

July 2018

Commission Meeting Summaries

These are summaries of orders voted by the Federal Energy Regulatory Commission at its July 19, 2018 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-1 – Press Release

FERC proposes a rule

E-2, *Revisions to Parts 45 and 46 of the Commission's Regulations*, Docket No. RM18-15-000. This Notice of Proposed Rulemaking proposes to revise parts 45 and 46 of the Commission's regulations related to interlocking officers and directors. Among other proposed changes, the Commission proposes to update its regulations to reflect statutory changes regarding the circumstances in which an applicant requires Commission authorization to hold interlocking positions between public utilities and securities underwriters and marketers. The Commission also proposes to revise its regulations concerning late-filed applications and informational reports. The Commission further proposes to revise its regulations to clarify that an interlock holder is not required to file a notice of change when merely changing positions within a holding company structure.

FERC approves, in part, and denies, in part, proposed reliability rule revisions

E-3, *North American Electric Reliability Corporation*, Docket No. RR17-6-000. This order approves, in part, and denies, in part, proposed revisions to NERC's Rules of Procedure sections 600 (Personnel Certification) and 900 (Training and Education). Specifically, the order directs NERC to restore sections 603, 604, and 605 that NERC proposes for deletion. These provisions pertain to (1) procedures for suspension of an operator's certification (section 603); (2) dispute resolution process (section 604); and (3) disciplinary action (section 605). The order determines that these provisions are not "programmatic detail" that can be transferred to NERC manuals but, rather, are substantive provisions that should remain in the NERC Rules of Procedure.

FERC establishes settlement judge procedures

E-4, *Linden VFT, LLC v. PJM Interconnection, LLC*, Docket No. EL15-67-003. The order establishes settlement judge procedures to allow the parties challenging the assignment of cost responsibilities for certain projects an opportunity to negotiate a settlement agreement in light of changed circumstances since the cost responsibilities were first set.

FERC grants a petition for declaratory order

E-5, *KCP&L Greater Missouri Operations Company*, Docket No. EL18-146-000. This order grants Greater Missouri's petition for declaratory order, finding that the proposed payment of dividends described in the petition complies with section 305(a) of the Federal Power Act.

FERC grants rehearing, establishes paper hearing procedures

E-6, *Delaware Public Service Commission and Maryland Public Service Commission v. PJM Interconnection, LLC*, Docket No. EL15-95-003. The order grants rehearing of the Commission's April 22, 2016 order that previously denied a complaint filed by the state commissions that had contended the use of the solution-based distribution factor method to assign cost responsibility for a portion of the costs of certain transmission projects was unjust, unreasonable, or unduly discriminatory or preferential. The order further establishes paper hearing procedures to determine the just and reasonable rate.

FERC denies rehearing

G-1, *Guttman Energy, Inc. and PBF Holding Company, LLC v. Buckeye Pipe Line Company, LP and Laurel Pipe Line Company, LP*, Docket No. OR14-4-002. This order denies Buckeye's request for rehearing of Opinion No. 558 that revoked Buckeye's market-based rate authority for its Harrisburg and Pittsburgh, Pennsylvania, destination markets.

FERC denies rehearing

H-2, *Public Utility District No. 2 of Grant County, Washington*, Project No. 2114-296. This order denies rehearing of the Commission's order authorizing Grant PUD to allow Stockdale, Inc. to expand the Vantage Marina to accommodate seven additional watercraft, increasing the total capacity to 17 slips on the Priest Rapids Project No. 2114. The project, which includes both the Priest Rapids and Wanapum dams and associated reservoirs, is located on the mid-Columbia River in portions of Grant, Yakima, Kittitas, Douglas, Benton, and Chelan counties, Washington.

FERC denies rehearing

H-3, *Verdant Power, LLC*, Project No. 12611-011. This order denies Verdant's request for rehearing of Commission staff's May 3, 2018 order denying Verdant's request for a five-year extension of its pilot license for the Roosevelt Island Tidal Energy Project No. 12611. The order affirms staff's finding that, barring any extraordinary circumstances, 10 years should be enough time to complete a testing program and make a decision on whether to file an application for a build-out license. The unconstructed 1,050-kilowatt project would be located in the East River in New York County, New York.

