

122 FERC ¶ 61,224  
UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

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

Public Service Company of New Mexico

Docket No. OA07-113-000

ORDER ACCEPTING COMPLIANCE FILING, AS MODIFIED

(Issued March 11, 2008)

1. On September 11, 2007, pursuant to section 206 of the Federal Power Act (FPA),<sup>1</sup> Public Service Company of New Mexico (PNM), submitted a revised version of Attachment C (Methodology to Assess Available Transfer Capability) to its Open Access Transmission Tariff (OATT) as required by Order No. 890.<sup>2</sup> In this order, we accept PNM's compliance filing, as modified, as in compliance with Order No. 890, as discussed below.

**I. Background**

2. In Order No. 890, the Commission reformed the *pro forma* OATT to clarify and expand the obligations of transmission providers to ensure that transmission service is provided on a non-discriminatory basis. Among other things, Order No. 890 amended the *pro forma* OATT to require greater consistency and transparency in the calculation of Available Transfer Capability (ATC), open and coordinated planning of transmission systems and standardization of charges for generator and energy imbalance services. The Commission also revised various policies governing network resources, rollover rights and reassignments of transmission capacity.

3. The Commission established a series of compliance deadlines to implement the reforms adopted in Order No. 890. Transmission providers that have not been approved as independent system operators (ISO) or regional transmission organizations (RTO), and whose transmission facilities are not under the control of an ISO or RTO, were directed

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<sup>1</sup> 16 U.S.C. § 824e (2000 & Supp. V 2005).

<sup>2</sup> *Preventing Undue Discrimination and Preference in Transmission Service*, Order No. 890, 72 Fed. Reg. 12,266 (March 15, 2007), FERC Stats. & Regs. ¶ 31,241, *order on reh'g*, Order No. 890-A, 73 Fed. Reg. 2984 (January 16, 2008), FERC Stats. & Regs. ¶ 31,261 (2007).

to submit, within 180 days from publication of Order No. 890 in the *Federal Register* (i.e., September 11, 2007), section 206 compliance filings to revise Attachment C of their OATTs.

## **II. Compliance Filing**

4. PNM states that it has complied with the Commission's directive in Order No. 890 and provided a detailed description of its ATC calculation and ATC methodology in its revised tariff sheets. PNM requests an effective date of September 11, 2007, for its tariff sheets.

## **III. Notice of Filing and Responsive Pleadings**

5. Notice of PNM's filing was published in the *Federal Register*, 72 Fed. Reg. 54,027 (2007), with interventions and protests due on or before October 2, 2007. Navajo Tribal Utility Authority filed a timely motion to intervene. Powerex Corp. filed a timely motion to intervene and comments stating that it has been unable to complete its review of PNM's filing and that it reserves the right to file additional comments.

## **IV. Discussion**

### **A. Procedural Matters**

6. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2007), the timely, unopposed motions to intervene serve to make the entities that filed them parties to this proceeding.

### **B. PNM's Filing**

7. We accept PNM's revised Attachment C, as modified below, to be effective September 11, 2007, as requested. We also direct PNM to file, within 30 days of the date of this order, a further compliance filing as discussed below.

#### **1. ATC Methodology**

8. In Order No. 890, the Commission required a transmission provider to clearly identify which methodology it employs (e.g., contract path, network ATC, or network Available Flowgate Capacity (AFC)). The transmission provider also must describe in detail the specific mathematical algorithms used to calculate firm and non-firm ATC (and

AFC, if applicable) for its scheduling, operating and planning horizons.<sup>3</sup> Further, the actual mathematical algorithms must be posted on the transmission provider's web site, with the link noted in the transmission provider's Attachment C.<sup>4</sup>

9. We have reviewed PNM's filing and find that PNM's revised Attachment C does not provide for the identification of the methodology, the required description of the specific mathematical algorithms, or the link to PNM's web site with the actual mathematical algorithms. Therefore, PNM's filing fails to comply with Order No. 890. We direct PNM to file, within 30 days of issuance of this order, a further compliance filing that revises its Attachment C to provide the identification of the methodology, description of the specific mathematical algorithms as required, and the link to PNM's web site with the actual mathematical algorithms, as required in Order No. 890.

