

# June 2010 Meeting Summaries

*These are summaries of orders voted on by the Federal Energy Regulatory Commission at its June 17, 2010, public meeting. They are produced by the FERC Office of External Affairs and are intended to provide only a general synopsis of the orders. They are not intended as a substitute for the Commission's orders. To determine the specific actions and the Commission's reasoning, please consult the individual orders when they are posted to FERC's eLibrary.*

E-7, News Release

E-9, News Release

## **FERC Issues Proposal on Personnel Training Reliability Standards**

**E-10**, *System Personnel Training Reliability Standards*, Docket No. RM09-25-000. This Notice of Proposed Rulemaking evaluates and proposes to approve two System Personnel Training (PER) Reliability Standards: PER-005-1 (System Personnel Training) and PER-004-2 (Reliability Coordination-Staffing), developed in response to the Commission's Order No. 693 directives regarding PER-002-0 (Operator Personnel Training). The two proposed reliability standards require reliability coordinators, balancing authorities and transmission operators to establish a training program for their system operators.

## **FERC Accepts Shared Facilities Agreement**

**E-12**, *Evergreen Wind Power V, LLC and Stetson Wind II, LLC*, Docket No. ER10-1117-000. This order accepts a shared facilities agreement (SFA) among the applicants, Evergreen Wind Power V, LLC and Stetson Wind II, LLC, with their requested effective date of Feb. 17, 2010. It also grants waivers of certain open access transmission tariff (OATT), open access same-time information system (OASIS), and standards of conduct requirements otherwise applicable to transmission providers under Order Nos. 888, 889 and 890 and section 35.28 and Parts 37 and 358 of the Commission's regulations.

## **FERC Authorizes Ameren Reorganization**

**E-13**, *Ameren Corporation, et al.*, Docket Nos. EL10-48-000 and EC10-52-000. Ameren Corporation (Ameren), together with and on behalf of subsidiaries Illinois Power Company (AmerenIP), Central Illinois Light Company (AmerenCILCO), Central Illinois Public Service Company (AmerenCIPS), Ameren Energy Resources Company, LLC (Ameren Energy Resources), and AmerenEnergy Resources Generating Company (AmerenEnergy Resources Generating), filed an application under section 203(a) of the FPA requesting Commission authorization of its internal corporate reorganization. The reorganization consists of two steps: (1) the merger of AmerenCILCO and AmerenIP with and into AmerenCIPS to form Ameren Illinois Company (AIC); and (2) distribution of AmerenEnergy Resources Generating stock from AIC to Ameren and the subsequent contribution by Ameren of AmerenEnergy Resources Generating to Ameren Energy Resources. Applicants also sought confirmation that the distribution of AmerenEnergy Resources Generating stock from AIC to Ameren is not barred by section 305(a) of the Federal Power Act. This order authorizes the reorganization transaction and grants the petition for declaratory order.

## **FERC Denies Request for Rehearing**

**E-14**, *Duke Energy Carolinas, LLC*, Docket No. ER09-1717-001. Today's order denies a request for rehearing of, and a motion to vacate, a January 29, 2010 order accepting revised 2009 depreciation accrual rates submitted by Duke Energy Carolinas, LLC (Duke) for use in certain formula rates.

## **FERC Approves NYISO Transmission Upgrade Cost Recovery Proposal**

**E-15**, *New York Independent System Operator, Inc.*, Docket No. ER04-449-021. In this order, the Commission accepts revised tariff sheets filed by the New York Independent System Operator (NYISO) and the New York Transmission Owners in compliance with the Commission's March 21, 2008 Guidance Order and January 15, 2009 order on compliance filing in this proceeding. The tariff revisions introduce a new rate schedule for the NYISO Open Access Transmission Tariff that implements a funding mechanism to recover, from load-serving entities, the cost of certain transmission upgrades constructed by the transmission owners.

## **FERC Finds Changes to PJM OATT Unnecessary**

**E-18**, *Central Transmission, LLC v. PJM Interconnection, L.L.C.*, Docket No. EL10-52-000. The draft order dismisses Central Transmission's complaint and

finds that changes to Schedule 6 of the PJM Interconnection, L.L.C. Operating Agreement and Schedule 12 of the PJM open access transmission tariff are unnecessary, given the Commission's recent holding in *Primary Power, LLC*, 131 FERC ¶ 61,015 (2010), that these provisions do not prevent PJM from designating non-incumbent transmission developers, such as Central Transmission, to construct and own a transmission enhancement project and seek cost of service rate treatment under Schedule 12 of the OATT.

### **FERC Issues Order Clarifying Statements on Approved Reliability Standard**

**E-20**, *Pacific Gas and Electric Company*, Docket No. EL09-72-001. This order grants California Independent System Operator Corporation's request for clarification of paragraph 46 of the Commission's Dec. 17, 2009, order declaring that Pacific Gas and Electric Company (PG&E) may recover its costs to develop a regional synchrophasor project in PG&E's electric transmission rates. Paragraph 46 dealt with the currently effective reliability standard known as CIP-002.

