

September 2018

Commission Meeting Summaries

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

FERC establishes hearing and settlement procedures

E-1, *Louisiana Public Service Commission v. System Energy Resources, Inc. and Entergy Services, Inc.*, Docket No. EL18-152-000. The order establishes hearing and settlement procedures on the complaint that the Louisiana Public Service Commission (Louisiana Commission) filed against System Energy Resources, Inc. (SERI) and Entergy Services, Inc. (Entergy). The Louisiana Commission alleges that SERI and Entergy violated the filed-rate doctrine and FERC's ratemaking and accounting requirements in billing the costs of the Grand Gulf Nuclear Power Station's sale-leaseback renewals through the formula rate that is part of a Unit Power Sales Agreement between SERI and Entergy Arkansas, Inc., Entergy Louisiana L.L.C., Entergy Mississippi, Inc., and Entergy New Orleans, Inc.

FERC denies clarification, accepts compliance filing

E-2, *ISO New England Inc.*, Docket No. EL16-120-002, *et al.* The order denies a request for clarification of a prior Commission order that accepted a settlement agreement related to ISO New England's (ISO-NE) Peak Energy Rent (PER) provisions in its tariff. In approving the settlement, the Commission directed ISO-NE to submit tariff revisions to the methodology for calculating PER Adjustments contained in the ISO-NE tariff for the time period identified in the settlement. The order also accepts ISO-NE's compliance filing.

FERC denies requests for rehearing; grants, in part, requests for clarification

E-3, *Midwest Independent Transmission System Operator, Inc.*, Docket No. ER10-1791-004. The order denies the requests for rehearing and grants, in part, the requests for clarification of the underlying order in which the Commission responded to the U.S. Court of Appeals for the Seventh Circuit's remand of the Commission's orders addressing the Midwest Independent Transmission System Operator, Inc.'s Multi Value Projects.

FERC denies rehearing

E-4, *PJM Interconnection, L.L.C.*, Docket No. ER17-2073-001. The order denies a request filed by Linden VFT, LLC for rehearing of the Commission's September 8, 2017 order rejecting an unexecuted, amended Interconnection Service Agreement (Amended ISA) filed under section 205 of the Federal Power Act by PJM. The proposed Amended ISA modified Service Agreement No. 2536 whose parties are PJM, Hudson Transmission Partners, LLC, and Public Service Electric and Gas Company.

FERC denies rehearing

E-5, *PJM Interconnection, L.L.C.*, Docket No. ER17-2267-001. The order denies a request filed by Linden VFT, LLC (Linden) for rehearing of the Commission's October 5, 2017 order rejecting an unexecuted, amended Interconnection Service Agreement (Amended ISA) filed under section 205 of the Federal Power Act by PJM. The proposed Amended ISA modified Service Agreement No. 3579, whose parties were PJM, Linden, and Public Service Electric and Gas Company.

FERC affirms an Initial Decision

E-6, *Midcontinent Independent System Operator, Inc.*, Docket Nos. ER14-2154-006 and ER15-277-005. The order affirms the Presiding Judge's findings that Rochester Public Utilities Board's (RPU) annual transmission revenue requirement for the Hampton-to-North Rochester 345-kV transmission line should be recovered through transmission rates for MISO Pricing Zone 16. The order also affirms the Presiding Judge's findings that MISO possessed the filing rights under the MISO Transmission Owners Agreement and section 205 of the Federal Power Act to make the filing to add RPU to Pricing Zone 16.

FERC terminates section 206 proceeding

E-7, *Northern States Power Company, Minnesota*, Docket No. EL17-44-000. The order finds that the Midcontinent Independent System Operator, Inc. (MISO) Pricing Zone 16 Joint Pricing Zone Revenue Allocation Agreement, as revised to conditionally add the

Rochester Public Utilities Board (RPU) as an Addendum Party, is just and reasonable and not unduly discriminatory or preferential. In addition, the order finds that it has not been shown in the proceeding that further revisions to the MISO tariff or the MISO Transmission Owners Agreement are necessary at this time to prevent denial, through exclusion from a Joint Pricing Zone agreement, of recovery of Commission-accepted transmission rates, and terminates the section 206 proceeding.

FERC establishes paper hearing procedures

E-8, *Tilton Energy LLC v. PJM Interconnection, L.L.C.*, Docket No. EL18-145-000. This order establishes paper hearing procedures to examine issues raised in a complaint filed by Tilton against PJM. In the complaint, Tilton alleges that PJM wrongly determined that a Tilton facility's pseudo-tie from the Midcontinent Independent System Operator, Inc. Balancing Authority Area (BAA) into the PJM BAA does not pass the market-to-market flowgate test set forth in the PJM Open Access Transmission Tariff at Attachment DD, section 5.5A(b)(i)(B). The order also establishes a refund effective date.

