

# July 2019

## Commission Meeting Summaries

These are summaries of orders voted by the Federal Energy Regulatory Commission at its July 18, 2019 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).

### E-1 & E-2 – Press Release

#### **FERC grants in part and denies in part requests for rehearing and clarification**

**E-3**, *Interlocking Officers and Directors; Requirements for Applicants and Holders*, Docket No. RM18-15-001. In Order No. 856, the Commission revised its regulations related to interlocking officers and directors. In this order on rehearing, the Commission grants in part and denies in part requests for rehearing and clarification of Order No. 856.

#### **FERC rejects a refund report, directs filing of revised report**

**E-4**, *North American Natural Resources, Inc.*, Docket No. QF18-452-000. This order rejects NANR's Refund Report and directs NANR to recalculate the refund amounts, make time value refunds, and file a revised refund report with the Commission within 30 days of the issuance date of the order.

#### **FERC grants in part and denies in part a petition for declaratory order**

**E-5**, *Western Area Power Administration*, Docket No. NJ19-10-000. The order grants in part and denies in part a petition for declaratory order filed by Western, finding that Western's tariff changes substantially conform to, or are superior to, the *pro forma* Open Access Transmission Tariff (OATT), but also finds that Western's tariff, as revised, is not now an acceptable reciprocity tariff because it has not implemented changes to the *pro forma* OATT called for by recent Commission Orders.

## **FERC grants requested waivers**

**E-6**, *Duke Energy Carolinas, LLC, et al.*, Docket No. ER19-1876-000. The order grants waivers requested by Duke Energy Carolinas, LLC, Duke Energy Progress, LLC, and Duke Energy Florida, LLC (collectively, Duke Southeast Companies). The waivers will allow Duke Southeast Companies to make adjustments to their 2019 Annual Updates of their formula transmission rates to eliminate the impact of excess accumulated deferred income taxes resulting from the Tax Cuts and Jobs Act, and to hold customers harmless from a potential rate base increase.

## **FERC approves an uncontested settlement**

**E-7**, *Lackawanna Energy Center LLC*, Docket No. ER18-2370-001 *et al.* This letter order approves an uncontested settlement concerning the revenue requirement for reactive service by Lackawanna from its natural gas-fired electric generation facility in Jessup, Pennsylvania.

## **FERC approves an uncontested settlement**

**E-8**, *Quilt Block Wind Farm LLC*, Docket No. ER19-585-001. This letter order approves an uncontested settlement concerning Quilt Block's annual revenue requirement for providing Reactive Supply and Voltage Control from Generation or Other Sources Service from the Quilt Block Facility under Schedule 2 of the Midcontinent Independent System Operator, Inc. tariff.

## **FERC approves an uncontested settlement**

**E-9**, *Invenergy Nelson LLC*, Docket No. ER19-266-001. This letter order approves an uncontested settlement concerning the revenue requirement for reactive service by Invenergy Nelson from its natural gas-fired electric generation facility near Rock Falls, Illinois.

## **FERC approves an uncontested settlement**

**E-10**, *PSEG Energy Resources & Trade LLC*, Docket No. ER18-1222-005. The letter order approves PSEG ER&T's uncontested settlement concerning PSEG ER&T's rates for reactive service from two newly constructed generation units: Sewaren Urban Entity LLC and PSEG Keys Energy Center LLC.

## **FERC approves an uncontested settlement**

**E-11**, *Northern Indiana Public Service Company LLC*, Docket Nos. ER18-1737-002 & -004. This letter order approves an uncontested settlement concerning NIPSCO's annual revenue requirement for providing Reactive Supply and Voltage Control from Generation or Other Sources Service from each generating facility in NIPSCO's generation fleet under Schedule 2 of the Midcontinent Independent System Operator, Inc. tariff.

### **FERC reaffirms actions on remand**

**E-13**, *Pacific Gas and Electric Company*, Docket No. ER14-2529-005, *et al.* This order on remand from the U.S. Court of Appeals for the 9<sup>th</sup> Circuit reaffirms the Commission's prior grant of PG&E's request for a 50 basis point return-on-equity adder to its transmission rates for its continuing membership in the California Independent System Operator Corporation (CAISO). In doing so, the order finds that California law does not mandate PG&E's participation in CAISO and that the incentive induces PG&E to continue its membership.

### **FERC accepts notices of change of status**

**E-14**, *Virginia Electric and Power Co.*, Docket No. ER11-2774-003. The order accepts notices of change in status filed by Dominion Energy Services, Inc. concerning previously granted limited waivers of the separation of functions requirement in the market-based rate affiliate restrictions.

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

**E-15**, *Gregory and Beverly Swecker v. Midland Power Cooperative, Central Iowa Power Cooperative; Swecker, Gregory and Beverly*, Docket Nos. EL18-48-002 and QF11-424-007. The order denies the Sweckers' request for rehearing or reconsideration of the Commission's March 1, 2019 order, which denied their earlier request for clarification of the Commission's January 30, 2018 Notice of Intent Not to Act.

### **FERC denies a request for rehearing**

**E-16**, *Consumers Energy Co.*, Docket No. EL18-140-001. This order denies a request for rehearing of an October 18, 2018 order that found that the return on equity adders for being independent, stand-alone transmission companies previously awarded to the ITC Companies had become unjust and unreasonable following a recent Commission-authorized merger. The order affirms the Commission's finding that the merger reduced, but did not eliminate, the ITC Companies' independence, and denies rehearing.

