

October 2016

Commission Meeting Summaries

These are summaries of orders voted by the Federal Energy Regulatory Commission at its October 20, 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.

G-1 – Press Release

FERC rejects a refund report

E-3, *Tucson Electric Power Company*, Docket Nos. ER15-1861-000 and ER15-1862-000. The order rejects Tucson's refund report and directs the company to recalculate the refund amounts, make time value refunds, and file a revised refund report. In calculating refund amounts for late-filed transmission service agreements, Tucson applied certain adjustments to reduce the refund amounts. The order finds that the adjustments in Tucson's refund report do not comply with the Commission's April 21, 2016 order in this proceeding.

FERC denies request for confirmation of exemption

E-4, *PPL Electric Utilities Corporation*, Docket No. TS16-2-000. This order denies a request by PPL Electric for confirmation that it is exempt from the Commission's Standards of Conduct requirements adopted in Order No. 717 and set forth in Part 358 of the Commission's regulations. The order finds PPL Electric's contention, that it should be found not subject to the Commission's Standards of Conduct requirements because it does not now, and does not expect in the future, to engage in any transmission transactions with an affiliate that engages in marketing functions, is inconsistent with its own representations as to its business activities as it still makes sales for resale in interstate commerce.

FERC accepts NERC's 2017 business plan, budgets

E-5, *North American Electric Reliability Corp.*, Docket No. RR16-6-000. This order accepts the 2017 business plans and budgets of the North American Electric Reliability

Corporation, the Regional Entities, and the Western Interconnection Regional Advisory Body (WIRAB), and authorizes issuance of billing invoices to fund the fiscal year 2017 operations. NERC states that the assessment for the total ERO (*i.e.*, NERC, the Regional Entities, and WIRAB) for 2017 allocable to the United States is \$154,832,467, which includes \$54,326,337 for NERC funding; \$99,746,574 for Regional Entity funding; and \$759,556 for WIRAB funding. NERC will continue to allocate costs to end users in the United States based on net energy for load. The total United States net funding requirement for the ERO enterprise is \$0.0000389 per kWh, based on the aggregate net energy for load in 2015. The order also grants NERC's request to allocate certain penalty moneys to NERC's assessment stabilization reserve, and to use certain existing funds from the assessment stabilization reserve to reduce 2017 assessments.

FERC accepts natural gas index tariff filing, directs a further compliance filing

E-6, *California Independent System Operator Corporation*, Docket Nos. ER16-1649-004 and ER16-1649-005. This order finds that the natural gas price index tariff provisions accepted in the Commission's June 1, 2016 order conform to the Commission's policy statement on natural gas and electric price indices. The order also grants CAISO an extension as to the effective date, and directs CAISO to submit a compliance filing that includes the actual effective date, of the new price index provisions.

FERC approves blanket authorization to issue securities and assume liabilities

E-7, *Community Wind North, LLC*, Docket No. ES16-46-000. The order authorizes Community Wind North's request for blanket authorization to issue securities and assume liabilities under section 204 of the Federal Power Act as an interconnection-only entity.

FERC approves blanket authorization to issue securities and assume liabilities

E-8, *Spring Canyon Interconnection LLC*, Docket No. ES16-45-000. The order authorizes Spring Canyon Interconnection LLC's request for blanket authorization to issue securities and assume liabilities under section 204 of the Federal Power Act as an interconnection-only entity.

FERC grants a partial waiver

E-9, *Bright Light Capital, LLC*, Docket Nos. EL16-43-000 and QF16-259-001. The order grants Bright Light Capital a partial waiver from the filing requirements of section 292.203(a)(3) of the Commission's regulations applicable to small power production qualifying facilities (QF), such that Bright Light's facility will be treated as a QF for the period that it operated out of compliance with the Commission's QF certification filing requirement. However, the order also denies Bright Light's request for waiver of the QF

exemption from section 205 of the Federal Power Act for the period it operated out of compliance with the Commission's QF filing requirement and, therefore, orders Bright Light to refund the time value of the monies collected for the time period during which the rates were charged without Commission authorization.

FERC grants, in part, and denies, in part, a waiver request

E-10, *SunE B9 Holdings, LLC*, Docket No. EL16-58-000, *et al.* The order grants partial waiver of the filing requirements of section 292.203(a)(3) so that SunE B9's facilities will be treated as QFs for the period that SunE B9's facilities operated out of compliance with section 292.203(a)(3) and as a consequence the facilities will qualify for most of the exemptions contained in sections 292.601 and 292.602 of the Commission's regulations, excepting, however, exemption from sections 205 and 206 of the Federal Power Act. While SunE B9 thus is liable for time value refunds, the order notes that payment has already been made.

FERC grants, in part, and denies, in part, a waiver request

E-11, *SunE M5B Holdings, LLC*, Docket No. EL16-111-000, *et al.* The order grants partial waiver of the filing requirements of section 292.203(a)(3) so that SunE M5B's facilities will be treated as qualifying facilities for the period that SunE M5B's facilities operated out of compliance with section 292.203(a)(3) and as a consequence the facilities will qualify for most of the exemptions contained in sections 292.601 and 292.602 of the Commission's regulations, excepting, however, exemption from sections 205 and 206 of the Federal Power Act. While SunE M5B thus is liable for time value refunds, the order notes that payment has already been made.

FERC denies request for rehearing

E-14, *Dominion Energy Marketing, Inc. v. ISO New England Inc.*, Docket No. EL16-38-001. This order denies Dominion's request for rehearing of the Commission's May 2, 2016 order. That order granted, in part, and denied, in part, Dominion's complaint against ISO New England Inc. regarding the disqualification of new incremental capacity at Dominion's Manchester Street Station from the tenth Forward Capacity Auction; the Commission directed that ISO-NE revise its tariff to provide greater clarity, but denied Dominion's request that ISO-NE be directed to resettle the auction treating Dominion's new incremental capacity as if it had participated.

