

144 FERC ¶ 61,087
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Jon Wellinghoff, Chairman;
Philip D. Moeller, John R. Norris,
Cheryl A. LaFleur, and Tony Clark.

Portland General Electric Company

Docket No. ER11-4636-002

ORDER ON COMPLIANCE FILING

(Issued July 31, 2013)

1. On March 28, 2012, Portland General Electric Company (PGE), NorthWestern Corporation (NorthWestern), PacifiCorp, Puget Sound Energy, Inc., and Avista Corporation (collectively, Owners),¹ submitted an amended and restated Colstrip Project Transmission Agreement (Colstrip Agreement) in compliance with a Commission order issued on December 30, 2011.² In this order, we conditionally accept the compliance filing subject to an additional compliance filing to further amend the Colstrip Agreement to be filed within 60 days of the issuance of this order, as discussed below.

I. Background

2. The Colstrip Transmission System (Transmission System)³ was built in the early 1980s to move power between the mine-mouth Colstrip generating facilities in eastern Montana, and the Bonneville Power Administration and NorthWestern transmission systems in western Montana. The Colstrip Agreement, entered into on May 6, 1981,

¹ PGE is serving as the “designated filer” under the joint tariff filing procedures of *Electronic Tariff Filings*, Order No. 714, FERC Stats. & Regs. ¶ 31,276 (2008) (Order No. 714).

² *Portland General Electric Co.*, 137 FERC ¶ 61,261 (2011) (December 2011 Order).

³ The Transmission System is comprised of twin 500 kV segments: (1) the Colstrip-Broadview segment, which is approximately 115 miles long with 2,260 megawatts (MW) of capacity; and (2) the Broadview-Townsend segment, which is approximately 133 miles long with 1,930 MW of capacity.

establishes the terms and conditions relating to the ownership, planning, financing, construction, operation, and maintenance of the Transmission System, sets out the capacity entitlements of each Owner, and reflects scheduling rights and losses. The Owners divide property rights to the Transmission System as tenants in common, without rights of partition. No Owner has the unilateral right to grant a customer's interconnection or transmission service request to expand or upgrade the Transmission System. Each Owner maintains its capacity allocation share of the Transmission System on its respective open access same-time information system (OASIS) pursuant to each Owner's respective open access transmission tariff (OATT) and the Colstrip Agreement.

3. The Colstrip Agreement initially lacked detail about the processes for addressing transmission and interconnection requests. Consequently, on September 26, 2011, the Owners submitted revisions to clarify the processing of third party requests for transmission service, generation interconnection, and transmission-to-transmission interconnection on the Transmission System.⁴ The Owners also submitted revisions to clarify the process under which one or more Owners may undertake elective capital improvements to the Transmission System.

4. On December 30, 2011, the Commission conditionally accepted the proposed revisions to the Colstrip Agreement, subject to further clarification, and directed the Owners to further amend the Colstrip Agreement to provide streamlined procedures for requesting transmission service, generator interconnection, and transmission-to-transmission interconnection on the Transmission System. The Commission also noted that, when a transmission customer cannot obtain all available transmission capacity (ATC) in its request from one Owner, the customer should be permitted to submit its entire request to the Transmission Operator.⁵

5. In discussing the addition of streamlined procedures for transmission and interconnection service, the Commission stated:

[T]he streamlined procedures should include, but not be limited to: (1) a single application form, consistent with or superior to the *pro forma* OATT, to request transmission service over the Colstrip transmission system (when a single owner's ATC is insufficient to provide the transmission

⁴ Submission of Colstrip Project Transmission Agreement (as Amended) in Docket Nos. ER11-4636-000, ER11-4637-000, ER11-4639-000, ER11-4642-000, and ER11-4645-000 (Sept. 26, 2011).

