

**NOVEMBER 15, 2007
MEETING SUMMARIES**

E-1, News Release

E-2, E-3, and E-6 - News Release

FERC affirms compliance registry determination for two Florida facilities

E-4, *Lee County, Florida and Palm Beach County Solid Waste Authority*, Docket Nos. RC07-3-000 and RC07-5-000. The Commission affirmed two compliance registry decisions of the North American Electric Reliability Corporation (NERC). The Commission concluded that NERC had provided adequate support for determining that both the Lee County facility and the Solid Waste Authority facility are properly registered.

FERC sets hearing and settlement procedures to evaluate Duke's cancellation of its OATT

E-5, *Duke Energy Shared Services*, Docket Nos. ER07-1383-000, *et al.* The Commission accepted and suspended Duke Energy Shared Services' notice of cancellation of its Open Access Transmission Tariff and a proposed Ancillary Services Tariff and established hearing and settlement judge procedures. The Commission also instituted a section 206 investigation and established a refund effective date.

FERC accepted Entergy's refund report

E-7 *Mississippi Delta Energy Agency and Clarksdale Public Utilities Commission v. Entergy Services, and Entergy Operating Cos.*, Docket No. EL04-99-001. The Commission accepted for filing a refund report submitted by Entergy Services (Entergy) in compliance with a previous Commission order. The Commission rejected an argument that Entergy is not in compliance with the order because Entergy has not paid interest in period 3 (October 5, 2005 through June 11, 2007) for refunds incurred during period 2.

FERC addresses NERC's Violation Risk Factors

E- 8, *North American Electric Reliability Corp.*, Docket Nos. RR07-9-003 & RR07-10-003. The Commission conditionally accepted the North American Electric Reliability Corp.'s (NERC) compliance filing, which submitted justification for the assignment of 74

Violation Risk Factors. The Commission approved the 74 Violation Risk Factors as modified and directed NERC to revise the 13 it identified as meriting reconsideration and an additional 18 for a total of 31 revisions.

FERC re-affirms PG&E's continued use of a revenue sharing mechanism

E-10, *Pacific Gas and Electric Co.*, Docket No. EL07-91-000. The Commission granted Pacific Gas and Electric Co.'s (PG&E) petition for a declaratory order reaffirming PG&E's continuing use of a Commission-approved revenue sharing mechanism for revenues generated by certain specific secondary uses of PG&E's jurisdictional assets. The Commission determined that PG&E's revenue sharing mechanism for secondary products and services continues to provide an appropriate incentive that will ensure that the revenues from such products and services will be maximized for the good of both the ratepayers and shareholders.

FERC denies rehearing of PJM's Reliability Pricing Model proposal

E-13, *PJM Interconnection*, Docket Nos. ER05-1410-005, EL05-148-005. The Commission denied rehearing of an earlier order on rehearing of the Commission's acceptance of PJM Interconnection's (PJM) Reliability Pricing Model (RPM). The Commission concluded that the mitigation provisions of PJM's tariff will ensure that rates produced by RPM are just and reasonable.

FERC addresses issues relating to the allocation of CAISO's must-offer obligation costs

E-14, *California Independent System Operator Corp.*, Docket Nos. ER04-835-006 and EL04-103-001. The Commission denied rehearing in part and granted rehearing in part and granted clarification of an opinion which affirmed in part and reversed in part an Initial Decision resolving issues related to the allocation of California Independent System Operator's (CAISO) must-offer obligation costs. The must-offer obligation will continue for a locked-in period that will end with implementation of the CAISO's Market Redesign and Technology Upgrade, now expected on March 31, 2008.

FERC addresses CAISO's variations from pro forma small generator interconnection procedures

E-16, *California Independent System Operator Corp.*, Docket Nos. ER06-629-000, ER06-629-001 and ER06-630-000. The Commission accepted in part, and rejected in part, the California Independent System Operator Corp.'s (CAISO) proposed variations

from the Commission's *pro forma* Small Generator Interconnection Procedures and Interconnection Study Agreements.