FERC approves an uncontested settlement

E-15, *TransCanyon DCR, LLC*, Docket No. ER15-1682-003. The letter order approves an uncontested settlement filed on August 5, 2016 by TransCanyon regarding its base

return on equity. Under the settlement, TransCanyon's base return on equity is 9.80 percent.

FERC denies a request for rehearing

E-16, *East Kentucky Power Cooperative, Inc. v. Louisville Gas & Electric Company/Kentucky Utilities Company*, Docket No. EL16-8-001. The order denies East Kentucky Power Cooperative's (EKPC) request for rehearing of the Commission's order issued February 26, 2016. In that order, the Commission denied a complaint filed by EKPC against Louisville Gas & Electric Company (LG&E) and Kentucky Utilities Company (KU) (collectively, LG&E/KU) alleging that their failure to accept EKPC's designation of new Network Load under the parties' Network Integration Transmission Service Agreement was contrary to the terms of the LG&E/KU Open Access Transmission Tariff and the Commission's policies concerning open access transmission.

FERC rejects an informational refund report, dismisses a complaint and accepts an informational filing

E-17, *California Independent System Operator Corporation, et al.*, Docket Nos. ER04-835-000; EL04-103-000; EL14-67-000; ER04-835-007; ER04-835-009; EL04-103-002; EL04-103-004. The order rejects the informational refund report submitted by CAISO in Docket Nos. ER04-835-000 and EL04-103-000 as the Commission had not directed the payment of refunds or the filing of a refund report. Accordingly, the order also dismisses as moot a complaint submitted in Docket No. EL14-67-000 by the Alliance for Retail Energy Markets and Shell Energy North America (US), L.P. concerning CAISO's proposal to administer the resettlements set forth in the informational refund report. Finally, the order accepts CAISO's May 15 and 16, 2012 informational filing, submitted in response to earlier Commission directives in Docket No. ER04-835-007, *et al.*, explaining how it provided stakeholders with sufficient information to calculate the incremental cost of local allocations under CAISO's Amendment No. 60 cost allocation methodology.

FERC conditionally approves an uncontested rate settlement

G-2, *Empire Pipeline, Inc.*, Docket No. RP16-300-000. This order conditionally approves an uncontested Natural Gas Act section 5 rate settlement, subject to Empire filing a revised settlement agreement modifying the standard of review provision. The proposed standard of review is inconsistent with Commission policy as it appears to impose the public interest standard of review on future changes to the settlement proposed by non-settling third parties.

FERC approves an uncontested rate settlement

G-3, *Iroquois Gas Transmission System, L.P.*, Docket No. RP16-301-000. The order approves the uncontested rate settlement filed by Iroquois on August 18, 2016, resolving all issues in the Natural Gas Act section 5 case brought by the Commission in January 2016.

FERC accepts tariff records, subject to a further compliance filing

G-4, *MoGas Pipeline LLC*, Docket No. RP16-1057-000. The order finds that MoGas Pipeline LLC's (MoGas) tariff filing generally complies with the requirements in Order Nos. 587-W and 809, and therefore accepts it for filing, subject to certain conditions. Specifically, the order accepts MoGas's tariff records, effective April 1, 2016 (the date when the new nomination and scheduling timelines became effective), subject to MoGas making an additional compliance filing. The order denies, as unnecessary, a request for waiver of the standard on storage, since MoGas does not provide this service and is not required to do so. In addition, the order denies MoGas's request for waivers of the standards on pooling and index-based capacity release, but grants MoGas an extension of time to comply with these standards.

FERC addresses request to raise fees and amend recreation plan for a hydro facility

H-1, *Brookfield White Pine Hydro LLC*, Project No. 2142-038. The order addresses Brookfield's request to increase user fees and amend its recreation plan for the Indian Pond Hydroelectric Project No. 2142, located on the Kennebec River in Somerset and Piscataquis counties, Maine. The order denies both Brookfield's request to increase the user fees and requests from two whitewater recreation organizations to decrease user fees based on a lack of supporting evidence. The order modifies the language in the Recreation Plan to remove language setting specific rates for recreational use and instead stating that the licensee may charge a reasonable rate for use of the recreational facilities, in general accordance with the licensee's cost to operate and maintain the facilities.

FERC grants rehearing

H-2, *Grand River Dam Authority*, Project No. 1494-434. The order grants Grand River Dam Authority's (GRDA) request for rehearing of Commission staff's March 30, 2016 order modifying and approving shoreline management classification maps and management provisions for GRDA's Pensacola Hydroelectric Project No. 1494. On rehearing, GRDA requested that the Commission remove an annual reporting requirement required by Ordering Paragraph (C) of the March 2016 order. The order grants GRDA's request, and instead requires GRDA consult with the U.S. Fish and Wildlife Service and Oklahoma Wildlife at the time a permit is requested and to file a map to clarify the location of the lands that require further consultation.

FERC approves an abandonment of certain interstate natural gas facilities

C-1, *ANR Pipeline Company*, Docket No. CP16-80-000. This order grants ANR approval to abandon in place one compressor unit at each of its Delhi, Brownsville, and Shelbyville compressor stations, and two compressor units at its Sardis Compressor Station on its SE Mainline System. The order also authorizes ANR to abandon 36 million cubic feet of short-haul capacity on a segment of its SE Mainline System from the Eunice Compressor Station in Acadia Parish, Louisiana to the Celestine Compressor Station in Celestine, Indiana.