⁵ December 2011 Order, 137 FERC ¶ 61,261 at PP 24, 26. The Commission recognized that the Colstrip Agreement identifies NorthWestern as the Transmission Operator. *Id.* P 8.

service requested); (2) a single application form, consistent with or superior to the *pro forma* Large Generator Interconnection Procedures (LGIP), to request generator interconnection to the Colstrip transmission system; and (3) a single application form to request transmission-to-transmission interconnection, reflecting deviations from the *pro forma* LGIP to the Colstrip transmission system.⁶

The Commission also required the Owners to submit a standard form to be included with the applications authorizing the sharing of information between and among the Owners in the event that such authorization is necessary.⁷

6. Additionally, the Commission directed the Owners to clarify the provisions that govern actions by the Transmission Operator during the system study process and required the Owners to provide specific details about the studies to be undertaken, the applicable deposit amounts, and the timelines for completion of the studies. The Commission further required the Owners to modify sections 4 and 32 of the Colstrip Agreement to reflect a system study process that is consistent with or superior to the *pro forma* OATT, so that a standard process is established.⁸ Likewise, the Commission concluded that the Colstrip Agreement must reflect a transparent process to resolve disputes over transmission and generator interconnection service for such dispute resolution.⁹

II. Compliance Filing

7. In response to the December 2011 Order, on March 28, 2012, the Owners submitted the compliance filing with proposed revisions to the Colstrip Agreement.¹⁰ The revised Colstrip Agreement includes a requirement to prepare and maintain a business practice that provides customers streamlined procedures and common application forms for making transmission service and interconnection requests on the Transmission System and provides further clarification with respect to system studies and dispute resolution.¹¹ The Owners included with the compliance filing an initial

⁶ *Id.* P 26.

⁷ *Id.*

⁸ *Id.* PP 27-28.

⁹ *Id.* P 28.

¹⁰ Colstrip Project Transmission Agreement Compliance Filing in Docket No. ER11-4636-002 (Compliance Filing).

¹¹ Compliance Filing, Colstrip Agreement at section 22(m).

Colstrip Transmission System Business Practice document (Colstrip Business Practice), including the application forms required by the Commission in the December 2011 Order. However, the Owners state that the Colstrip Business Practice has been filed for informational purposes only and not for acceptance by the Commission.¹² The Owners assert that the Colstrip Agreement and the Colstrip Business Practice reduce the redundancies, burdens, and delays associated with requesting transmission service over, and interconnection to, the Transmission System. The Owners request that the Commission accept the compliance filing effective March 28, 2012.

III. Notice, Intervention, and Responsive Pleadings

8. Notice of the compliance filing was published in the *Federal Register*, 77 Fed. Reg. 20,816 (2012), with interventions, comments, and protests due on or before April 18, 2012. On April 18, 2012, PPL EnergyPlus, LLC and PPL Montana, LLC (collectively, PPL Companies) submitted a protest. On May 3, 2012, the Owners filed an answer.

IV. Discussion

A. Procedural Matters

9. Rule 213(a)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.213(a)(2) (2012), prohibits an answer to a protest or comments unless otherwise ordered by the decisional authority. We will accept the answer filed by the Owners because it has provided information that assisted us in our decision-making process.

B. Substantive Matters

10. Based on our review of the compliance filing, we find that several proposed revisions to the Colstrip Agreement fail to satisfy the directives in the December 2011 Order. We also find that the provisions reflected in the Colstrip Business Practice—which the Owners submitted solely for informational purposes—affect rates, terms, and conditions of service over the Transmission System and, as such, must be filed with the Commission and incorporated into the Colstrip Agreement, consistent with Commission policy. Accordingly, as discussed below, we conditionally accept the Owners' compliance filing, subject to a further compliance filing to incorporate provisions of the Colstrip Business Practice as revisions to the Colstrip Agreement, to be filed within 60 days of the date of this order.

¹² Compliance Filing, Transmittal Letter at 3. This proposed business practice would be posted on each Owner's OASIS, but would not be filed with the Commission.

