLC*, Project Nos. 13333-005 and 14729-001. The order denies requests submitted by Klickitat Public Utility District No. 1 (Klickitat PUD) and Clean Power Development for rehearing of Commission staff's December 23, 2015 order dismissing Klickitat PUD's preliminary permit application for the JD Pool Pumped Storage Project No. 13333 and Clean Power's preliminary permit application for the proposed Columbia Gorge Renewable Energy Balancing Project No. 14729. The order finds that, as a matter of policy, it is not prudent to issue a preliminary permit for a project at a contaminated site that is still undergoing cleanup. The order also affirms staff's finding that Klickitat

PUD failed to demonstrate an extraordinary circumstance that would warrant the Commission issuing a third permit for the site.

#### **FERC terminates license by implied surrender**

**H-4**, *Willow Creek Hydro, LLC*, Project No. 7856-027. The order terminates, by implied surrender, Willow Creek Hydro's license for the Potosi Power Company Water Power Project No. 7856, located on South Willow Creek and Potosi Creek, in Madison County, Montana. The order finds that the licensee's long-term failure to maintain the project in accordance with the specifications set forth in the license, and its lack of substantial progress toward restoring project operation, demonstrate the implied intent to surrender the project license.

#### **FERC grants rehearing, in part, and denies rehearing, in part; denies stay request**

**H-5**, *Alabama Power Company*, Project No. 2146-141. The order grants rehearing in part, and denies rehearing, in part, of the Commission's June 20, 2013 Order Issuing New License for the Coosa River Project No. 2146. The order also provides clarification, and dismisses as moot Alabama Power's request for stay of several license articles. The order denies rehearing requests filed by Alabama Rivers Alliance and American Rivers and by the Georgia Environmental Protection Division and the Atlanta Regional Commission.

#### **FERC approves abandonment of certain interstate natural gas facilities**

**C-1**, *Dominion Transmission, Inc.*, Docket No. CP16-1-000. The order grants Dominion's request for authorization to abandon what it describes as gathering and products extraction facilities by sale to its affiliate, Dominion Gathering & Processing, Inc. Dominion also proposes to abandon by sale its West Virginia and Pennsylvania processing plants that perform products extraction, including compression facilities at a processing plant. The order finds the abandonment will not affect service to Dominion's customers and is permitted by the public convenience and necessity.