

May 2013

Meeting Summaries

These are summaries of orders voted by the Federal Energy Regulatory Commission at its May 16, 2013 public meeting. The summaries are produced by FERC's Office of External Affairs and are intended to provide only a general synopsis of the orders. These summaries are not intended as a substitute for the Commission's official orders. To determine the specific actions and the Commission's reasoning, please consult the individual orders when they are posted to FERC's eLibrary found at www.ferc.gov.

E-1, E-2 and E-4 – Press Release

E-5 – Press Release

FERC accepts in part, and rejects in part, a tariff filing

E-6, *New York Independent System Operator, Inc.*, Docket No. ER11-4338-000. This order accepts in part, and rejects in part, the NYISO's filing to revise its Open Access Transmission Tariff and its Market Services Tariff in compliance with Order No. 745, which addresses compensation for demand response resources participating in wholesale energy markets.

FERC orders tariff revisions, directs further compliance filings

E-7, *Midwest Independent Transmission System Operator, et al.*, Docket No. EL12-35-000. As a determination following a paper hearing, the order finds that the formula rate protocols in MISO's tariff (and those of the transmission owners in MISO) need to be revised to (1) enable a sufficiently broad scope of interested parties (including state commissions) to participate in transmission owners' updates of their formula rates; (2) provide interested parties with sufficiently transparent information in the course of those annual updates; and (3) provide interested parties with sufficient opportunities to challenge those annual updates. The order directs compliance filings to implement these revisions.

FERC proposes a supplemental rule

E-8, *Transmission Planning Reliability Standards*, Docket Nos. RM12-1-000 and RM13-9-000. This supplemental Notice of Proposed Rulemaking (NOPR) proposes to approve Transmission Planning Reliability Standard TPL-001-4, which includes a provision that would allow a transmission planner to plan for

non-consequential load loss, *i.e.*, load-shedding following a single contingency. In the April 19, 2012 NOPR in Docket No. RM12-1-000, the Commission proposed to remand a previous version of the TPL Reliability Standard because the non-consequential load loss provision was vague and unenforceable. North American Electric Reliability Corporation submitted a further revision to the non-consequential load loss provision which the supplemental NOPR proposes to approve because it satisfies the concerns set forth in the NOPR.

FERC proposes a rule

E-9, *Electric Reliability Organization Interpretation of Specific Requirements of the Disturbance Control Performance Standard*, Docket No. RM13-6-000. In this Notice of Proposed Rulemaking (NOPR), the Commission proposes to remand North American Electric Reliability Corporation (NERC's) proposed interpretation of Reliability Standard BAL-002-1, Disturbance Control Performance, Requirements R4 and R5. The interpretation addresses whether balancing authorities and reserve sharing groups are subject to enforcement actions for failing to restore area control error within the 15-minute disturbance recovery period for reportable disturbances that exceed the most severe single contingency. The NOPR proposes to find that NERC's interpretation goes beyond a clarification by effectively redefining key terms that would change the plain language of a requirement. Therefore, the Commission proposes to remand the interpretation because it exceeds the permissible scope for interpretations.

FERC accepts a filing, grants a waiver

E-10, *Southern California Edison Company*, Docket No. ER13-1133-000. This order accepts SoCal Edison's proposed rate schedule revisions, which update the facilities charges for four Commission-jurisdictional agreements, consistent with the terms of those agreements. This order also grants a waiver of the Commission's 60-day prior notice requirement, establishing an effective date of January 1, 2013 for the updated agreements.

FERC conditionally accepts tariff revisions

E-11, *Peetz Logan Interconnect, LLC*, Docket No. ER13-1121-000. The order conditionally accepts tariff revisions filed by Peetz Logan Interconnect, LLC (Peetz Logan) to its Open Access Transmission Tariff. Peetz Logan filed the proposed modifications in response to the Commission's January 17, 2013 order that directed Peetz Logan to identify and support any tariff revisions that were not directed or explained in its previous filings.