C. Compliance Filing

1. Modifications to the Colstrip Agreement

11. In response to the December 2011 Order, the Owners propose to incorporate a new section 22(m) in the Colstrip Agreement to develop and maintain a business practice, providing, in part:

The Transmission Owners shall develop and maintain a business practice (including common forms of application for service) and any revision thereto, to provide procedures and requirements for requesting and responding to service requests (transmission and interconnection) to the Transmission System. The business practice and any revision thereto, shall be consistent with the requirements of this Agreement and shall be subject to approval of the Transmission Committee by unanimous action of all Transmission Committee members.¹³

12. The Owners explain that the Colstrip Agreement defines the relationship among the Owners to construct, operate, and maintain the Transmission System and the obligations of the Transmission Operator to the Owners. They further state that each Owner relies on its own OATT to define the transmission services and generator interconnection services it offers to customers over the Transmission System.¹⁴

13. The Owners also modify section 4(c) of the Colstrip Agreement to indicate that studies in response to a request for interconnection or transmission service will be conducted by the Transmission Operator (NorthWestern), who will, consistent with the requirements of NorthWestern's OATT: (1) establish timelines for the completion of studies, the issuance of study agreements and the issuance of draft and final interconnection agreements; and (2) offer applicable study agreements and complete any appropriate studies.¹⁵ In addition, the Owners modify section 32(c) of the Colstrip Agreement to indicate that the queue position for interconnection requests shall be based on the date by which the last Owner has received an interconnection request that is considered a valid request, and the customer has consented to sharing of the request with other Owners, to the extent such consent is necessary.

¹³ Compliance Filing, Colstrip Agreement at section 22(m).

¹⁴ Compliance Filing, Transmittal Letter at 2.

¹⁵ See Compliance Filing, Colstrip Agreement at sections 4(c)(1) and 4(c)(2) (requiring the Transmission Operator to offer study agreements, as agent for, and on behalf of, the Owners, and further requiring that such agreements will include all other Owners in material correspondence with the requesting customer).

2. The Colstrip Business Practice

14. The Owners developed an initial Colstrip Business Practice, including the procedures for requesting transmission service on, or interconnection to, any segment of the Transmission System. The Colstrip Business Practice also addresses system studies that will be conducted by NorthWestern (as the Transmission Operator) and the process for addressing disputes.

15. The Colstrip Business Practice includes four common application forms¹⁶ for requesting service over the Transmission System for: (1) Long-Term Firm Point-to-Point Transmission Service; (2) Large Generating Facility Interconnection; (3) Small Generating Facility Interconnection; and (4) Transmission Interconnection. The Owners state that the common application forms are based upon the requirements of the *pro forma* OATT and were modified to accommodate the multi-party ownership of the Transmission System.¹⁷ The forms will be posted on each Owner's OASIS, as attachments to the Colstrip Business Practice. The Colstrip Business Practice further describes the process for completing the respective application forms, submitting requests to each Owner (together with the applicable deposit), and reviewing each request.¹⁸

16. In order to streamline the process for requesting transmission service, the Colstrip Business Practice describes a Request Portal which will provide a single location through which an eligible customer may submit a transmission service request for any segment of the Transmission System to any Owner.¹⁹ The Request Portal will facilitate communication of a transmission service request and reflect available transfer capability

¹⁶ The common application forms will be used by each of the five Owners. The application forms addressing transmission and generation interconnections include a consent provision for sharing information between and among the Owners. *See* Compliance Filing, Transmittal Letter at 5-6.

¹⁷ *Id.*

¹⁸ *See, e.g.,* Compliance Filing, Colstrip Business Practice at section 4 (detailing the submission and processing of transmission service requests); *id.* at section 5.1 (detailing the submission and processing of large generator interconnection requests); *id.* at section 5.2 (detailing the submission and processing of small generator interconnection requests); and *id.* at section 6 (detailing the submission and processing of transmission-to-transmission interconnection requests).

