

120 FERC ¶ 61,290
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.

Sierra Pacific Resources Operating Companies

Docket No. ER07-905-002

ORDER DENYING CLARIFICATION

(Issued September 28, 2007)

1. The Electric Power Supply Association (EPSA) seeks clarification of the Commission's July 13 Order¹ in this proceeding conditionally accepting a filing submitted by Nevada Power Company (Nevada Power) and Sierra Pacific Power Company (Sierra Pacific and, collectively, the Nevada Companies) regarding proposed revisions to the Sierra Pacific Resources Operating Companies' Open Access Transmission Tariff (OATT). We deny the requested clarifications, as explained below.

I. Background

2. On May 16, 2007, the Nevada Companies submitted for filing a proposal to amend their OATT² to add, for a limited time, Capacity-Based Network Service (Capacity-Based NT) as an additional type of transmission service. As proposed by the Nevada Companies, Capacity-Based NT would allow a network customer to reserve firm network service for the portion of its forecasted monthly load that exceeds designated network resources in circumstances where its designated network resources are insufficient to reliably serve its load. The Nevada Companies stated in their filing that Capacity-Based NT service is necessary for the Nevada Companies, and their similarly-situated network

¹ *Sierra Pacific Resources Operating Companies*, 120 FERC ¶ 61,034 (2007) (July 13 Order).

² Nevada Power and Sierra Pacific are affiliated but not interconnected utilities. Together they have a single OATT, which is administered by Sierra Pacific Resources Operating Companies.

customers, to implement state-approved integrated resource plans. The Nevada Companies requested that Capacity-Based NT service continue for a limited, five-year period.

3. In the July 13 Order, the Commission conditionally accepted the Nevada Companies' proposal to offer Capacity-Based NT service as a narrowly-tailored solution to the extreme and particular situation facing the Nevada Companies. The Commission limited the period for which the service will be offered to three years to ensure that the exception from network designation requirements of the *pro forma* OATT is no more than needed to address the extreme and particular circumstances facing the Nevada Companies. The Commission therefore accepted the Capacity-Based NT proposal subject to the Nevada Companies making a compliance filing to establish that the termination date for Capacity-Based NT is July 12, 2010.³

4. EPSA requests clarification that the sunset date of July 12, 2010, cannot be circumvented by submitting an application for Capacity-Based NT which provides for service at any point beyond July 12, 2010. EPSA also requests that the Commission clarify that, since the approval in this proceeding is based on the extreme and particular situation facing the Nevada Companies, the July 13 Order should not be construed as opening the door for other transmission providers to propose similar revisions to their OATTs.

5. In answer to EPSA's requests for clarification, the Nevada Companies state their understanding that Capacity-Based NT service must terminate on July 12, 2010, regardless of when a network customer requests that service.

II. Discussion

6. The Commission denies EPSA's requests for clarification. As the Nevada Companies acknowledge in answer to EPSA's motion, the Commission was clear in the July 13 Order that all Capacity-Based NT service will terminate on July 12, 2010. Therefore Capacity-Based NT service will not be available after that date regardless of when a customer submits an application for service. Further clarification of the July 13 Order on this point is unnecessary.

7. With regard to future cases involving proposals that may be similar to Capacity-Based NT service, analysis of any such proposal will depend on the facts and

³ The Nevada Companies submitted their compliance filing on July 30, 2007. The compliance filing will be addressed in a separate order.

circumstances of that case. EPSA is correct to note that the Commission's acceptance of Capacity-Based NT under the Nevada Companies' OATT was based on the extreme and particular situation facing the Nevada Companies. To the extent any other transmission provider exercises its rights under section 205 of the Federal Power Act to propose a variation from the *pro forma* OATT, the Commission will consider the merits of that proposal in light of the circumstances presented in that proceeding.

The Commission orders:

The Commission denies clarification, as discussed in the body of this order.

By the Commission.

(S E A L)

Nathaniel J. Davis, Sr.,
Acting Deputy Secretary.