FERC grants in part, and denies in part, a request for rehearing

E-12, *Entergy Services, Inc.*, Docket No. ER05-1065-013, *et al.* This order grants in part and denies in part a request for rehearing of the Commission's order conditionally accepting, subject to modification, Entergy Services, Inc.'s (Entergy) proposed revisions to Attachment C (Methodology To Assess Available Transfer Capability), Attachment D (Methodology For Completing A System Impact Study), and Attachment E (Transmission Service Request Criteria) of its Open Access Transmission Tariff (OATT). The order also conditionally accepts in part, and rejects in part, Entergy's proposed OATT revisions submitted in compliance with the Commission's order.

FERC authorizes issuances of securities

E-14, *ITC Arkansas LLC; ITC Louisiana LLC; ITC Mississippi LLC; ITC Texas LLC*, Docket No. ES13-5-000. The order grants Federal Power Act section 204 authorization for applicants (1) to issue debt securities in an aggregate amount up to \$1.6 billion, in the form of first mortgage bonds or other long-term debt, and (2) to assume and draw down on an unsecured working capital revolving credit facility or facilities in an aggregate amount up to \$1 billion.

FERC authorizes issuances of securities

E-15, *Entergy Arkansas, Inc.; Entergy Gulf States Louisiana, L.L.C.; Entergy Louisiana, L.L.C.; Entergy Mississippi, Inc.; Entergy New Orleans, Inc.; Entergy Texas, Inc.*, Docket No. ES11-40-002. The order grants Federal Power Act section 204 authorization for a temporary modification to the existing authorizations previously granted to the applicants in Docket Nos. ES11-40-000 and ES11-40-001. Applicants seek this authorization to allow each Entergy Operating Company to provide credit support for a brief time in the form of guarantees of borrowings by newly-formed subsidiaries of the six Entergy Operating Companies.

FERC authorizes issuances of securities

E-16, *Transmission Company Arkansas LLC; Transmission Company Louisiana I LLC; Transmission Company Louisiana II LLC; Transmission Company New Orleans, LLC; Transmission Company Mississippi LLC; Transmission Company Texas LLC; Entergy Service, Inc.*, Docket No. ES13-6-000. The order grants Federal Power Act section 204 authorization (1) to participate in a bridge facility of up to \$1.6 billion, and (2) to arrange and obtain a working capital revolving credit facility in an amount up to \$1 billion. .

FERC grants in part, and denies in part, a petition for declaratory order and denies a related complaint

E-18, *Sierra Pacific Power Co.*, Docket No. EL13-14-000, *et al.* This order grants in part, and denies in part, (1) a petition for declaratory order filed by Sierra Pacific Power Company (Sierra Pacific) and Nevada Power Company (Nevada Power, and collectively, NV Energy), finding that (i) NV Energy improperly used non-Open Access Transmission Tariff procedures for processing certain transmission service requests over a new transmission line that is under construction, and (ii) NV Energy may assert native load priority over its to-be-combined Sierra Pacific and Nevada Power systems; and (2) denies a complaint filed by Cargill Power Markets, LLC (Cargill) against NV Energy, finding that NV Energy properly designated its network resources and loads, but has not demonstrated the amount of transmission capacity to which it is entitled.

FERC rejects request for rehearing

E-21, *Market-Based Rates for Wholesale Sales of Electric Energy, Capacity and Ancillary Services by Public Utilities*, Docket No. RM04-7-010. The order rejects a request for rehearing by Ameren Services Company of the Commission's January 20, 2011 order. The January 20, 2011 order denied rehearing and a motion for stay or rescission of the Commission's April 15, 2010 order on request for clarification that addressed the Compliance Working Group's request for clarification of the market-based rate affiliate restrictions. In the January 20, 2011 order, the Commission affirmed its clarification that, to the maximum extent practical, a market-regulated power sales affiliate may not share employees that engage in fuel procurement or resource planning with an affiliated franchised public utility with captive customers.

