

# June Meeting Summaries

**E-2**, Fact Sheet

**E-3**, News Release

## **FERC proposes to approve NERC reliability standards concerning response times for interchange services**

**E-4**, *Revised Mandatory Reliability Standards for Interchange Scheduling and Coordination*, Docket No. RM09-8-000. The Commission issued a proposal to approve the North American Electric Reliability Corp.'s updated Interchange Scheduling and Coordination Reliability Standards, which allow additional time for entities in the Western Interconnection to review and respond to requests for interchange service, and which set forth a requirement for all Interconnections to respond to requests for on-time, emergency, and reliability adjustment interchange services.

## **FERC denies request for further clarification of cyber security reliability standard**

**E-5**, *Mandatory Reliability Standards for Critical Infrastructure Protection*, Docket No. RM06-22-006. The Commission denied a request for further clarification of its rule concerning critical infrastructure protection reliability standards. Specifically, the Commission denied a request to clarify its views with regard to the need and the time frame for the Commission's developing a memorandum of understanding or other means of coordinating cyber-security related activities with the Nuclear Regulatory Commission.

## **FERC accepts network operating and integration transmission service agreements**

**E-6**, *Southwest Power Pool*, Docket Nos. ER09-1004-000 and ER09-1004-001. The Commission accepted for filing the Southwest Power Pool's (SPP) executed Network Operating Agreement and Network Integration Transmission Service Agreement with Kansas City Power & Light Greater Missouri Operations Co. (KCP&L-GMO) and a related Agreement for the Provision of Transmission Service to Missouri Bundled Retail Load. These agreements establish KCP&L-GMO as a transmission owner in the SPP regional transmission organization.

## **FERC grants Golden Spread's request for an OATT waiver**

**E-7**, *Golden Spread Electric Coop.*, Docket No. OA09-15-000. The Commission granted Golden Spread Electric Coop's (Golden Spread) request for waivers from the Commission's Open Access Transmission Tariff, open access same-time information system and standard of conduct requirements. The Commission granted the request because, with the addition of the newly acquired and constructed facilities, Golden Spread continues to own, operate and control only limited and discrete transmission facilities.

## **FERC accepts South Carolina Electric & Gas's transmission planning filing**

**E-8**, *South Carolina Electric & Gas Co.*, Docket Nos. OA08-46-002 and OA07-36-003. The Commission accepted South Carolina Electric & Gas Co.'s (SCE&G) compliance filing concerning its Order No. 890 transmission planning process. The Commission directed SCE&G to make additional changes to its Attachment K to facilitate stakeholder access to Critical Energy Infrastructure Information and confidential information, subject to appropriate protections. SCE&G is also required to provide additional information on its regional coordination efforts.

## **FERC accepts E.ON's transmission planning filing**

**E-9**, *E.ON U.S.*, Docket No. OA08-27-001. The Commission accepted E.ON U.S.'s (E.ON) compliance filing concerning its Order No. 890 transmission planning process. The Commission directed E.ON to make additional changes to its Attachment K to facilitate stakeholder access to Critical Energy Infrastructure Information and confidential information, subject to appropriate protections. The Commission also ordered an additional compliance filing to ensure that developers of all resources are treated comparably in the weighted voting system of the stakeholder committee.

## **FERC accepts the joint transmission planning filing made by Tampa Electric Co., Florida Power Corp., Florida Power & Light (FPL) and the Orlando Utilities Commission**

**E-10**, *Tampa Electric Co., et al.*, Docket No. OA08-20-001, *et al.* The Commission accepted the compliance filings made by Tampa Electric, Florida Power Corp. and FPL concerning their Order No. 890 transmission planning processes, and granted safe harbor status to Orlando Utilities Commission, subject to modifications. The Commission ordered an additional compliance filing concerning the openness principle to further explain the voting process in the companies' standing committees.

### **FERC accepts Cleco's transmission planning filing**

**E-11**, *Cleco Power*, Docket No. OA08-36-003. The Commission accepted Cleco Power's compliance filing concerning its Order No. 890 transmission planning process. The Commission also ordered an additional compliance filing to clarify that stakeholders will receive sufficient information in advance of the transmission planning summit to allow for meaningful review, along with further revisions to the process for posting planning information. FERC also ordered Cleco to further explain the voting process in its stakeholder committee, the circumstances under which access to stakeholder meetings could be limited, how its planning process ensures that all resources are treated comparably, its dispute resolution process, and the timelines and milestones for its regional coordination efforts.

