

Outreach Summaries

E-1/E-2/E-3 – Press Release

E-4/E-5/E-6 – Press Release

FERC conditionally accepts a facilities construction agreement between Endeavor and Northern States Power for network upgrades

E-9, *Midwest Independent Transmission System Operator, Inc.*, Docket No. ER07-577-000, -001 & EL07-79-000. The Commission conditionally accepted an unexecuted facilities construction agreement between Endeavor Power Partners (Endeavor) and Northern States Power Company for network upgrades. The Commission also instituted a proceeding under section 206 of the Federal Power Act into the justness and reasonableness of a provision in a related interconnection agreement between Endeavor, Midwest Independent Transmission System Operator, Inc., and Interstate Power and Light Company that appears to cap Endeavor's exposure to the cost of upgrades on an Affected System.

FERC denies rehearing of order accepting Midwest ISO's cost allocation methodology

E-10, *Midwest Independent Transmission System Operator, Inc.* ER06-18-007 and ER06-18-008. The Commission denied rehearing of an order that conditionally accepted proposed revisions to the Midwest Independent Transmission System Operator's (Midwest ISO) Open Access Transmission and Energy Markets Tariff to incorporate a proposed cost allocation methodology for Regionally Beneficial Projects (new economic upgrades that meet specific threshold criteria) that was established through the Midwest ISO's Regional Expansion Criteria and Benefits Task Force. The Commission also conditionally accepted a compliance filing that makes certain changes to the language set forth in the cost allocation proposal.

FERC accepts NYISO's supplemental filing revising its Bid Production Cost Guarantees

E-12, *New York Independent System Operator*, Docket No. ER06-185-008. The Commission accepted the New York Independent System Operator's supplemental filing revising Bid Production Cost Guarantees for May 1, 2005 through April 7, 2006, in compliance with prior Commission orders.

FERC grants rehearing regarding an interconnection agreement between Kentucky utilities

E-13, *Louisville Gas & Electric Co. & Kentucky Utilities Co.*, Docket No. ER02-2560-007. This matter involves an interconnection agreement that allows Louisville Gas & Electric Co. (LG&E) and Kentucky Utilities Co. (KU) to use the other's transmission systems to avoid costly duplication of facilities. The Commission granted LG&E, KU, and East Kentucky Power Cooperative's requests for rehearing and clarification allowing LG&E/KU to choose anew between the two compliance options set forth in a previous order. The Commission allowed the parties to choose between (1) adjusting the proposed rates as outlined by the Presiding Judge or (2) reverting to charging their pre-existing rates.

E-14, Media Alert

FERC denies rehearing of an order dismissing a complaint by LIPA against the NYISO

E-16, *Long Island Power Authority v. New York Independent System Operator*, Docket No. EL07-16-001. The Commission denied rehearing of an earlier order denying a complaint by Long Island Power Authority (LIPA), which asserts that the New York Independent System Operator (NYISO) was incorrectly interpreting a provision in its tariff in such a way that LIPA could not use capacity that it had procured in constrained areas to meet its requirement that it also procure a certain amount of capacity in unconstrained areas. The Commission concluded that NYISO correctly interpreted the tariff consistent with the language of the governing tariff provisions and the underlying intent of those provisions.

FERC denies rehearing of order on transmission credit complaint

E-17, *Quachita Power v. Entergy Louisiana and Entergy Services*, Docket No. EL04-49-001. The Commission denied rehearing of an order that granted a complaint filed by Quachita Power (Quachita) against Entergy Services and Entergy Louisiana (collectively, Entergy) requesting that the Commission order Entergy to: (1) resume the payment of transmission credits owed to Quachita for its up front financing of Optional System Upgrades; (2) provide Quachita with transmission credits for its up front financing of Required System Upgrades; and (3) pay interest on amounts owed to Quachita for both Required and Optional System Upgrades.

FERC issues NOPR to revise the Efiling system

M-1, Filing via the Internet, Docket No. RM07-16-000. The Commission issued a Notice of Proposed Rulemaking to revise its regulations to implement the latest version of its eFiling system. The upgraded system will permit documents filed with the Commission to be submitted via the Internet, with specified exceptions. This will include, among other things, large documents such as maps and some confidential documents. The Commission also seeks comment on the advisability of extending hours for filing on-line to allow Internet filers to make submissions until midnight Eastern Standard or Daylight Savings Time.

G-1, Press Release

FERC dismisses request for rehearing of a filing requirement

G-3, *Nornew Energy Supply*, IN07-7-000 and IN07-18-000. The Commission addressed Nornew Energy Supply's (Nornew) request for rehearing of an order that rejected Nornew's assertion that it was not required to file certain financial forms. Since Nornew has now filed the required forms, the request for rehearing was dismissed as moot. The order also reiterated the importance of the three year requirement in terms of showing trends by which pipeline reporting and filing requirements can be measured.

FERC accepts compliance tariff sheet regarding imposition of penalties

G-4, *Hardy Storage Co.*, Docket Nos. CP05-150-005 and CP05-150-006. The Commission accepted Hardy Storage Co.'s revised tariff sheet to comply with a previous order. The Commission previously had approved a requirement that the tariff limit the imposition of penalties for excess withdrawals and injections to conduct that threatens operational integrity.