¹⁹ *See* Compliance Filing, Transmittal Letter at 3-4 and Colstrip Business Practice at section 4 (detailing the process for completing application forms after submission of a request via the Request Portal and the subsequent review process).

using the applicable Owner's OASIS.²⁰ In addition, the Colstrip Business Practice also indicates the process by which NorthWestern will conduct system studies and facilities studies in response to transmission service requests.²¹

17. The Colstrip Business Practice also provides additional specificity with regard to NorthWestern's processing of interconnection requests, including the processing of: (1) large generator interconnection requests;²² (2) small generator interconnection requests;²³ and (3) transmission-to-transmission interconnection requests.²⁴ The Colstrip Business Practice states that single form agreements for these studies will be offered among all Owners and the interconnection customer with a single deposit required for each study. The Owners assert that the Colstrip Agreement, together with the Colstrip Business Practice, is consistent with or superior to the *pro forma* OATT.²⁵

18. The Colstrip Business Practice also further clarifies dispute resolution procedures. For transmission service requests, the dispute resolution procedures in NorthWestern's OATT will apply to disputes regarding a system impact study or facilities study. Additionally, the dispute resolution provisions of NorthWestern's LGIP and SGIP will apply to disputes prior to the execution of the generator interconnection agreement. Finally, the Colstrip Business Practice indicates that dispute resolution procedures provided by applicable law apply to transmission-to-transmission interconnection

²⁰ The Owners state that implementation of the Request Portal will take three to six months, once the Compliance Filing is accepted by the Commission. Compliance Filing, Transmittal Letter at 3-4.

²¹ Each such study will be performed pursuant to a single agreement among all Owners and the customer. Following completion of all required studies, each Owner will offer a form of transmission service agreement to the customer in accordance with the terms of their respective OATTs.

²² See Compliance Filing, Colstrip Business Practice at section 5.1 (addressing the scoping meetings, feasibility studies, and system impact studies under specific provisions of NorthWestern's OATT and LGIP).

²³ See *id.* at section 5.2 (addressing the scoping meetings, feasibility studies and system impact studies under specific provisions of NorthWestern's OATT, Small Generator Interconnection Procedures (SGIP)).

²⁴ See *id.* at section 6 (indicating NorthWestern's actions in addressing necessary studies and respective timelines based upon the transmission-to-transmission interconnection request and noting that NorthWestern will negotiate all applicable terms of any study agreement, on behalf of the Owners).

²⁵ Compliance Filing, Transmittal Letter at 6.

requests prior to execution of the interconnection agreement. The Owners assert that the addition of transparent dispute resolution processes to the Colstrip Business Practice is consistent with the directives in the Commission's December 2011 Order.

3. Protest and Answer

19. PPL Companies state that the Commission should reject the compliance filing and direct the Owners to further modify the Colstrip Agreement, consistent with the directives of the December 2011 Order. PPL Companies assert that the majority of the proposed modifications are not included in the Colstrip Agreement, but are included in the Colstrip Business Practice, which is submitted for informational purposes only and not subject to review and approval by the Commission. PPL Companies argue that placing this information in the Colstrip Business Practice is contrary to the December 2011 Order and is contrary to Commission policy, which requires practices affecting transmission service to be included in the transmission provider's tariff, and subject to Commission review.²⁶

20. PPL Companies also state that the December 2011 Order requires modifications to be "consistent with or superior to" the *pro forma* OATT. PPL Companies point out that the compliance filing neglects to identify those instances where the proposed modifications deviate from the *pro forma* OATT, and provides no explanation for how such deviations are consistent with or superior to the *pro forma* documents.²⁷

21. With respect to system studies, PPL Companies argue that certain duties and obligations arising under study agreements may apply to some or all of the Owners, and that the proposed study process does not sufficiently ensure that those duties and obligations will be fulfilled. PPL Companies also argue that the proposed dispute resolution process for transmission service requests ignores the potential for conflict among the various Owners' dispute resolution provisions in their respective OATTs.

22. In response, the Owners argue that PPL Companies' protest ignores the role of each Owner's OATT and, in effect, impermissibly seeks to reargue that the Owners should have a single tariff.²⁸ They point out that the Commission declined to require a single OATT for the Transmission System in the December 2011 Order. The Owners

²⁶ PPL Companies notes that the Commission made clear in Order No. 890 that all rules and practices "that significantly affect transmission service" must be incorporated into a transmission provider's OATT and the Commission applied this requirement to the standardized terms and conditions of interconnection service in Order No. 2003. PPL Companies Protest at 11-12.

²⁷ *Id.* at 5-6.