### **FERC conditionally grants petition concerning East Kentucky's Transmission Planning Process**

**E-12**, *East Kentucky Power Coop.*, Docket No. NJ08-4-001. The Commission conditionally granted East Kentucky Power Coop.'s (East Kentucky) petition for declaratory order based on East Kentucky's revisions to its Order No. 890 Attachment M transmission planning process. The Commission determined that the revised Attachment M allows its tariff to continue to be an acceptable reciprocity tariff if East Kentucky makes an additional change to facilitate stakeholder access to Critical Energy Infrastructure Information and confidential information, subject to appropriate protections.

### **FERC addresses Entergy's transmission planning process filing**

**E-13**, *Entergy Services*, Docket Nos. OA08-59-003 and OA08-59-004. The Commission accepted Entergy Services' compliance filing concerning its Order No. 890 transmission planning process. The Commission directed Entergy to make additional changes to its Attachment K to facilitate stakeholder access to Critical Energy Infrastructure Information and confidential information, subject to appropriate protections. The Commission directed Entergy to further modify Attachment K to satisfy Order No. 890's coordination, transparency, comparability, regional participation and economic planning studies principles.

### **FERC approves open season procedures for Collector Project in Montana**

**E-14**, *NorthWestern Corp.*, Docket No. EL09-29-000. The Commission granted NorthWestern Corp.'s (NorthWestern) Petition for Declaratory Order seeking approval of

its open season procedures for its proposed Collector Project. NorthWestern describes the Collector Project as a series of five generator lead lines, over which NorthWestern expects to offer service from five areas in its service territory to Townsend, Montana. NorthWestern states that based on its current transmission queue, demand exists for five 230 kV generator lead lines that would run from Conrad, Judith Gap, Belt, Broadview, and Ennis, Montana, to Townsend. The Commission concluded that based on NorthWestern's characterization of the Collector Project, it is appropriately classified as a series of generator lead line facilities and that NorthWestern's open season and cluster study proposals for the Collector Project should enable it to accommodate the large number of interconnection requests currently in NorthWestern's interconnection queue in a fair and streamlined manner.

### **FERC denies negotiated rate authority for a merchant transmission line proposed within its affiliate's service area**

**E-16, *Mountain States Transmission Intertie, NorthWestern Corp.***, Docket No. EL09-30-000. The Commission denied the Mountain States Transmission Intertie (MSTI) and NorthWestern Corp.'s petition for declaratory order seeking negotiated rate authority for a proposed merchant transmission project (MSTI Project). The MSTI Project is an approximately 433-mile, 500 kV AC transmission line with estimated capacity of 1,500 MW, extending from Townsend, Montana, on NorthWestern's system, to an interconnection point with Idaho Power Company at or near the Midpoint or Borah substations in southern Idaho. The Commission determined that Petitioners had not shown that negotiated rate authority for the MSTI Project would be just and reasonable, particularly in light of the affiliate relationship between MSTI and NorthWestern Corp. The Commission stated its belief that the objectives of this proposal can be accomplished through a proposal on a cost-of-service basis.

### **FERC denies complaint objecting to withholding of installed capacity payments**

**E-17, *Dartmouth Power Associates v. ISO New England***, Docket No. EL09-42-000. The Commission denied a complaint filed by Dartmouth Power Associates (Dartmouth), finding that ISO New England (ISO-NE) is authorized to withhold installed capacity payments due to Dartmouth's failure to satisfy tariff requirements for receiving such payments. The Commission determined that ISO-NE is not required to pay Dartmouth a monthly payment for June 2008 in the amount of \$231,952.50 due to Dartmouth's failure to meet its tariff obligations to notify ISO-NE of an outage at Dartmouth's cogeneration facility and to coordinate maintenance outages with ISO-NE, as well as to comply with ISO-NE's manuals and notify ISO-NE of hours when it is unable to provide the full amount of capacity.

