

Energy, Infrastructure, Project and Asset Finance

# Summary of FERC Meeting Agenda

January 2015

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*Below are brief summaries of the agenda items for the Federal Energy Regulatory Commission's January 22, 2015 meeting, pursuant to the agenda as issued on January 15, 2015. Agenda items E-6 and E-19 have not been summarized as they were omitted from the agenda.*

## Administrative Items

### A-1: Docket No. AD02-1-000

This administrative docket addresses Agency Business Matters.

### A-2: Docket No. AD02-7-000

This administrative docket addresses Customer Matters, Reliability, Security and Market Operations.

### A-3: Docket No. AD14-3-000

This administrative docket addresses Coordination Across the PJM/MISO Seam.

## Electric Items

**E-1: Duke Energy Carolinas, LLC; Duke Energy Florida, Inc.; Florida Power & Light Company; Tampa Electric Company; Orlando Utilities Commission; Duke Energy Carolinas, LLC; Duke Energy Progress, Inc.; Louisville Gas and Electric Company; Ohio Valley Electric Corporation; Alabama Power Company; and South Carolina Electric & Gas Company (Docket Nos. ER13-1922-000 et al.):**

On July 10, 2013, the above entities submitted Order No. 1000 interregional compliance filings. Agenda item E-1 may be an order on their Order No. 1000 interregional compliance filings.

**E-2: Midcontinent Independent System Operator, Inc.; Duke Energy Carolinas, LLC; Duke Energy Progress, Inc.; Louisville Gas and Electric Company; Ohio Valley Electric Corporation; Alabama Power Company; Entergy Services, Inc.; and Cleco Power LLC (Docket Nos. ER13-1923-000 et al.):** On July 10, 2013, the

above entities submitted Order No. 1000 interregional compliance filings. Agenda item E-2 may be an order on their Order No. 1000 interregional compliance filings.



Each month, White & Case provides brief summaries of the agenda items for the Federal Energy Regulatory Commission's monthly meeting.

Daniel Hagan  
Partner, Washington, DC  
+ 1 202 626 6497  
[dhagan@whitecase.com](mailto:dhagan@whitecase.com)

Earle O'Donnell  
Partner, Washington, DC  
+ 1 202 626 3582  
[eodonnell@whitecase.com](mailto:eodonnell@whitecase.com)

White & Case LLP  
701 Thirteenth Street, NW  
Washington, DC  
20005-3807  
United States  
+ 1 202 626 3600

**E-3: PJM Interconnection, L.L.C.; Duquesne Light Company; Duke Energy Carolinas, LLC; Duke Energy Progress, Inc.; Louisville Gas and Electric Company; Ohio Valley Electric Corporation; and Alabama Power Company (Docket Nos. ER13-1927-000 et al.):** On July 10, 2013, the above entities submitted Order No. 1000 interregional compliance filings. Agenda item E-3 may be an order on their Order No. 1000 interregional compliance filings.

**E-4: Policy Statement on Hold Harmless Commitments (Docket No. PL15-3-000):** Agenda item E-4 may be a new policy statement regarding hold harmless commitments.

**E-5: Protection System Maintenance Reliability Standard (Docket No. RM14-8-000):** On July 17, 2014, the Commission issued a Notice of Proposed Rulemaking (NOPR) proposing to approve Reliability Standard PRC-005-3 (Protection System Automatic Reclosing Maintenance), developed in response to Order 758, which would require applicable entities to test and maintain certain auto-closing relays as part of a protection system maintenance program. The Commission also proposes to approve one new definition and six revised definitions referenced in the proposed standard; the assigned violation risk factors and violation severity levels; and NERC's proposed implementation plan. The Commission also proposes to direct NERC to submit a report based on performance data and simulated system conditions from planning assessments, two years after the effective date of the proposed standard, which addresses whether the proposed Reliability Standard applies to an appropriate set of auto-reclosing relays that can affect the Bulk-Power System reliability. The Commission further seeks to direct NERC to modify the proposed standard to include supervisory devices such as synchronism check (sync-check) and voltage relays. Several parties filed comments. Agenda item E-5 may be an order on the Commission's NOPR.

**E-7: PáTu Wind Farm LLC v. Portland General Electric Company and PáTu Wind Farm, LLC (Docket Nos. EL15-6-000, QF06-17-002):** On October 10, 2014, PáTu Wind Farm LLC (PáTu), filed a complaint against Portland General Electric Company (PGE) alleging that PGE failed to carry out its obligations under the Public Utility Regulatory Policies Act of 1978 (PURPA) to purchase all of the output of PáTu's QF wind generator, its obligations under the Federal Power Act (FPA) and, under the Commission's open access transmission regulations, to provide nondiscriminatory transmission service as well as its obligations under a 20-year power purchase agreement (PPA) in which PáTu agreed to sell the output from its small wind power project to PGE at avoided-cost rates under the standard PURPA contract approved by the Public Utility Commission of Oregon (OPUC). PáTu further alleges that PGE has consistently refused to consider dynamic

scheduling for PáTu and other QFs and refuses to allow PáTu to use 15-minute schedules mandated by Commission Order No. 764. Agenda Item E-7 may be an order on PáTu's complaint.