FERC addresses complaint regarding alternative credit support

G-6, *Reliant Energy Services and CenterPoint Energy Resources Corp. v. Kern River Gas Transmission Co.*, Docket No. RP06-408-000. The Commission granted in part and denied in part a request for an order directing Kern River Gas Transmission Co. (Kern River) to accept certain alternative credit support as a substitute for a payment guaranty. The Commission determined that for three of the four natural gas transportation contracts at issue, Kern River does not need to accept the proffered alternative credit support as a substitute for the existing guaranty because those contracts relate directly to ongoing expansion projects on Kern River's system, and the collateral required for such projects

may exceed that required for existing shippers. For the fourth contract, the Commission concluded that Kern River must permit Reliant Energy Services to substitute standard collateral for capacity release agreements.

FERC approves Algonquin's capacity allocation proposal

G-7, *Algonquin Gas Transmission*, Docket Nos. RP07-139-000 and -001. The Commission approved a proposal by Algonquin Gas Transmission to revise its tariff provisions concerning capacity allocation, subject to several revisions. Among other things, the Commission approved a proposal to include an objective measure of creditworthiness in assessing the net present value of a shipper's bid.

FERC rejects Gulf South's proposed gas quality specifications

G-8, *Gulf South Pipeline Co.*, Docket No. RP07-149-000. The Commission rejected Gulf South Pipeline Co.'s (Gulf South) revised tariff sheets that proposed to incorporate certain gas quality specifications into its tariff. After reviewing technical conference comments, the Commission rejected as unsupported Gulf South's proposed gas quality changes, without prejudice to a filing of a new proposal with adequate technical, engineering, and operational data to support its claims.

G-9, Press Release

FERC addresses complaints regarding Calnev Pipe Line's rates

G-10, *ExxonMobil Oil Corp. v. Calnev Pipe Line, Kinder Morgan GP and Kinder Morgan; Tesoro Marketing and Refining Co. v. Calnev Pipe Line*, Docket Nos. OR07-5-000, OR07-7-000 and OR07-7-001. The Commission addressed two complaints against Calnev Pipe Line that were previously held in abeyance pending review by the D.C. Circuit of income tax allowance and substantially changed circumstances issues. The Commission determined that the complainants established reasonable grounds to proceed to hearing on that portion of Calnev's rates that are in excess of its grandfathered rates. Due to the uncertainty that existed on several important legal and technical issues when the complaints were filed, the Commission gave the complainants 90 days to refile their complaints to the extent they address the grandfathered rate. The Commission also dismissed the complaints against Kinder Morgan GP and Kinder Morgan on the ground that they are not subject to the Interstate Commerce Act.

FERC accepts surrender of the license for a hydroelectric project in Jackson County, North Carolina

H-1, *Duke Energy Carolinas, Dillsboro*, Project Nos. 2602-005 and -007. The Commission granted the request of Duke Energy Carolinas to surrender its minor license for the 225-kilowatt Dillsboro Project, located on the Tuckasegee River, in Jackson County, North Carolina; and dismissed the licensee's pending application for a subsequent license. The Commission concluded that surrendering the license and decommissioning the project are best adapted to the comprehensive development of the Tuckasegee River.

FERC issues preliminary permit for hydroelectric project in Pierce County, Washington

H-2, *Don L. Hansen*, Project No. 12685-000. The Commission issued Don L. Hansen a preliminary permit to study the proposed Tapps Lake Dam Hydroelectric Project to be located in Pierce County, Washington. Because a preliminary permit gives the permit holder no property rights or construction authority, the Commission determined that it was premature to consider arguments that the proposed project would interfere with other possible uses of the project site, but such issues could properly be raised if a license application for the project is ultimately filed.

FERC denies rehearing of rejection of late intervention requests

H-3, *California Department of Water Resources and the City of Los Angeles*, Project No. 2426-204. The Commission denied California Trout's and the National Marine Fisheries Services' requests for rehearing of notices denying each entity late intervention in the proceeding. The Commission concluded that the entities did not provide sufficient justification for the Commission to grant their extremely late motions to intervene.

FERC approves abandonment of gas line in Lowndes County, Mississippi

C-1, *Southern Natural Gas Co.*, Docket No. CP07-98-000. The Commission granted Southern Natural Gas Co. authorization to abandon its Columbus Lateral Facilities in Lowndes County, Mississippi, and services provided through such facilities, by sale to Atmos Energy Corp. The Commission concluded that the abandonment of the Columbus Lateral facilities will have no environmental impact and is permitted by the public convenience and necessity. This order is subject to rehearing.

FERC approves abandonment of a storage field in Elk County, Pennsylvania

C-2, *National Fuel Gas Supply Corp.*, Docket No. CP07-101-000. The Commission granted National Fuel Gas Supply Corp.'s request for authority to abandon by sale all of the facilities comprising the Owls Nest Storage Field located in Elk County, Pennsylvania and 1.55 Bcf of base gas recoverable from the storage field. The Commission approved the abandonment because the facility is no longer needed to meet customers' requirements and the abandonment will not have any negative environmental impacts. This order is subject to rehearing.

C-3, Media Alert

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