## **FERC accepts Duke and Progress Energy's transmission planning compliance filings**

**E-18**, *Duke Energy Carolinas and Progress Energy Carolinas*, Docket Nos. OA08-50-000, OA08-50-001, OA08-51-000, and OA08-51-002. The Commission accepted, subject to further compliance filings, Duke Energy Carolina's (Duke) and Progress Energy Carolinas' (Progress) proposed revisions to their transmission planning processes. The Commission directed Duke and Progress to make additional changes to their Attachment Ks to facilitate stakeholder access to Critical Energy Infrastructure Information and confidential information, subject to appropriate protections. Duke and Progress also were ordered to make further revisions to satisfy the openness and comparability principles of Order No. 890.

## **FERC approves settlement to avoid shortfall in CalPX funds**

**E-19**, *San Diego Gas & Elec. Co. v. Sellers of Energy and Ancillary Services.*, Docket Nos. EL00-95-000, EL00-95-224, EL00-98-000, and EL00-98-209. The Commission conditionally approved a settlement which, once effective, will allow PG&E to transfer \$700 million to California Power Exchange Corporation (CalPX) so that CalPX will have adequate funds to pay settlements or refund claims as authorized by the Commission or a court. The Commission also denied a joint motion that requested that CalPX funds be set aside in order to fund a settlement that is currently being finalized between the California Parties and Los Angeles Department of Water and Power.

## **FERC addresses rehearing of cost allocation issues in California markets**

**E-20**, *San Diego Gas & Electric Co. v. Sellers of Energy and Ancillary Services*, Docket Nos. EL00-95-182 and EL00-98-168. The Commission denied rehearing of an order establishing the appropriate methodology for allocating approved cost offset amounts for sellers into the California Independent System Operator and the California Power Exchange markets during the period of October 2, 2000 through June 20, 2001.

## **FERC addresses rehearing of cost filings orders in California**

**E-21**, *San Diego Gas & Electric Co. v. Sellers of Energy and Ancillary Services*, Docket Nos. EL00-95-172; EL00-95-181; EL00-95-190; EL00-98-158; EL00-98-167; EL00-98-175. The Commission addressed rehearing requests concerning the methodology for calculating cost offsets from refunds relating to the California refund proceeding. The Commission granted in part and denied in part rehearing of orders examining the costs and revenue in each seller's cost filing according to the Commission-established framework.

### **FERC denies rehearing concerning combining of markets in California**

**E-22**, *San Diego Gas & Electric Co. v. Sellers of Energy and Ancillary Services*, Docket Nos EL00-95-203 and EL00-98-188. The Commission rejected a rehearing request concerning its decision to combine the California Independent System Operator and California Power Exchange markets for the purpose of allocating costs to buyers during the refund period following the California Energy Crisis, upon finding that the request for rehearing improperly raised issues that had been previously raised on rehearing and denied.

### **FERC approves settlement concerning PG&E's proposed changes to transmission rates**

**E-23**, *Pacific Gas and Electric Co.*, Docket No. ER08-1318-000. The Commission approved an uncontested settlement that resolves all issues between Pacific Gas and Electric Co. (PG&E) and numerous state agencies, cities and other customers regarding PG&E's proposed change to its wholesale and retail transmission rates under its Transmission Owner Tariff.

### **FERC approves settlement related to Columbia's revenue requirement for Reactive Power Service**

**E-24**, *Columbia Energy*, Docket Nos. ER08-1194-000, ER08-1194-001, and ER08-1194-002. The Commission approved an uncontested settlement between Columbia Energy (Columbia), South Carolina Electric & Gas Co., and South Carolina Office of Regulatory Staff. The parties agreed to a reduction in Columbia's proposed revenue requirement for Reactive Supply Service.

### **FERC denies rehearing concerning ISO New England executive compensation and other matters**

**E-25**, *ISO New England*, Docket No. ER09-197-001. The Commission denied rehearing of findings made in its earlier order regarding ISO-New England's (ISO-NE) proposed budget, which included ISO-NE's proposed executive compensation and salary structure, employee staffing levels, depreciation rates and schedules, and external affairs activities. The Commission declined to hold a trial-type evidentiary hearing on ISO-NE's proposed budget given that the record was sufficient to allow the Commission to rule, and the

Commission affirmed its original findings that the proposed budget was adequately supported.