### **FERC Approves Bonneville Rate Methodology**

**E-21**, *U.S. Department of Energy –Bonneville Power Administration*, Docket Nos. EL09-12-000 and EL09-12-001. This order grants Bonneville's petition for a declaratory order that its new tiered rate methodology should not prevent it from recovering its costs and meeting its statutory obligations to make timely payments to the United States Treasury.

### **FERC proposes rule that would revise gas pipeline reporting requirements**

**M-1**, *Revisions to Forms, Statements, and Reporting Requirements for Natural Gas Pipelines*, Docket No. RM07-9-003. In response to a motion by the American Gas Association (AGA) and a directive on remand following AGA's appeal of Order No. 710-A, this draft Notice of Proposed Rulemaking proposes to revise FERC Form Nos. 2, 2-A, and 3-Q to include functionalized fuel data on pages 521a through 521d of those forms, and to include on such forms the amount of fuel waived, discounted, or reduced as part of a negotiated rate agreement and also to revise page 520 of those forms for consistency.

### **FERC clarifies reporting requirements for gas market participants**

**G-1**, *Transparency Provisions of Section 23 of the Natural Gas Act*, Docket No. RM07-10-002. This order granting clarification, Order No. 704-C, makes various

revisions to Form No. 552, under which natural gas market participants must report annually certain information regarding their physical natural gas transactions. Order No. 704 required market participants to file these reports in order to provide greater transparency concerning the use of indices to price natural gas and how well index prices reflect market forces. Among other things, Order No. 704-C : (1) clarifies the definition of exempt unprocessed natural gas transactions; (2) exempts cash-out and imbalance transactions from reporting; (3) exempts certain entities who were otherwise obligated to report solely by virtue of possessing a blanket sales certificate issued under sections 284.402 or 284.284 of the Commission's regulations and strikes the form's references to the blanket sales certificate; and (4) clarifies that an unexercised option to take gas under a take-or-release contract does not constitute a reportable physical natural gas transaction.

### **FERC grants in part rehearing of land and trail management plan for the Gulf Island-Deer Rips Hydroelectric Project in ME**

**H-1**, *FPL Energy Maine Hydro LLC*, Project No. 2283-072. The draft order grants in part the request by FPL Energy Maine Hydro LLC (FPL) for rehearing of Commission staff's March 25, 2010 order modifying and approving FPL's land and trail management plan for the licensed Gulf Island-Deer Rips Hydroelectric Project in Maine. The March 25 order, among other things, required FPL to revise its plan to include an assessment of lands within 200 feet of the high-water elevation of the project's impoundment and to include in the assessment an analysis of lands at risk for excessive or inappropriate development. Protecting lands from excessive or inappropriate development is not itself a project purpose, and the draft order therefore amends the March 25 order accordingly.

### **FERC denies rehearing request related to the Muddy Run Hydro Project in PA**

**H-2**, *Exelon Generation Company, LLC*, Project No. 2355-013. The draft order denies the rehearing request filed by Exelon Generation Company, LLC of the Director's study plan determination for the Muddy Run Project No. 2355 located on the Susquehanna River in Pennsylvania.

### **FERC mandates Eugene Water to develop improved fish screens at the Leaburg-Waltermville Project in OR**

**H-3**, *Eugene Water & Electric Board*, Project No. 2496-219. The draft order deals with fish passage at the Leaburg-Waltermville Project No. 2496, located on the McKenzie River in Oregon. The order concludes that the fish screens maintained

by the licensee, the Eugene Water & Electric Board, are not operating within design parameters, and requires the licensee to develop a plan, in consultation with federal and state resource agencies, to correct the deficiencies.

### **FERC denies rehearing to augment flows to enhance whitewater boating for the Borel Hydro Project in CA**

**H-4**, Southern California Edison Company, Project No. 382-085. The draft order denies a request for rehearing and a request for a joint agency conference, filed by American Whitewater and other organizations, challenging the Commission's March 18, 2010 order approving an amendment of the license for the Borel Hydroelectric Project No. 382, located at a U.S. Corps of Engineers dam on the Kern River in California.

### **FERC rules noise compliance protocol acceptable for compressor station on Midcontinent Express Pipeline's system**

**C-2**, Midcontinent Express Pipeline, LLC, Docket No. CP08-6-004. Ditzler and Lisa Jones filed a petition for rehearing of a letter issued under delegated authority that approved Midcontinent's noise compliance protocol, which set forth standards and methods Midcontinent will employ to demonstrate that noise emissions at the Lamar Compressor Station in Texas comply with Commission noise standards. The Joneses, landowners that live at least 2,900 feet from the compressor station, contend that the protocol would not properly measure the noise attributable to the compressor station at nearby noise sensitive areas (NSA). The draft order denies the rehearing request, noting that Midcontinent chose to follow the American National Standards Institute (ANSI) standards, and that the ANSI standards are widely accepted, and holding that comparing the ANSI standards to other noise testing methodologies is beyond the scope of this proceeding. The Joneses did not allege that the noise from the compressor station exceeds the 55 dBA standard at a NSA.