

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

STAFF NOTICE OF ALLEGED VIOLATIONS

(February 11, 2014)

Take notice¹ that in a nonpublic, preliminary investigation pursuant to 18 C.F.R. Part 1b, the staff of the Office of Enforcement (Enforcement) of the Federal Energy Regulatory Commission (Commission) has preliminarily determined that four ITC Holdings Corp. (ITC) subsidiary operating companies, International Transmission Company, d/b/a *ITCTransmission* (*ITCTransmission*), Michigan Electric Transmission Company, LLC (METC), ITC Midwest, LLC (ITC Midwest), and ITC Great Plains, LLC (ITC Great Plains) (collectively the ITC Companies) violated Section 203(a)(1)(B) of the Federal Power Act (FPA)² and/or Part 33 of the Commission's regulations, 18 C.F.R. Part 33, by acquiring certain Commission-jurisdictional transmission assets without prior Commission approval. Enforcement also determined that *ITCTransmission*, METC, and ITC Midwest violated Section 205 of the FPA³ and Part 35 of the Commission's regulations, 18 C.F.R. Part 35, by failing to file certain Commission-jurisdictional agreements.

Enforcement preliminarily determined each of the ITC Companies violated FPA Section 203(a)(1)(B) by engaging in 20 transactions between 2005 and 2011 in which they merged or consolidated facilities subject to the Commission's jurisdiction without obtaining prior Commission authorization. Enforcement preliminarily determined that *ITCTransmission*, METC, and ITC Midwest have operated under jurisdictional agreements that should have been but were not filed with the Commission 60 days in advance of service commencement. In total, between 2003 and 2011 *ITCTransmission*, METC, and ITC Midwest inherited or executed and failed to timely file approximately 174 documents under FPA Section 205 and Part 35 of the Commission's regulations.

¹ *Enforcement of Statutes, Regulations, and Orders*, 129 FERC ¶ 61,247 (2009), *order on reh'g*, 134 FERC ¶ 61,054 (2011).

² 16 U.S.C. § 824b.

³ 16 U.S.C. § 824d.

MS021114

- 2 -

This Notice does not confer a right on third parties to intervene in the investigation or any other right with respect to the investigation.

Kimberly D. Bose,
Secretary.

Document Content(s)

MS021114.DOCX.....1-2