### **FERC denies rehearing of order dismissing RPM Buyers complaint**

**E-26**, *Maryland Public Service Commission, et al. v. PJM Interconnection*, Docket No. EL08-67-001. The Commission denied rehearing of an earlier order dismissing a complaint by Reliability Pricing Model (RPM) Buyers in PJM Interconnection (PJM). The RPM Buyers had argued that PJM's capacity auctions for the transitional period (i.e., delivery years beginning June 2008, June 2009, and June 2010) did not produce just and reasonable capacity prices, and they therefore sought changes in those capacity prices. The Commission concluded that sellers had complied with PJM's tariff and that, while the RPM may be revised prospectively, RPM Buyers had not made a showing sufficient to justify upsetting already-conducted auctions.

### **FERC accepts Southern's transmission planning compliance filing**

**E-27**, *Southern Co. Services*, Docket Nos. OA08-37-001, OA08-37-002. The Commission accepted Southern Co. Service's (Southern) compliance filing concerning its Order No. 890 transmission planning process. The Commission directed Southern to make additional changes to its Attachment K to facilitate stakeholder access to Critical Energy Infrastructure Information and confidential information, subject to appropriate protections. The Commission also directed additional compliance filings related to the comparability, dispute resolution, regional participation, and economic planning studies principles of Order No. 890. The Commission also denied rehearing as to the requirement to define stakeholder to include all interested parties.

### **FERC denies rehearing of order approving Cleco's transmission planning process**

**E-28**, *Cleco Power*, Docket No. OA08-36-002. The Commission denied rehearing of an order accepting Cleco Power's initial Order No. 890 transmission planning filing. The Commission denied rehearing as it pertains to the cost allocation provisions for classification of upgrades, and the regional participation provisions for designating affected third-party systems in its transmission studies.

### **FERC addresses SPP's request for rehearing and compliance filing concerning economic upgrades**

**E-29**, *Southwest Power Pool*, Docket No. ER08-1419-001 and ER08-1419-002. The Commission denied Southwest Power Pool's (SPP) request for clarification or, in the

alternative, rehearing of an order, which had accepted, subject to further compliance filings, SPP's proposal to establish a process for including a "balanced portfolio" of economic upgrades in the SPP Transmission Expansion Plan. The Commission also accepted SPP's compliance filing, subject to modification to ensure that stakeholders have sufficient information to review and replicate the results of SPP's balanced portfolio planning studies.

### **FERC denies rehearing of order rejecting Sabine's request to make certain fuel tracker filings**

**G-2, Sabine Pipe Line**, Docket No. RP09-38-002. The Commission denied Sabine Pipe Line's (Sabine) request for rehearing of an earlier order which rejected proposed tariff provisions which would have authorized Sabine to implement prior period adjustments in its fuel tracker filings for under-recoveries that occurred in any prior period. The Commission's earlier order found that such adjustments would have violated the prohibition against retroactive ratemaking and also applied only to under-recoveries, and the Commission directed Sabine to re-file to modify its proposed tariff provisions to apply both to over- and under-recoveries and to apply only prospectively from the tariff provisions' effective date. The Commission affirmed that Sabine's proposal violated the prohibition on retroactive ratemaking and rejected Sabine's claim that the Commission had previously authorized such a provision.

### **FERC dismisses a petition concerning annual charges at the Butte Project**

**H-1, Portland General Electric Co. and the Confederated Tribes of the Warm Springs Reservation of Oregon**, Project No. 2030-186. The Commission dismissed a petition of for a declaratory order requesting the Commission to find that Portland General Electric Co. and the Confederated Tribes of the Warm Springs Reservation of Oregon, co-licensees for the Pelton Round Butte Project, are required to pay reasonable annual charges pursuant to section 10(e) of the Federal Power Act to certain allottees for use of their land in the operation of the project. The Commission determined that a decision on the merits of the petition would be premature, because of an ongoing proceeding at the Bureau of Indian Affairs that could resolve this matter.

### **FERC issues new license for the Spokane River project in Washington and Idaho**

**H-2, Avista Corporation**, Project Nos. 2545-091 and 12606-000. The Commission issued a new license for the five developments that comprise the 137.67-megawatt Spokane River Hydroelectric Project. The project is located on the Spokane River in Spokane, Lincoln, and Stevens Counties, Washington, and in Kootenai and Benewah Counties,

Idaho, and occupies about 6,460 acres of federal and tribal lands, including about 5,996 acres that are part of the Coeur d'Alene Indian Reservation.