FERC denies request for rehearing

E-22, *Market-Based Rate Affiliate Restrictions*, Docket No. RM10-20-001. The order denies Ameren Services Company's (Ameren) request for rehearing of the Commission's January 20, 2011 order withdrawing and terminating the Market-Based Rate Affiliate Restrictions rulemaking proceeding. In the January 20, 2011 order, the Commission found that the current regulations setting forth the market-based rate affiliate restrictions are sufficient insofar as they already require that employees of a market-regulated power sales affiliate operate separately from the employees of any affiliated franchised public utility with captive customers, to the maximum extent practical. The Commission therefore withdrew the Market-Based Rate Affiliate Restrictions Notice of Proposed Rulemaking.

FERC denies rehearing and conditionally accepts a compliance filing

E-23, *Midwest Independent Transmission System Operator, Inc.*, Docket Nos. ER12-1265-002, *et al.* This order denies a request for rehearing of the Commission's July 19, 2012 Order on Rehearing and Compliance addressing MISO's compliance filing with Order No. 719. The order also conditionally accepts MISO's August 2012 compliance filing.

FERC conditionally accepts a compliance filing

E-24, *Midwest Independent Transmission System Operator, Inc.*, Docket No. ER12-1266-003. This order conditionally accepts MISO's filing to comply with the Commission's July 19, 2012 Order on Rehearing and Compliance addressing MISO's filing in compliance with Order No. 745.

FERC approves a final rule

G-1, *Filing, Indexing and Service Requirements for Oil Pipelines*, Docket No. RM12-15-000. In this final rule, the Commission amends Part 341 of its regulations concerning the form, composition, and filing of rates and charges by interstate oil pipelines for transportation in interstate commerce. This final rule is part of the Commission's ongoing program to review its filing and reporting requirements and reduce unnecessary burdens by eliminating the collection of data that are not necessary to the performance of the Commission's regulatory responsibilities.

FERC conditionally accepts revised tariff records

G-2, *Tennessee Gas Pipeline Company, L.L.C.*, Docket No. RP13-464-000. This order approves Tennessee Gas' plan for a new service to provide rich gas (high hydrocarbon content) transportation on a limited portion of its existing system. On January 18, 2013, Tennessee Gas filed *pro forma* tariff records proposing to revise certain provisions of Rate Schedules FT-A and IT and the General Terms and Conditions of its tariff to enable Tennessee to provide this new service. The order accepts the language in Tennessee's *pro forma* tariff records, subject to certain conditions, and directs Tennessee to file actual tariff records reflecting such language 60 days prior to the in-service date of its rich gas transportation service. Further, the order requires Tennessee to maintain separate accounting records for the rich gas line, and refutes Tennessee's claim that it may limit interconnections with the rich gas line.

FERC denies rehearing

G-3, *Sea Robin Pipeline Company, LLC*, Docket No. RP09-995-004, *et al.* The order denies several requests for rehearing, including requests for rehearing of Opinion No. 516. All the requests concern orders on Sea Robin's August 31, 2009 mechanism (Hurricane Surcharge) to recover hurricane-related expenses in an NGA limited section 4 filing. The parties generally take exception to the Commission's decisions regarding the recovery period for the Hurricane Surcharge; the date from which carrying costs should be included; and the applicability of the Hurricane Surcharge to discounted rate contracts. The order denies the requests for rehearing of the Commission's finding that Sea Robin's proposed 4-year recovery period is just and reasonable. The order also denies requests for rehearing of the Commission's decision that carrying charges should begin to accrue the later of August 1, 2009, the date Sea Robin filed to establish the Hurricane Surcharge, or the date the associated cost is incurred. Finally, the order denies requests for rehearing of the Commission's determination that Sea Robin's discount agreements with certain shippers permit it to recover the Hurricane Surcharge from those shippers.

FERC denies rehearing

G-4, *SFPP, L.P.*, Docket No. IS12-390-001. The order denies requests submitted jointly by HollyFrontier Refining & Marketing LLC and Western Refining Company, L.P. and a request by Indicated Shippers for rehearing of the Commission's June 2012 order that accepted, subject to refund, SFPP's index-based rate increase for its East Line petroleum products system and subject to the outcome of Docket Nos. IS09-437-000, *et al.*, where the effective rates underlying SFPP's index-based rate filing are under review.

