

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Joseph T. Kelliher, Chairman;
Sudeen G. Kelly, Marc Spitzer,
Philip D. Moeller, and Jon Wellinghoff.

Montana Alberta Tie, Ltd.

Docket No. ER05-764-004

ORDER ACCEPTING TARIFF SHEETS

(Issued May 31, 2007)

1. In this order, the Commission accepts Montana Alberta Tie, Ltd.'s (MATL) revised open access transmission tariff (OATT) which was submitted in compliance with a Commission order issued July 20, 2006.¹

Background

2. MATL is a merchant transmission provider that proposes to develop a new merchant transmission line (Project) that would connect NorthWestern Energy's system in Montana with the Alberta Interconnected Electrical System in Alberta, Canada, providing 300 MW of new transmission capacity and providing new wind generation with access to the power grid. All of the capacity on the Project has been purchased by wind generator developers.² MATL's projected in-service date is April 2008.

3. The Commission previously acknowledged that some provisions of the Order No. 888³ *pro forma* OATT may not be compatible with a merchant transmission

¹ *Montana Alberta Tie, Ltd.*, 116 FERC ¶ 61,071 (2006) (July 20 Order).

² See MATL MEGAWATT MONITOR (May 1, 2007) at <http://www.matl.ca/shipper>.

³ *Promoting Wholesale Competition Through Open-Access Non-Discriminatory Transmission Service by Public Utilities and Recovery of Stranded Costs by Public Utilities and Transmitting Utilities*, Order No. 888, FERC Stats. & Regs., Regulations Preambles January 1991 - June 1996 ¶ 31,036 (1996), *order on reh'g*, Order No. 888-A, FERC Stats. & Regs., Regulations Preambles July 1996 - December 2000 ¶ 31,048 (1997), *order on reh'g*, Order No. 888-B, 81 FERC ¶ 61,248 (1997), *order on reh'g*, Order No. 888-C, 82 FERC ¶ 61,046 (1998), *aff'd in relevant part sub nom. Transmission Access Study Policy Group v. FERC*, 225 F.3d 667 (D.C. Cir. 2000), *aff'd sub nom. New York v. FERC*, 535 U.S. 1 (2002).

provider's business model. The Commission also found that MATL had failed to justify certain other provisions of its proposed OATT, and directed MATL to either revise those provisions consistent with the *pro forma* OATT or justify the deviations.⁴

4. On September 15, 2006, as amended on April 13, 2007, MATL submitted a revised OATT in response to the July 20 Order. MATL states that its proposed OATT complies with Order No. 888 and provides for non-discriminatory open access to the Project to all eligible customers. MATL indicates it will be the operator and tariff administrator while potentially third parties may assist with daily scheduling. Although the projected in-service date of the Project is April 1, 2008, MATL requests Commission action on or before May 31, 2007, in order for it to meet certain financing and construction milestones.

Notices and Interventions

5. Notice of MATL's original filing was published in the *Federal Register*, 71 Fed. Reg. 56,517 (2006), with interventions and protests due on or before October 6, 2006. None was filed. Notice of MATL's amended filing was published in the *Federal Register*, 72 Fed. Reg. 23,812 (2007), with interventions and protests due on or before May 4, 2007. None was filed.

Discussion

6. We find that MATL's proposed revised OATT is consistent with both the Commission's July 20 Order⁵ and, where applicable, the *pro forma* OATT. Accordingly, we accept MATL's proposed revised OATT.⁶ Because MATL proposes to provide only point-to-point transmission service without any ancillary services or network service those latter provisions are not applicable and therefore properly omitted. Also, short term capacity will be posted on its OASIS, while future long term service from existing capacity or expiring contracts will be contracted for subject to its Commission-approved procedures.

7. We note that MATL's proposed revised OATT adopts an obligation to expand its transmission system to accommodate new customers provided the expansion is

⁴ July 20 Order at P 55-60.

⁵ *Id.* at P 60.

⁶ We remind MATL that our acceptance of its proposed revised OATT does not relieve it of the filing requirements of Order No. 890. *See Preventing Undue Discrimination and Preference in Transmission Service*, 72 Fed. Reg. 12,266 (Mar. 15, 2007), FERC Stats. & Regs. ¶ 31,241 (2007).

economically feasible; MATL commits to seek Commission approval under section 205 of the Federal Power Act⁷ for any future expansion before it sells the transmission rights associated with an expansion.

The Commission orders:

MATL's proposed revised OATT is hereby accepted, as discussed in the body of this order.

By the Commission.

(S E A L)

Kimberly D. Bose,
Secretary.

⁷ 16 U.S.C. § 824d (2000).