### **FERC affirms conclusion that NJ hydroelectric project must be licensed**

**H-3**, *Borough of High Bridge, New Jersey*, Docket No. DI09-4-001. The Commission denied rehearing of an order finding that the Lake Solitude project, located on the South Branch Raritan River in Hunterdon County, New Jersey, requires a license under to section 23(b)(1) of the Federal Power Act. The Commission affirmed that the project should be licensed because it is located on a Commerce Clause waterway, has undergone post-1935 construction and affects the interests of interstate or foreign commerce.

### **FERC approves expansion of Temple LNG storage facility in PA**

**C-2**, *UGI LNG*, Docket No. CP08-458-000. The Commission granted UGI LNG a certificate of public convenience and necessity to construct and operate an additional liquefied natural gas storage tank at the Temple LNG storage facility in Berks County, Pennsylvania. The Commission also granted the company market-based rate authority. The Commission issued the certificate because the expansion will accommodate increased generation and industrial demand within the region with minimal adverse impacts.

### **FERC approves changes to Cove Point LNG terminal**

**C-3**, *Dominion Cove Point LNG*, CP09-59-000. The Commission granted Dominion Cove Point LNG's request for authorization to construct and operate a new 3,500 horsepower electric motor-driven reciprocating compressor unit and related facilities at its existing Cove Point LNG Terminal in Calvert County, Maryland. The Commission concluded that the project will enable Dominion Cove Point LNG to enhance and improve flexibility of terminal operation with minimal adverse impacts.

### **FERC vacates certificate authority for Patriot Project**

**C-4**, *East Tennessee Natural Gas*, Docket No. CP01-415-01. The Commission vacated portions of an order authorizing East Tennessee Natural Gas Co. to construct and operate natural gas facilities in Tennessee and Virginia known as the Patriot Project. The Commission accepted the company's decision that there is no longer a need to construct these facilities.

## **FERC issues a certificate for a storage facility in Louisiana**

**C-5, *Atmos Pipeline and Storage***, Docket No. CP09-22-000. The Commission granted Atmos Pipeline and Storage authority to construct and operate the Fort Necessity Gas Storage Project near Fort Necessity, Fort Parish, Louisiana. The Commission also granted the company market-based rate authority. The project will provide for injection, storage and withdrawal of natural gas in three underground salt dome caverns providing a total capacity of nearly 24.75 Bcf. The Commission determined that the project is consistent with the public interest because it will provide enhanced storage options to pipelines and customers with minimal adverse impacts.

## **FERC approves abandonment of the Parachute Lateral in Colorado**

**C-6, *Northwest Pipeline GP; Parachute Pipeline***, Docket Nos. CP09-66-000 and CP09-67-000. The Commission granted Northwest Pipeline GP the authority to abandon its certificate to lease from Parachute Pipeline and operate the Parachute Lateral, a 37.6-mile, 30-inch pipeline and associated facilities in Garfield and Rio Blanco Counties, Colorado. The Commission determined that when the facilities are abandoned they will be used to perform a gathering function exempt from the Commission's jurisdiction.

## **FERC approves abandonment of gathering line in West Virginia**

**C-7, *Columbia Gas Transmission Corp.***, Docket No. CP07-39-000. The Commission authorized Columbia Gas Transmission Corp. to abandon by sale to Chesapeake Appalachia, a non-affiliated gatherer, its Line R System in Boone, Putnam, and Lincoln Counties, West Virginia. The Commission also determined that the Line R System will perform a gathering function and is exempt from Commission jurisdiction under section 1(b) of the Natural Gas Act.

## **FERC authorizes an export/border crossing facility at the Mexican border**

**C-8, *Oasis Pipeline and Oasis Pipe Line Co. Texas***, Docket No. CP09-47-000. The Commission granted authorization for Oasis Pipe Line Co. Texas (Oasis Texas) to construct export/border crossing facilities at the Mexican border in El Paso County, Texas. The Commission concluded that the proposal will promote national economic policy by reducing barriers to foreign trade and stimulating the flow of goods and services between the United States and Mexico.