FERC denies rehearing

G-5, *SFPP, L.P.*, Docket No. IS12-501-001. This order denies requests filed by various shippers for rehearing of the Commission's August 2012 order that accepted SFPP's index-based rate increase for its Calnev and West Line systems subject to refund, and subject to the outcome of proceedings in Docket Nos. IS08-390-000, *et al.*, and IS11-444-000, *et al.*

FERC denies rehearing

G-6, *NuStar Logistics, L.P.*, Docket No. IS12-503-001. This order denies a request submitted September 4, 2012 by Valero Marketing and Supply Company for rehearing of the Commission's August 2012 order that accepted NuStar's

index-based rate increase in accordance with section 342.3 of the Commission's regulations.

FERC denies in part and grants in part rehearing

H-1, *Public Utility District No. 1 of Douglas County, Washington*, Project No. 2149-154. The order acts on requests filed by the Public Utility District No. 1 of Douglas County, Washington; Bonneville Power Administration and the U.S. Army Corps of Engineers; and Mr. Pat Kelleher for rehearing of the Commission staff's November 9, 2012 new license for the Wells Project No. 2149 located on the Columbia River in Douglas County, Washington. The order denies rehearing as to lengthening the license term, and directing retail pricing. The order grants rehearing and deletes an article addressing allocation and delivery of power benefits in accordance with a treaty between the United States and Canada, and makes a technical change with respect to language in an article addressing an encroachment agreement with the Corps of Engineers.

FERC denies rehearing

H-2, *Greybull Valley Irrigation District*, Project Nos. 12595-003 and 12604-003. This order denies rehearing of the January 11, 2013 orders denying Greybull Valley Irrigation District's third successive preliminary permit applications for its Upper and Lower Sunshine Projects, which would be located on the Greybull River and Sunshine Creek, near Meeteetse in Park County, Wyoming. The order finds that Greybull did not pursue its development applications in good faith and with due diligence during the term of its second permit to warrant a third preliminary permit, and that issuing third successive permits for these projects so as to allow Greybull to reserve the sites would be to allow site banking.

FERC denies requests for rehearing and stay

C-1, *Transcontinental Pipe Line Company, LLC*, Docket No. CP12-30-001. This order, among other things, denies several requests for rehearing and stay of the Commission's November 2, 2012 order authorizing Transco to construct, operate, and abandon pipeline, compression, and meter facilities for the Northeast Supply Link Project that would be located in Pennsylvania, New Jersey, and New York. The order holds that Transco's shippers will not subsidize the proposed project, that Transco does not need to be placed at-risk for any potential under recovery of costs, and that Transco has demonstrated a need for the project. Further, the order denies rehearing requests of environmental issues relating to the preparation of an Environmental Impact Statement rather than an Environmental Assessment, cumulative impacts, wetland and waterbody crossings, impacts on bog turtles, and air quality, noise, and safety.

FERC denies rehearing

C-2, *Dominion Transmission, Inc.*, Docket No. CP12-72-001. The order denies a number of requests for rehearing of the Commission's December 20, 2012 order authorizing Dominion Transmission, Inc.'s (DTI) Allegheny Storage Project which, as relevant here, includes a new 16,000 horsepower compressor station to be located in Myersville, Maryland. The Myersville Citizens for a Rural Community and 13 individuals seek rehearing of the Commission's determinations regarding need for the compressor station and the adequacy of the environmental assessment. Rehearing applicants also raise due process claims with respect to obtaining access to Critical Energy Infrastructure Information and Freedom of Information Act documents. Rehearing applicants also challenge the authorization in light of the Town of Myersville's denial of DTI's application for a zoning variance to site and construct the compressor station; the Maryland Department of Environment has stated it cannot process DTI's Clean Air Act permit application without DTI demonstrating compliance with the Town's local laws and regulations. The order makes clear that the local laws and regulations upon which the Town bases its denial are preempted by the Natural Gas Act.