²⁸ Owners Answer at 5.

argue that the provisions of each Owner's OATT, and not the Colstrip Agreement, provide the procedures and processes that PPL Companies claim is lacking. The Owners assert that, because the Commission accepted this principal relationship, PPL Companies' concerns represent a collateral attack on the December 2011 Order and should be rejected.

23. The Owners explain that the Colstrip Agreement continues to work in conjunction with each Owner's OATT. The Owners state that the purpose of the Colstrip Business Practice is to provide details regarding how to request transmission service and interconnection service, pursuant to each Owner's OATT, given the multi-party ownership of the Transmission System. The Owners argue that transmission service over, and generator interconnection to, the Transmission System is governed by applicable terms and conditions of each Owner's OATT; therefore, they have made the requisite revisions called for in the December 2011 Order by modifying the Colstrip Agreement to require a business practice be developed and maintained. Moreover, the Owners also note that any revisions to the Colstrip Business Practice must be consistent with the requirements of the Colstrip Agreement.²⁹

24. Additionally, the Owners state that the Colstrip Business Practice governs how dispute resolution provisions apply to various disputes, with different procedures applicable depending on the subject matter of the dispute. For example, for disputes related to transmission service requests, the dispute resolution provisions in NorthWestern's OATT apply to disputes regarding a system impact study or facilities study, and the dispute resolution provisions of the applicable Owner's OATT apply following execution of the transmission service agreement. For generator interconnection requests, the dispute resolution provisions in NorthWestern's *pro forma* LGIP and SGIP will apply until execution of an interconnection agreement, when the dispute resolution provisions specified in the interconnection agreement will apply. For transmission-to-transmission interconnection requests, the dispute resolution procedures provided by applicable law will apply until execution of the transmission-to-transmission interconnection agreement, upon which the dispute resolution provisions specified in the executed agreement will apply.³⁰

4. Commission Determination

25. As a threshold matter, we find that the Owners' proposal to establish a requirement to develop and maintain a business practice in proposed section 22(m) of the revised Colstrip Agreement and place information required by the December 2011 Order in the Colstrip Business Practice does not comply with the December 2011 Order, which directed the Owners to further modify the Colstrip Agreement to include streamlined

²⁹ *Id.* at 4-5.

³⁰ *Id.* at 8.

procedures for requesting transmission and interconnection service including common application forms. In addition, the Owners' proposal to place provisions relating to the procedures by which third party customers request service over the Transmission System and the process for considering such requests into an unfiled business practice also is contrary to the Commission's policy of requiring that "all practices that significantly affect rates, terms and conditions" of jurisdictional service be "included in a tariff filed with the Commission."³¹ Our preliminary review of the Colstrip Business Practice filed in this proceeding indicates that these provisions significantly affect rates, terms, and conditions of service and as such, must be filed for Commission approval under section 205 of the Federal Power Act,³² not provided on an informational basis.³³ We note that the Commission follows a "rule of reason"³⁴ to determine whether provisions or practices must be filed under section 205.

³¹ See *Cal. Indep. Sys. Operator Corp.*, 119 FERC ¶ 61,076, at P 656 (2007) ("Our policy is that all practices that significantly affect rates, terms and conditions fall within the purview of section 205(c) of the FPA, and, therefore, must be included in a tariff filed with the Commission. Further, we have found that our 'rule of reason' test requires a case-by-case analysis, comparing what is included in the [tariff] against what is contained in the [business practice].") (citation omitted); see generally *Prior Notice and Filing Requirements Under Part II of the Federal Power Act*, 64 FERC ¶ 61,139, at 61,986 (1993) (explaining Commission jurisdiction with respect to all rates and charges that are "for or connected with," and all agreements that "affect or relate to," jurisdictional activities).

³² 16 U.S.C. § 824d (2006).

³³ While it is appropriate for a business practice to contain tariff implementation details such as instructions, guidelines, and examples which guide internal operations, the information contained in business practice manuals should not "significantly affect any rates, terms or conditions." See *Cal. Indep. Sys. Operator Corp.*, 116 FERC ¶ 61,274, at P 1358 (2006), *reh'g and clarification granted in part and denied in part*, 120 FERC ¶ 61,271 (2007).

