

UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Pat Wood, III, Chairman;  
William L. Massey, and Nora Mead Brownell.

Exelon Generation Company, LLC,  
Complainant

Docket No. EL02-86-002

v.

Southwest Power Pool, Inc.,  
Respondent

ORDER ON CLARIFICATION

(Issued June 5, 2003)

1. In this order we grant the request for clarification by Southwest Power Pool, Inc. (SPP), as discussed below. In an order issued on November 22, 2002,<sup>1</sup> we denied SPP's request for rehearing of our order issued on May 31, 2002<sup>2</sup> that granted a complaint filed by Exelon Generation Company, LLC (Exelon) against SPP alleging that SPP had refused to honor Exelon's rollover rights related to its existing long-term firm point-to-point transmission service agreement in violation of Section 2.2 of the SPP open access transmission tariff (OATT) and Commission policy.

**BACKGROUND**

2. In its request, SPP asks the Commission to clarify a statement in paragraph 16 of the November Order. In that paragraph, the Commission stated:

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<sup>1</sup>Exelon Generation Co., LLC v. Southwest Power Pool, Inc., 101 FERC ¶ 61,226 (2002) (November Order).

<sup>2</sup>Exelon Generation Co., LLC v. Southwest Power Pool, Inc., 99 FERC ¶ 61,235 (2002).

With respect to SPP's arguments that third-party system impacts prevent it from providing service to Exelon, SPP is not authorized by the pro forma OATT or by its own OATT to condition a transmission customer's right to transmission service on whether there is transmission capacity on a third party's transmission system. A transmission provider may not condition a transmission customer's right to roll over transmission service on the transmission provider's system at the end of an existing service agreement based on whether there is enough transmission capacity available on a third-party transmission system. (Footnotes omitted.)

3. SPP now asks the Commission to clarify whether the first sentence of the paragraph above was intended to apply generally to all service requests, i.e., whether SPP is prohibited from considering impacts on third-party systems at any time, even when evaluating an initial service request, or whether this sentence was intended to apply only when SPP is evaluating an existing customer's request to roll over its service under Section 2.2 of its OATT.

4. SPP asks that we clarify that we meant the latter interpretation, i.e., that the sentence applies only to rollover requests because a broader interpretation would create reliability issues and result in a greater probability of Transmission Loading Relief (TLR). SPP also states that this interpretation is consistent with the Commission's policies encouraging inter-regional cooperation between utilities or regional transmission organizations and the resolution of seams issues on a regional basis. SPP states that this language showed up for the first time in the November Order and contends that it has been read by "some in the industry" to establish a new policy that goes beyond rollover rights.

## DISCUSSION

5. We will grant SPP's request, as discussed below. Our statement in paragraph 16 of the November Order was in response to SPP's assertion that third-party system impacts prevent it from allowing Exelon to rollover its service request. Thus, in the context of the November Order, the first sentence of paragraph 16 applies to SPP's evaluation of rollover requests.

6. We also note that, contrary to SPP's assertion, the language at issue did not appear for the first time in the November Order. That language is taken directly from Commonwealth Edison Co.,<sup>3</sup> which we cited in our November Order.

The Commission orders:

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<sup>3</sup>96 FERC ¶ 61,158 at 61,690 (2001).

SPP's request for clarification is granted, as discussed in the body of this order.

By the Commission.

( S E A L )

Magalie R. Salas,  
Secretary.