FERC denies rehearing of framework for evidence in California refund methodology

E-17, *San Diego Gas & Electric Company v. Sellers of Energy and Ancillary Services*, Docket Nos. EL00-95-136 and EL00-98-123. The Commission denied requests for rehearing of an order which established the framework for evidence that sellers must submit in order to demonstrate that the refund methodology results in an overall revenue shortfall for their transactions in California markets from October 2, 2000 through June 20, 2001. The Commission concluded that imposing a standardized and simplified approach for all sellers to follow balanced precision of calculation with the need to bring closure to the refund proceeding and ensured the rates charged to be just and reasonable and the revenues derived from those rates to be non-confiscatory.

E-18, Media Alert

M-1, News Release

G-1, News Release

FERC conditionally accepts Columbia's tariff filings

G-2, *Columbia Gulf Transmission Co.*, Docket Nos. RP07-508-000, *et al.*; **G-3**, *Columbia Gas Transmission Corp.*, Docket Nos. RP07-507-000, *et al.* **G-4**, *Columbia Gulf Transmission Co.*, Docket Nos. RP07-478-000, *et al.* **G-5**, *Columbia Gas Transmission Corp.*, Docket Nos. RP07-479-000, *et al.* In **G-2**, the Commission accepted Columbia Gulf Transmission Co.'s proposed tariff revisions related to changes in its operations due to the launch of its new Navigates Electronic Bulletin Board system (Navigates EBB system). In **G-3**, the Commission conditionally accepted Columbia Gas Transmission Corp.'s proposed tariff revisions related to changes in its operations due to the launch of its new Navigates EBB system. In **G-4**, the Commission conditionally accepted Columbia Gulf Transmission Co.'s filed revised tariff sheets proposing a new service to Parking and Lending (PAL) rate schedule and pro forma service agreement called "Auto PAL" to follow implementation of its new Navigates EBB system. In **G-5**, the Commission conditionally accepted Columbia Gas Transmission Corp.'s filed revised tariff sheets proposing a new service to its PAL rate schedule and pro forma service agreement called "Auto PAL" to follow implementation of its new Navigates EBB system.

FERC denies rehearing of an order approving Tennessee Gas Pipeline Co.'s tariff

revisions

G-6, *Tennessee Gas Pipeline Co.*, Docket Nos. RP07-396-001 and RP07-396-002. The Commission addressed a request for rehearing of an order that approved a tariff that allowed the pipeline to mutually agree with an existing long-term firm customer to extend the terms of an expiring service agreement and add additional unsubscribed capacity, before the right of first refusal process is initiated and without additional posting of the capacity and a compliance filing. The Commission rejected the arguments on rehearing that (1) the proposed tariff language is broader than that previously approved by the Commission and (2) the pipeline will be able to use this authority to enter into “package” capacity deals that constitute tying arrangements contrary to Commission policy.

FERC establishes hearing to address Iroquois’s gas quality standards

G-7, *Iroquois Gas Transmission System*, Docket Nos. RP07-443-000 and 001. The Commission established a hearing to address specific issues related to gas quality and interchangeability on Iroquois Gas Transmission’s system that have been designated as contested issues by the parties.

FERC addresses contested settlement on gas quality on the Tennessee system

G-8, *Indicated Shippers v. Tennessee Gas Pipeline Co.*, Docket No. RP04-99-003. The Commission addressed a contested settlement concerning the gas quality standards for the Tennessee Gas Pipeline Co. (Tennessee) system. It found a 15° F cricondenthem hydrocarbon dewpoint Safe Harbor for gas received on Tennessee’s system as just and reasonable.

FERC establishes a hearing on Algonquin Gas system’s gas quality issues

G-9, *Algonquin Gas Transmission*, Docket No. RP07-504-000. The Commission established a hearing to address specific issues related to gas quality and interchangeability on Algonquin Gas Transmission’s system that have been designated as contested issues by the parties.