³⁴ See, e.g., *City of Cleveland v. FERC*, 773 F.2d 1368, 1376 (D.C. Cir. 1985) (finding that utilities must file "only those practices that affect rates and service significantly, that are reasonably susceptible of specification, and that are not so generally understood in any contractual arrangement as to render recitation superfluous"); *Public Serv. Comm'n of N.Y. v. FERC*, 813 F.2d 448, 454 (D.C. Cir. 1987) (holding that the Commission properly excused utilities from filing policies or practices that dealt with only matters of "practical insignificance" to serving customers); *Midwest Independent Transmission System Operator, Inc.*, 98 FERC ¶ 61,137, at 61,401, *clarification granted*, 100 FERC ¶ 61,262 (2002) ("It appears that the proposed Operating Protocols could

(continued...)

26. The Owners' proposed modifications to sections 4 and 32 of the Colstrip Agreement clarify that NorthWestern will: (1) perform study work on behalf of the Owners, in response to service requests; (2) establish timelines that are consistent with its OATT for conducting studies; (3) issue draft study reports which the Owners will have an opportunity to review and provide comments; and (4) offer applicable study agreements. The Commission finds that the Owners' proposed modifications to sections 4(c) and 32(c) of the Colstrip Agreement are in partial compliance with the December 2011 Order; however, we find that the additional detail contained in the Colstrip Business Practice addressing: (1) third party transmission and interconnection service requests over the Transmission System; (2) the common application forms to be used to make such requests; and (3) the process for system studies and dispute resolution process must be incorporated into the Colstrip Agreement and filed with the Commission, as directed in our December 2011 Order. Additionally, our review of the compliance filing indicates that the Owners have not specifically addressed whether generation and transmission interconnection requests are maintained in the same queue.³⁵ The Owners may no longer rely exclusively on their respective OATTs in conjunction with the Colstrip Agreement to define the services offered to third parties over the Transmission System, because their individual OATTs do not clearly address the procedures and processes for third party transmission and interconnection over the Transmission System. The Commission in the December 2011 Order declined to adopt a single tariff for these facilities; instead, the Commission directed further revisions to the Colstrip Agreement to, among other things, streamline procedures for requesting transmission service, clarify the system study process, and clarify how disputes will be resolved. Thus, placing these provisions in the Colstrip Business Practice does not comply with our December 2011 Order.

27. Based on our preliminary review of the Colstrip Business Practice, we generally find that the additional detail clarifies the procedures and processes for considering third party requests over the Transmission System, consistent with the requirements of the December 2011 Order. Likewise we generally find that the additional detail provided in the Colstrip Business Practice clarifies the dispute resolution procedures. However, we cannot make a final determination until the terms and conditions affecting such service over the Transmission System are incorporated into the Colstrip Agreement. We therefore will direct the Owners to submit a further compliance filing within 60 days of the date of this order to revise section 22(m) of the Colstrip Agreement to include in the Colstrip Agreement information currently contained in the Colstrip Business Practice clarifying the procedures and processes for considering third party requests over the Transmission System. We will also direct the Owners to specify in such compliance filing whether generation and transmission interconnection requests are maintained in the

significantly affect certain rates and service and as such are required to be filed pursuant to Section 205.”).

³⁵ December 2011 Order, 137 FERC ¶ 61,261 at P 28.

same queue. In addition, we will direct the Owners to further revise the Colstrip Agreement to incorporate the terms and conditions of the Colstrip Business Practice addressing third party requests for transmission service and interconnection service over the Transmission System into the Colstrip Agreement and the processing of such requests and the dispute resolution procedures.³⁶

28. With regard to the Request Portal described in the Colstrip Business Practice, we agree that using one portal on OASIS to facilitate a request for transmission service from multiple owners is more efficient and less burdensome on the customer than submitting separate requests to each Owner. However, we will direct the Owners to include an explanation of the portal in the Colstrip Agreement to ensure that the process and procedures for submitting transmission service requests is clearly stated.