### **FERC address complaints**

**E-19**, *Public Citizen, Inc. v. Midcontinent Independent System Operator, Inc., et al.*, Docket No. EL15-70-000, *et al.* The order addresses the remaining arguments raised in complaints regarding the results of MISO's 2015/16 Planning Resource Auction for Local Resource Zone 4. On December 31, 2015, the Commission granted the complaints in part and found that certain provisions in the MISO tariff governing the Auction were no longer just and reasonable for prospective application. The order voted today (1) grants motions to dismiss and other pleadings by entities asserting that the complaint against sellers of capacity into Zone 4 during the 2015/16 Auction does not make them respondents; (2) declines requests to hold an evidentiary hearing to resolve issues related to the 2015/16 Auction; and (3) finds that the results of the 2015/16 Auction for Zone 4 were just and reasonable.

### **FERC orders revisions to a Statement of Operating Conditions**

**G-1**, *Atmos Pipeline-Texas*, Docket No. PR17-60-001/-002. The order finds that Atmos' proposed section 10.1 of its Statement of Operating Conditions (SOC) unduly discriminates against interruptible service under Natural Gas Policy Act (NGPA) section 311 by giving it a lower priority than equivalent intrastate interruptible service. As a result, the order directs Atmos to revise its SOC so as not to subordinate NGPA section 311 interruptible service to intrastate interruptible transportation. The order also rules on newly proposed language on scheduling in section 10.2 of the SOC. In accordance with Commission policy, the order directs Atmos to revise section 10.2 to clarify that interruptible shippers with discounted rates have the option to pay a higher rate up to the maximum interruptible rate during a constrained period in order to obtain a higher scheduling priority or avoid curtailment.

### **FERC denies request for rehearing**

**G-2**, *Transcontinental Gas Pipe Line Company, LLC*, Docket No. RP18-1126-001. The order denies a request for rehearing of the Commission's September 28, 2018 order suspending, subject to hearing, revised tariff records filed by Transco in order to implement a general rate increase. The order denies the request that the Commission reverse its determination that certain issues concerning imbalance management and data entry should not be addressed in the scheduled hearing.

### **FERC denies in part and grants in part rehearing, denies request for stay and technical conference**

**H-1**, *Green Island Power Authority and Albany Engineering Corporation*, Project No. 13-036. The order denies in part and grants in part Green Island Power Authority and Albany Engineering Corporation's request for rehearing of staff's October 3, 2018 Compliance Order finding that the co-licensees are in violation of a number of license terms and conditions set forth in the August 2012 license issued for the Green

Island Hydroelectric Project located at the U.S. Army Corps of Engineers' Green Island-Troy Lock and Dam on the Hudson River in Albany County, New York. The 2018 Compliance Order found that the licensees are in violation of a number of license requirements. The Commission grants rehearing with respect to one of the violations, denies rehearing with respect to the other violations, and denies licensees' request for stay and to convene a technical conference.

### **FERC conditionally authorizes new interstate natural gas facilities**

**C-1**, *Gulf South Pipeline Company, LP*, Docket No. CP18-525-000. The order grants Gulf South authorization, subject to certain conditions, to construct and operate the Willis Lateral Project in Polk, Montgomery, and San Jacinto counties, Texas, designed to provide up to 200,000 dekatherms per day of firm transportation service to Entergy Texas, Inc.'s Montgomery Power Station.

### **FERC conditionally authorizes a new interstate natural gas infrastructure project**

**C-2**, *Gulf South Pipeline Company, LP*, Docket No. CP19-3-000. The order conditionally authorizes Gulf South to construct and operate two new compressor units within the existing Petal III Compressor Station building, a dehydration unit, thermal oxidizer and other appurtenant facilities adjacent to the station, located in Forrest County, Mississippi. The proposed project would increase the certificated injection capability of the Petal Gas Storage Complex to 1.738 billion cubic feet per day. The proposed project would also restate the certificated withdrawal capability of the Petal Complex to reflect the withdrawal capability of the above-ground facilities, rather than the aggregate withdrawal capability of the storage caverns. The project is designed to enhance Gulf South's operational flexibility and potentially increase the number of injection and withdrawal cycles to meet its customers' needs. The order also grants Gulf South's request for authority to continue to charge market-based rates for its firm and interruptible storage services.

### **FERC authorizes the abandonment of certain interstate natural gas facilities**

**C-3**, *Texas Eastern Transmission, LP and Transcontinental Gas Pipe Line Company, LLC*, Docket No. CP18-485-000, *Texas Eastern Transmission, LP, Transcontinental Gas Pipe Line Company, LLC and Northern Natural Gas Company*, Docket No. CP18-486-000, *Texas Eastern Transmission, LP*, Docket No. CP18-505-000. The order grants requests filed by Texas Eastern, Transco, and Northern Natural in Docket Nos. CP18-485-000 and CP18-486-000 to abandon gathering laterals and related facilities in offshore federal waters in the Gulf of Mexico near Louisiana, and grants Texas Eastern's request to abandon the remainder of its Cameron System in Docket No. CP18-505-000. The order notes that there are currently no firm or interruptible shippers that would be impacted by the abandonment proposal.