FERC authorizes, subject to conditions, new interstate natural gas infrastructure

C-1, *Columbia Gas Transmission, LLC*, Docket No. CP17-80-000. This order authorizes, subject to conditions, a certificate of public convenience and necessity to Columbia to construct and operate its Eastern Panhandle Expansion Project that would provide up to 47,500 dekatherms per day of incremental firm transportation service to serve markets in West Virginia. To provide the incremental services, Columbia proposes to construct and operate approximately 3.37 miles of 8-inch-diameter pipeline, commencing with interconnections at Columbia's Line 1804 and Line 10240 in Fulton County, Pennsylvania, and extending through Washington County, Maryland, to a point of delivery with the local distribution system of Mountaineer Gas Company, the project shipper, in Morgan County, West Virginia.

FERC authorizes, subject to conditions, new interstate natural gas infrastructure

C-2, *Texas Eastern Transmission, LP*, Docket No. CP18-10-000. The order grants Texas Eastern a certificate of public convenience and necessity, subject to conditions, to construct and operate Texas and Louisiana Market Expansion projects to provide 157,000 dekatherms per day of incremental firm transportation service from receipt points on Texas Eastern's interstate pipeline system in the West Louisiana Access Area to delivery points in Texas Eastern's West Louisiana Access Area and South Texas Access Area. The order also authorizes Texas Eastern to use existing system rates as initial recourse rates for firm service on the projects and grants a predetermination that it may roll project costs into its system rates in its next Natural Gas Act section 4 rate case. In addition, the order authorizes Texas Eastern to establish and charge an initial incremental electric power cost rate for firm service on the Texas Project.

FERC authorizes abandonment and replacement of interstate pipeline facilities

C-3, *Northwest Pipeline LLC*, Docket No. CP17-441-000. The order authorizes the abandonment of 5.9 miles of existing 8-inch diameter pipeline and grants a certificate of public convenience and necessity to construct 5.9 miles of 20-inch diameter replacement pipeline to Northwest Pipeline for its proposed North Seattle Lateral Upgrade Project.

Northwest will construct the replacement pipeline in the existing easement. The project is designed to provide 159,299 dekatherms per day of additional firm transportation service on the North Seattle Lateral to Puget Sound Energy, an existing customer. The order also authorizes Northwest to abandon and replace 0.17 miles of 16-inch looping pipeline and to modify appurtenant facilities, including the North Seattle/Everett meter station, Northwest's mainline, and relocating an existing pig launcher and receiver to accommodate the increased capacity.

FERC authorizes abandonment, determines certain facilities non-jurisdictional

C-4, *Gulf South Pipeline Company, LP*, Docket No. CP18-66-000. The order approves Gulf South's request to abandon by sale to Tristate NLA, LLC (Tristate) approximately 189.8 miles of various diameter gathering and transmission pipelines, associated meter and regulator stations, and other related facilities located in Texas and Louisiana. In addition, the order grants Tristate's petition for declaratory order requesting that the Commission find, upon transfer to Tristate, that the facilities will be exempt from the Commission's jurisdiction. Specifically, the order finds that, upon transfer to Tristate: (1) approximately 155.8 miles of pipeline and appurtenant facilities will perform a gathering function; (2) 15.2 miles of pipelines and appurtenant facilities will be operated as a Hinshaw pipeline; and (3) 18.8 miles of pipeline will operate as an intrastate pipeline.

FERC denies rehearing

C-5, *Constitution Pipeline Company, LLC*, Docket No. CP18-5-001. The order denies rehearing of the Commission's January 11, 2018 determination that the New York State Department of Environmental Conservation did not waive its authority under section 401(a)(1) of the Clean Water Act to issue or deny a water quality certification for the Constitution Pipeline Project. The order (a) refutes the argument that the Commission must determine case-by-case what is the "reasonable period of time" for state action on a section 401 application, (b) reaffirms the Commission's longstanding determination that the reasonable period of time for state action is the full year allowed by the Clean Water Act, and (c) reaffirms the Commission's conclusion that the withdrawal and resubmission of a section 401 application restarts the reasonable period of time for state action.

FERC dismisses and denies rehearing requests

C-7, *Millennium Pipeline Company, LLC*, Docket No. CP16-486-001. The order addresses two requests for rehearing of the Commission's November 28, 2017 certificate of public convenience and necessity authorizing Millennium to construct and operate the Eastern System Upgrade Project, comprising of pipeline, compression, and ancillary facilities designed to provide up to 223,000 dekatherms per day of firm transportation service from an existing compressor station to an existing interconnect with Algonquin

Gas Transmission, LLC. Specifically, the order dismisses certain requests for rehearing for failing to set forth with specificity the basis of their respective objections to the Commission's order. The order also denies the remaining rehearing requests, finding that, among other things, the project is not overbuilt; the initial order did not improperly segment the project from other nearby projects; and the initial order did not improperly assess the project's greenhouse gas emissions.