

# November 2018

## Commission Meeting Summaries

These are summaries of orders voted by the Federal Energy Regulatory Commission at its November 15, 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](http://www.ferc.gov).

### Press Release – A-3

Press Release - E-1, E-4, E-5, E-7 through E-19, E-21 through E-24, E-26, E-29 through E-33, G-2, and G-4 through G-6

### FERC proposes a rule

**E-2**, *Implementation of Amended Section 203(a)(1)(B) of the Federal Power Act*, Docket No. RM19-4-000. This Notice of Proposed Rulemaking (NOPR) proposes to revise section 33.1 of the Commission's regulations to add a \$10 million threshold for mergers or consolidations by a public utility under amended section 203(a)(1)(B) of the Federal Power Act (Act). In addition, as required by the Act, this NOPR proposes to add section 33.12 to the Commission's regulations to establish a notification requirement for mergers or consolidations by a public utility if the facilities to be acquired have a value in excess of \$1 million and such public utility is not required to secure Commission authorization under amended section 203(a)(1)(B).

### FERC approves a reliability standard

**E-3**, *Geomagnetic Disturbance Reliability Standard; Reliability Standard for Transmission System Planned Performance for Geomagnetic Disturbance Events*, Docket Nos. RM18-8-000, RM15-11-003. This final rule addresses proposed Reliability Standard TPL-007-2 (Transmission System Planned Performance for Geomagnetic Disturbance Events) submitted by the North American Electric Reliability Corporation (NERC). The proposed Reliability Standard was developed and submitted by NERC in response to a Commission directive in Order No. 830 to modify currently effective Reliability Standard TPL-007-1. The final rule also addresses the revised Geomagnetic Disturbance research work plan submitted by NERC in response to a Commission order issued on October 19, 2017.

## **FERC proposes a new methodology for MISO transmission owners' ROE**

**E-6**, *Association of Businesses Advocating Tariff Equity v. Midcontinent Independent System Operator, Inc.*, Docket No. EL14-12-003, and *Arkansas Electric Cooperative Corporation v. ALLETE, Inc.*, Docket No. EL15-45-000. This order proposes to adopt the return-on-equity (ROE) methodology first proposed in the Commission's October 16, 2018 decision in *Martha Coakley v. Bangor Hydro-Electric Co.* (Docket No. EL11-66-001, *et al.*) (*Coakley*) to address the issues that the U.S. Court of Appeals for the District of Columbia Circuit remanded to the Commission in *Emera Maine v. FERC*, 854 F.3d 9 (D.C. Cir. 2017). The order establishes a paper hearing on whether and how the ROE methodology proposed in *Coakley* should apply to the two complaint proceedings pending before the Commission involving the MISO transmission owners' ROE.

## **FERC provides guidance on pending proceedings involving base rate-of-return-on-equity issues**

**E-20**, *Arkansas Public Service Commission, et al. v. System Energy Resources, Inc. et al.*, Docket No. EL17-41-001, *et al.* The order provides guidance regarding the effect of the Commission's October 16, 2018 decision in *Martha Coakley v. Bangor Hydro-Electric Co.* (Docket No. EL11-66-001, *et al.*) (*Coakley*) on pending proceedings involving base rate-of-return-on-equity issues that have been set for hearing and settlement judge procedures. The order clarifies that such ongoing proceedings do not need to be held in abeyance until the Commission issues a post-briefing order in the *Coakley* proceeding, and that the Commission does not intend to recall such proceedings back to the Commission for further consideration.

## **FERC grants, in part, a complaint; establishes paper hearing procedures**

**E-25**, *Radford's Run Wind Farm, LLC v. PJM Interconnection, L.L.C.*, Docket No. EL18-183-000. Radford's Run Wind Farm, LLC filed a complaint against PJM stating that PJM did not determine or certify Incremental Capacity Transfer Rights (ICTR) as a result of the System Impact Study for its interconnection request. This order grants the Complaint, in part, and establishes paper hearing procedures to allow PJM to assess whether the Radford Upgrade increased the Capacity Emergency Transfer Limit of a Locational Deliverability Area and thus is eligible for ICTRs.

## **FERC grants a limited, one-time waiver**

**E-27**, *Midwest Independent Transmission System Operator, Inc.*, Docket No. ER18-2273-000. The order grants MISO's request for a limited one-time waiver of Part B of Schedule 44 of its Open Access Transmission, Energy and Operating Reserve Markets Tariff (Tariff), which requires that MISO conduct a quarterly Voltage and Local

Reliability (VLR) Allocation Study using MISO data from the prior 12 months before designating VLR Commitments as “commercially significant.”

### **FERC clarifies previous ruling**

**E-28**, *MATL LLP*, Docket No. ER18-1788. This order grants MATL’s request for clarification regarding the applicability of Order No. 842 to a single existing interconnection customer already in its interconnection queue.

### **FERC approves a final rule that amends business practice standards**

**G-1**, *Standards for Business Practices of Interstate Natural Gas Pipelines*, Docket No. RM96-1-041, *Final Rule; Order No. 587-Y*. The order amends the Commission’s regulations at 18 CFR 284.12 to incorporate by reference, with certain enumerated exceptions, the latest version (Version 3.1) of business practice standards applicable to interstate natural gas pipelines adopted by the Wholesale Gas Quadrant of the North American Energy Standards Board in place of the currently incorporated version (Version 3.0) of those business practice standards. Under this final rule, interstate natural gas pipelines are required to file compliance filings with the Commission by April 1, 2019 and are required to comply with the standards incorporated by reference in this rule on and after August 1, 2019.

### **FERC grants a temporary and limited waiver**

**G-7**, *Northern Natural Gas Co.*, Docket No. RP18-1219-000. This order grants temporary and limited waiver of 18 C.F.R. § 284.12(b)(2)(i) (2018), which requires that a pipeline enter into an Operational Balancing Agreement at all points of interconnection between its system and the system of another interstate or intrastate pipeline.

### **FERC denies rehearing**

**H-1**, *City and County of Denver, Colorado*, Project No. 2035-104. The order denies Save the Colorado’s request for rehearing of the Commission’s notice denying Save the Colorado’s late motion to intervene in the amendment proceeding of the City and County of Denver’s Gross Reservoir Project, finding that Save the Colorado failed to show good cause for filing its intervention request late.

### **FERC conditionally approves abandonment and replacement of natural gas facilities**

**C-1**, *Texas Eastern Transmission, LP*, Docket No. CP18-26-000. The order issues a certificate of public convenience and necessity and approves abandonment for Texas Eastern’s proposed Lambertville East Expansion Project. Texas Eastern proposes to

replace two existing compressor units at its Lambertville Compressor Station in Hunterdon County, New Jersey. The project is designed to allow Texas Eastern to provide an additional 60,000 dekatherms per day of firm transportation service from interconnections in Lambertville, New Jersey, and Marietta, Pennsylvania, to existing city gates in New Jersey.