D. Other Issues

1. Liability Provisions

29. In response to the increased responsibilities of the Transmission Operator imposed in the Colstrip Agreement, the Owners propose further modifications to address certain liability provisions regarding the Transmission Operator and each Owner. For example, new section 24(g) was added to the Colstrip Agreement to explain the circumstances under which the Transmission Operator shall be liable for, and shall indemnify, defend, and hold harmless each Owner and its directors, officers, employees, and agents from and against any losses, damages, and liabilities, costs, claims, or penalties arising from performing or failing to perform the duties of Transmission Operator.³⁷ Additionally, section 24(a) was modified to explain how each Owner would release each other Owner from damages arising out of construction of the Transmission System.

30. Finally, the Owners propose a new section 7(h) which states that any increase in the transmission capacity of a segment of the Transmission System resulting from a Transmission System Capital Addition shall be allocated among the Owners in proportion to each Owner's payment of costs of the Capital Addition.

31. We find the proposed additional revisions to the Colstrip Agreement to be reasonable; therefore, we will accept them with no further modification.

³⁶ These additional provisions could be set forth in a separate appendix to the Colstrip Agreement.

³⁷ The Owners provided corresponding modifications to sections 14(f) and 17(f) in order to refer to the new section 24(g).

2. Additional Issues Raised by PPL Companies

32. PPL Companies raise issues with respect to how the Transmission System will be managed and operated as it is expanded to include new transmission and interconnection service customers, asserting that: (1) the Colstrip Agreement does not include a single mechanism for the posting or coordination of outages; (2) there is no description of the hourly and non-firm scheduling deadlines; and (3) the Colstrip Agreement does not address transmission planning or coordination among interested parties, including customers.³⁸

33. In response, the Owners state that these issues are beyond the scope of the compliance filing. Because this is a compliance proceeding, the Owners argue that the only issue currently before the Commission is whether the Owners' modifications to the Colstrip Agreement, the Colstrip Business Practice, and the single application forms are consistent with the directives of the Commission's December 2011 Order. Accordingly, the Owners state that PPL Companies' attempt to interject new issues and objections to the Colstrip Agreement is contrary to Commission precedent and should be rejected. In addition, the Owners state that PPL Companies have raised issues that generally relate to how each Owner manages its allocation of Transmission System Capacity and thus, the Owners' respective OATTs provide the procedures and processes that PPL Companies claim are lacking.

34. We agree that PPL Companies have raised issues that are not squarely within the scope of the compliance filing, because our December 2011 Order did not address these specific issues, and thus there is no compliance obligation on the part of the Owners to address these additional concerns. However, we note that, with regard to transmission service on the Transmission System, the Owners are required to make publicly available, the rules, standards and practices that relate to terms and conditions of transmission service on the Transmission System to ensure fair and non-discriminatory access.³⁹

³⁸ PPL Companies note that the respective Owners participate in different local/regional transmission planning organizations within the Western Electricity Coordinating Council.

³⁹ *Preventing Undue Discrimination and Preference in Transmission Service*, Order No. 890, FERC Stats. & Regs. ¶ 31,241, at P 1653, *order on reh'g*, Order No. 890-A, FERC Stats. & Regs. ¶ 31,261 (2007), *order on reh'g*, Order No. 890-B, 123 FERC ¶ 61,299 (2008), *order on reh'g*, Order No. 890-C, 126 FERC ¶ 61,228 (2009), *order on clarification*, Order No. 890-D, 129 FERC ¶ 61,126 (2009) ("We find that it is now necessary to also require that all rules, standards or business practices that relate to the terms and conditions of transmission service, and how that transmission service is provided to customers, to be detailed, clearly stated on the transmission provider's public web site, with a link to this information on OASIS. We emphasize that
(continued...)

The Commission orders:

(A) The Owners are hereby directed to submit an additional compliance filing, as discussed in the body of this order, within 60 days of the date of this order.

(B) The compliance filing, as modified in accordance with Ordering Paragraph (A) above, is hereby accepted, effective March 28, 2012, as requested.

By the Commission.

(S E A L)

Nathaniel J. Davis, Sr.,
Deputy Secretary.

this requirement applies to all such rules, standards, and practices, currently written or otherwise.”) (citation omitted).