

147 FERC ¶ 61,210
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

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

Constellation NewEnergy, Inc.	Docket Nos. ER14-1626-000
Constellation Energy Commodities Group Maine, LLC	ER14-1627-000
Exelon Generation Company, LLC	ER14-1625-000

ORDER ACCEPTING MARKET-BASED RATE TARIFF REVISIONS

(Issued June 19, 2014)

1. On March 31, 2014, Constellation NewEnergy, Inc., Constellation Energy Commodities Group Maine, LLC, and Exelon Generation Company, LLC (Applicants) filed revised market-based rate tariffs to include the Commission's standard provision for the sale of ancillary services at market-based rates in the Southwest Power Pool, Inc. (SPP) market. In this order, we accept Applicants' market-based rate tariff revisions, effective March 1, 2014, as discussed below. We also clarify that sellers with market-based rate authority in the SPP market as of March 1, 2014, the date of the start of the SPP Integrated Marketplace, are authorized to make ancillary services sales effective as of March 1, 2014. We clarify below the process for such sellers to revise their market-based tariffs to include the standard provision for ancillary services sales in SPP.

I. Background

2. On September 20, 2013, the Commission issued an order addressing SPP's Integrated Marketplace.¹ In that order, the Commission stated that sellers in SPP that are authorized to sell energy at market-based rates are authorized to also sell ancillary services at market-based rates in the Integrated Marketplace.² The Commission required sellers wishing to sell ancillary services in the Integrated Marketplace to include in their market-based rate tariffs the following standard ancillary services provision:

Southwest Power Pool: Seller offers regulation service and operating reserve service (which include 10-minute spinning reserve

¹ *Southwest Power Pool, Inc.*, 144 FERC ¶ 61,224 (2013) (Integrated Marketplace Compliance Order).

² *Id.* P 412.

and 10-minute supplemental reserve) for sale to the Southwest Power Pool, Inc. (SPP) and to others that are self-supplying ancillary services to SPP.³

3. Applicants state that they “are only proposing to incorporate language into their tariffs that the Commission has already analyzed, approved, and ordered entities to incorporate to the extent applicable.”⁴ Additionally, Applicants note that “[i]n Order No. 697-A, the Commission stated that ‘separate authorization’ for sellers, like [Applicants], that have been granted market-based rate authority ‘is not needed given that Order No. 697 implicitly granted authorization for ancillary services sales by sellers with market-based rate authority by providing standard tariff provisions for ancillary services sales.’”⁵

4. Applicants request that the Commission accept their revised tariffs for filing, effective March 1, 2014, the date the SPP Integrated Marketplace commenced operations.

II. Notice of Filings

5. Notice of Applicants’ filings was published in the *Federal Register*,⁶ with interventions and comments due on or before April 21, 2014. None was filed.

III. Discussion

6. The Commission will accept Applicants’ revised tariffs, effective March 1, 2014, as requested. As explained above, the proposed revised tariffs incorporate the Commission’s standard provision for the sale of ancillary services at market-based rates in the SPP market.

³ *Id.*

⁴ Filing at 3.

⁵ *Id.* at 2 (quoting *Market-Based Rates for Wholesale Sales of Electric Energy, Capacity and Ancillary Services by Public Utilities*, Order No. 697, FERC Stats. & Regs. ¶ 31,252, *clarified*, 121 FERC ¶ 61,260 (2007), *order on reh’g*, Order No. 697-A, FERC Stats. & Regs. ¶ 31,268, at P 387, *clarified*, 124 FERC ¶ 61,055, *order on reh’g*, Order No. 697-B, FERC Stats. & Regs. ¶ 31,285 (2008), *order on reh’g*, Order No. 697-C, FERC Stats. & Regs. ¶ 31,291 (2009), *order on reh’g*, Order No. 697-D, FERC Stats. & Regs. ¶ 31,305 (2010), *aff’d sub nom. Mont. Consumer Counsel v. FERC*, 659 F.3d 910 (9th Cir. 2011), *cert. denied*, 133 S. Ct. 26 (2012)).

⁶ 79 Fed. Reg. 19,324; 79 Fed. Reg. 19,328 (2014).

7. As noted above, in the Integrated Marketplace Compliance Order, the Commission stated that sellers in SPP that are already authorized to sell energy at market-based rates are also authorized to sell ancillary services at market-based rates in the Integrated Marketplace, effective as of the start of the Integrated Marketplace. We clarify here that sellers with market-based rate authority in the SPP market as of March 1, 2014, the date of the start of the SPP Integrated Marketplace, are authorized to make such sales effective as of March 1, 2014. Such sellers should revise their market-based rate tariffs to include the standard provision for the sale of ancillary services at market-based rates in the SPP market. Sellers should make the tariff revision adding the standard provision for the sale of ancillary services at market-based rates in the SPP market the next time they submit for filing a revised market-based rate tariff, a notice of change in status, or an updated market power analysis. The effective date for such provisions is March 1, 2014, the date the SPP Integrated Marketplace commenced operations.

The Commission orders:

Applicants' revised market-based rate tariffs are hereby accepted for filing, effective March 1, 2014, as requested, as discussed in the body of this order.

By the Commission.

(S E A L)

Kimberly D. Bose,
Secretary.