## 2. Detailed Explanation of the ATC Components<sup>5</sup>

### a. TTC

10. In Order No. 890, the Commission required a transmission provider to: (i) explain its definition of TTC; (ii) explain its TTC calculation methodology for both the operating and planning horizons; (iii) list the databases used in its TTC assessments; and (iv) explain the assumptions used in its TTC assessments regarding the load levels, generation dispatch, and the modeling of both planned and contingency outages.<sup>6</sup>

11. We have reviewed PNM's Attachment C filing and find that PNM's revised Attachment C does not present a detailed explanation of its TTC calculation methodology. This does not comply with Order No. 890. We therefore direct PNM to file, within 30 days of issuance of this order, a further compliance filing that revises its Attachment C to provide the detailed explanation of its TTC calculation methodology.

### b. ETC

12. In Order No. 890, the Commission required a transmission provider to explain: (i) its definition of ETC; (ii) the calculation methodology used to determine the

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<sup>3</sup> Order No. 890, FERC Stats. & Regs. ¶ 31,241 at *pro forma* OATT, Att. C.; *see also id.* P 323.

<sup>4</sup> *Id.* P 325, 328.

<sup>5</sup> The ATC components are total transfer capability (TTC), existing transmission commitments (ETC), capacity benefit margin (CBM), and transmission reserve margin (TRM).

<sup>6</sup> Order No. 890, FERC Stats. & Regs. ¶ 31,241 at *pro forma* OATT, Att. C.

transmission capacity to be set aside for native load (including network load) and non-OATT customers (including, if applicable, an explanation of assumptions on the selection generators that are modeled in service) for both the operating and planning horizons; (iii) how point-to-point transmission service requests are incorporated; (iv) how rollover rights are accounted for; and (v) its processes for ensuring that non-firm capacity is released properly (e.g., when real-time schedules replace the associated transmission service requests in its real-time calculations).<sup>7</sup>

13. We have reviewed PNM's filing and find that PNM's explanation of how point-to-point transmission service requests are incorporated is unclear. Furthermore, PNM's explanation of its processes for ensuring that non-firm capacity is released properly is similarly unclear. Therefore, PNM has not fully complied with Order No. 890. We therefore direct PNM to file, within 30 days of issuance of this order, a further compliance filing that revises its Attachment C to provide an explanation of how point-to-point transmission service requests are incorporated, and an explanation of its processes for ensuring that non-firm capacity is released properly.

**c. TRM**

14. In Order No. 890, the Commission required a transmission provider to explain: (i) its definition of TRM; (ii) its TRM calculation methodology (e.g., its assumption on load forecast errors, forecast errors in system topology or distribution factors and loop flow sources) for both the operating and planning horizons; (iii) the databases used in its TRM assessments; and (iv) the conditions under which the transmission provider uses TRM. If the transmission provider does not use TRM, it must so state.<sup>8</sup>

15. We have reviewed PNM's filing and find that PNM's revised Attachment C does not present a detailed explanation of its TRM calculation methodology. Therefore, PNM has not complied with Order No. 890 in this respect. We direct PNM to file, within 30 days of issuance of this order, a further compliance filing that revises its Attachment C to provide the detailed explanation of its TRM calculation methodology.

The Commission orders:

(A) PNM's compliance filing is hereby accepted, as modified, effective September 11, 2007, as discussed in the body of this order.

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<sup>7</sup> *Id.*

<sup>8</sup> *Id.*

(B) PNM is hereby directed to submit a compliance filing, within 30 days of the date of this order, as discussed in the body of this order.

By the Commission.

( S E A L )

Kimberly D. Bose,  
Secretary.