FERC finds amended protest filing untimely

E-9, *ISO New England Inc.*, Docket No. ER14-1409-000. This order dismisses an amended protest filed in this docket on February 10, 2015 by the Utility Workers Union of America Local 464 (UWUA) with regard to the results of ISO New England's eighth Forward Capacity Auction (FCA 8). The order dismisses UWUA's amended protest as untimely for two reasons. First, in accordance with the notice of filing issued in this proceeding, protests were required to be filed on or before April 14, 2014. Second, at the time that UWUA filed the amended protest, this proceeding was no longer pending at the Commission, since, as confirmed by the U.S. Court of Appeals for the D.C. Circuit (*Public Citizen, Inc. v. FERC*, 839 F.3d 1165 (D.C. Cir. 2016)), the FCA 8 results had become effective by operation of law and the subsequent requests for rehearing had been dismissed.

FERC dismisses a petition for declaratory order

E-10, *Nevada Hydro Company, LLC*, Docket No. EL18-131-000. This order dismisses Nevada Hydro's petition for a declaratory ruling from the Commission that (1) its Lake Elsinore Advanced Pumped Storage (LEAPS) facility is a transmission facility consistent with Commission precedent; and (2) LEAPS is entitled to cost-based rate recovery under the California Independent System Operator Corporation's (CAISO) Transmission Access Charge (TAC). The order finds that the questions of whether LEAPS is a transmission facility and whether it is entitled to cost-based rate recovery through the TAC are premature at this time, explaining that the Commission can only determine whether or not LEAPS is a transmission facility after it has been studied through CAISO's Transmission Planning Process.

FERC approves an uncontested settlement agreement

E-11, *Pacific Gas and Electric Company*, Docket No. ER17-1750-002, *et al.* The order approves an uncontested settlement between PG& E and the City of Santa Clara doing business as Silicon Valley Power. The settlement resolves all issues related to an interconnection agreement between the parties.

FERC establishes hearing and settlement procedures

G-3, *Epsilon Trading, LLC, et al. v. Colonial Pipeline Company*, Docket Nos. OR18-7-000, OR18-12-000, OR18-17-000, and OR18-21-000. The order consolidates and establishes hearing and settlement procedures on the complaints against Colonial Pipeline challenging its rates, as well as its practices and charges related to transmix and product volume losses.

FERC denies petition for a declaratory order

H-1, *Utah Board of Water Resources and Washington County Water Conservancy District*, Docket No. EL18-56-000 and Project No. 12966-005. This order denies a petition for declaratory order filed by the Utah Board of Water Resources and Washington County Water Conservancy District, regarding hydroelectric generating facilities to be located on the proposed Lake Powell Pipeline Project, a large water delivery project that would convey water from Lake Powell in Arizona 140 miles to southwestern Utah for municipal and industrial use. Petitioners seek a determination that the Commission's licensing jurisdiction extends to the entire Hydro System as defined in the license application, including not only seven proposed hydroelectric developments to be located in and along the water delivery pipeline, but also some 89 miles of large diameter pipeline connecting those hydroelectric developments. The order also clarifies that the Commission would license only the hydroelectric generating facilities.

FERC denies rehearing

H-2, *Hydro-Kennebec LLC*, Project No. 2611-087. The order denies the request for rehearing filed jointly by Atlantic Salmon Federation, Maine Rivers, Natural Resources Council of Maine, and the Kennebec Chapter of Trout Unlimited (collectively, Intervenor) of Commission staff's March 14, 2018 order approving Hydro-Kennebec's request to extend the period of its Interim Species Protection Plan for the Hydro-Kennebec Project, located on the Kennebec River in Maine. On rehearing, Intervenor argued that Commission staff erred by refusing to reject National Marine Fisheries Service's May 26, 2017 Biological Opinion and refusing to reinitiate Endangered Species Act consultation with Intervenor included, and by failing to establish procedures for the resolution of a dispute under the Kennebec Agreement. The order denies rehearing of

both issues. The order strongly encourages the licensees involved with the Kennebec Agreement, including Hydro-Kennebec LLC, to continue to engage the other parties to the agreement, to discuss proposed measures, and to attempt to reach consensus.

FERC responds to motion to show cause

C-1, *Northern Natural Gas Company*, Docket No. CP09-465-002. This order responds to the Kansas Corporation Commission's (KCC) request for the Commission to require Northern Natural Gas Company (Northern) to secure all open production wells with access to the Cunningham storage formation. The KCC filed its motion after an accident damaged a production well that resulted in an uncontrolled release of Northern's storage gas. The order finds that Northern must protect the integrity of its storage field, ensuring that all wells with access to the storage field do not pose a risk to the integrity of the storage field. The order requires Northern to obtain the rights necessary to secure all open wells with access to the storage field.

FERC grants conditional authorization for an interstate natural gas storage facility

C-2, *Southern Star Central Gas Pipeline, Inc.*, Docket No. CP17-219-000. This order grants Southern Star conditional authority to expand the certificated boundary of the Webb Storage Field, located in Grant County, Oklahoma. Specifically, Southern Star is authorized to expand the certificated boundary of the Webb Storage Field: (1) horizontally in the North Nardin Area to include 320 acres of the proposed 480 acres in S1 T27N R3W in Grant County, Oklahoma, and 160 acres of the proposed 640 acres in S12 T27N R3W in Grant County, Oklahoma; and (2) vertically in the KLO Area to include the Owego Limestone and Wilcox Sandstone, as conditioned in the order.