FERC terminates license for the George W. Andrew Project in Alabama and Georgia

H-1, *Homestead Energy Resources*, Project No. 7115-038. The Commission terminated the license for the George W. Andrew Project, which was to be located at the U.S. Army Corps of Engineers' George W. Andrews Lock and Dam on the Chattahoochee River in

Houston County, Alabama, and Early County, Georgia. The Commission terminated the license because construction did not timely commence.

FERC amends license, and dismisses rehearing of relicense order for the Lundy Project in California

H-2, *Southern California Edison Co.*, Project No. 1390-005, 007, and 040. The Commission amended the license for Southern California Edison Co.'s Lundy Project, located on Mill Creek in Mono County, California, and consequently dismissed the request for rehearing of the order issuing new license. The Commission amended the license to adopt the parties' settlement regarding minimum flow releases, but declined to adopt the parties' proposals that would have required the licensee to allocate powerhouse flows among two creeks according to a water management plan over which the Commission would have exercised no authority.

FERC denies rehearing of an extension request relating to the Whitman Lake Project in Alaska

H-3, *Ketchikan Public Utilities*, Project No. 11841-004. The Commission dismissed, as interlocutory, a request for rehearing of a staff decision not to grant a six-month delay for settlement negotiations in the licensing proceeding for the proposed Whitman Lake project, to be located on Whitman Creek, in Ketchikan Gateway Borough, Alaska

FERC issues notice of intent to take no action on reconsideration request involving the Williams Dam Project

H-4, *Midwest Hydraulics*, Project No. 12734-003. The Commission declined to take action on a request for reconsideration of an order that denied Energie Group's request for rehearing of a notice denying its motion for late intervention and rejecting its accompanying request for rehearing of an order granting a preliminary permit to Midwest Hydraulics. The preliminary permit is to study the feasibility of the proposed Williams Dam Project proposed to be located on East Fork of the White River in Lawrence County, Indiana.

FERC addresses rehearing of the Boulder Creek Hydroelectric Project license in Garfield County, Utah

H-5, *Garkane Energy Coop.*, Project No. 2219-024. The Commission denied in part and granted in part the licensee's request for rehearing and clarification of the relicense order to continue to operate and maintain the Boulder Creek Hydroelectric Project, located on

Boulder Creek in Garfield County, Utah. Specifically, the Commission denied requests for the Commission to approve the parties' settlement agreement in its entirety and to modify the procedures for implementing the license's minimum flow conditions.

C-1, News Release

FERC approves lease agreement for the Parachute Lateral

C-2, *Northwest Pipeline Corp.*, Docket No. CP06-45-005. The Commission authorized Northwest Pipeline Corp. (Northwest) to abandon the Parachute Lateral by conveyance to a newly created subsidiary, Parachute Pipeline (Parachute), and approved the lease of the Parachute Lateral by Northwest from Parachute. The Commission concluded that the public convenience and necessity will require the approval of the lease proposal because it will not result in adverse operational or economic impacts on existing or future customers or on any other pipelines or their customers.

FERC approves lateral to connect the Cedar Bayou Power Plant in Chambers County, Texas

C-3, *Texas Eastern Transmission*, Docket No. CP07-411-00. The Commission issued a certificate authorizing Texas Eastern Transmission to construct and operate pipeline lateral facilities, consisting of approximately 3.79 miles of 20-inch diameter pipeline and ancillary facilities, to connect its system to the Cedar Bayou Power Plant in Chambers County, Texas. The Commission determined that the Cedar Bayou Lateral Project is required by the public convenience and necessity because it will provide access to additional and diverse sources of gas for the Cedar Bayou Power Plant thereby improving the efficiency and reliability of electric generation capacity in southeastern Texas.

C-4, Media Alert