**E-8: Southwest Power Pool, Inc. (Docket No. ER13-1864-000):** On October 18, 2012, the Commission issued an order instructing Southwest Power Pool (SPP) to coordinate with the Midcontinent Independent System Operator, Inc. (MISO) to develop a market-to-market (M2M) coordination process for managing congestion across the seam between MISO and SPP and, using the market-to-market mechanism of the Joint Operating Agreement (JOA) between MISO and PJM Interconnection as a template, file M2M protocols as part of the JOA by June 30, 2013. On June 28, 2013, SPP submitted revisions to the JOA including the M2M terms and conditions incorporated into "Attachment 2" of the JOA entitled "Interregional Coordination Process." Numerous parties filed motions to intervene, comments and protests. On August 29, 2014, the Commission noticed a technical conference scheduled for September 22, 2014 to address SPP's proposed modifications to its JOA with MISO. Agenda Item E-8 may be an order on SPP's revisions to the JOA.

**E-9: Midcontinent Independent System Operator, Inc. and Northern Indiana Public Service Company (Docket No. ER13-2376-002):** On September 13, 2013, in compliance with the Commission's May 16, 2013 order, Northern Indiana Public Service Company (NIPSCO) and MISO submitted revisions to the NIPSCO Annual Rate Calculation and True-Up Procedures associated with NIPSCO's forward-looking Attachment O to the MISO Tariff to address three areas of concern: (1) the scope of participation in the information exchange; (2) the transparency of the information exchange; and (3) the ability to challenge a Transmission Owner's implementation of its formula rate as a result of the information exchange. On March 20, 2014, the Commission issued an order conditionally accepting NIPSCO's proposed protocols subject to a further compliance filing. On May 19, 2014, MISO and NIPSCO submitted compliance filings. Agenda Item E-9 may be an order on MISO and NIPSCO's compliance filings.

**E-10: Midcontinent Independent System Operator, Inc. and Southern Indiana Gas & Electric Company (Docket No. ER13-2375-002):** On September 13, 2013, MISO and Southern Indiana Gas & Electric Company, d/b/a Vectren Energy Delivery of Indiana, Inc. (Vectren South) submitted revisions to Vectren South's Attachment O formula rate protocols under the MISO Tariff in response to a May 16, 2013 Commission order. Numerous parties filed motions to intervene, protests and comments. On March 20, 2014, the Commission issued an order conditionally accepting MISO and Southern Indiana Gas & Electric Company's proposed formula rate protocols subject to a further

compliance filing. On May 19, 2014, MISO and Vectren South submitted their compliance filings. Agenda Item E-10 may be an order on MISO's and Vectren South's compliance filings.

**E-11: Midcontinent Independent System Operator, Inc.; Midcontinent Independent System Operator, Inc.; Northern Indiana Public Service Company; Midcontinent Independent System Operator, Inc.; Southern Indiana Gas & Electric Company; Midwest Independent Transmission System Operator, Inc.; ALLETE, Inc.; Ameren Illinois Company; Ameren Transmission Company of Illinois; American Transmission Company, LLC; Big Rivers Electric Corporation; Board of Water, Electric and Communications, Trustees of the City of Muscatine, Iowa; Central Minnesota Municipal Power Agency; City of Columbia, Missouri Water & Light Company; City Water, Light & Power (Springfield, Illinois); Duke Energy Indiana, Inc.; Dairyland Power Cooperative; Entergy Services, Inc.; Great River Energy; Hoosier Energy Rural Electric Cooperative, Inc.; Indiana Municipal Power Agency; Indianapolis Power & Light Company; International Transmission Company; ITC Midwest, LLC; Michigan Electric Transmission Company, LLC; Michigan Public Power Agency; Michigan South Central Power Agency; MidAmerican Energy Company; Missouri River Energy Services; Montana-Dakota Utilities Company; Montezuma Municipal Light & Power; Municipal Electric Utility of the City of Cedar Falls, Iowa; Muscatine Power and Water; Northern States Power Company, a Minnesota Corporation; Northern States Power Company, a Wisconsin Corporation; Northwestern Wisconsin Electric Company; Otter Tail Power Company; Southern Illinois Power Cooperative; Southern Minnesota Municipal Power Agency; Tipton Municipal Utilities; Wabash Valley Power Association, Inc.; and Wolverine Power Supply Cooperative, Inc. (Docket Nos. ER13-2379-001, ER13-2376-001, ER13-2375-001, EL12-35-002):** On September 13, 2013, MISO, MISO Transmission Owners, Northern Indiana Public Service Company and Southern Indiana Gas & Electric Company filed proposed revisions to Attachment O of MISO's tariff to modify the existing formula rate protocols, to comply with a May 16, 2013 Commission order. On March 20, 2014, the Commission issued orders that conditionally accepted the proposed tariff revisions, subject to further compliance. On April 18, 2014, the Organization of MISO States (OMS) requested rehearing and clarification of the March orders on compliance filings. Agenda item E-11 may be an order on OMS' request for rehearing and clarification.

**E-12: Midcontinent Independent System Operator, Inc. (Docket Nos. ER13-2379-002, ER13-2379-003):** On May 19, 2014, MISO and MISO Transmission Owners submitted revisions to Attachment O of the MISO Open Access Transmission, Energy, and Operating Reserve Markets Tariff to comply with Commission directives from a March 20, 2014 order. In June 2014, several

parties protested and commented on the May compliance filing. Agenda item E-12 may be an order on the compliance filing.

**E-13: Midwest Independent Transmission System Operator, Inc. (Docket No. ER10-1791-003):** In 2013, the US Court of Appeals for the Seventh Circuit remanded a case to FERC involving what if any limitation on export pricing to PJM by MISO is justified, in light of current conditions. On February 24, 2014, the Supreme Court denied petitions from several parties for a writ of certiorari. On May 6, 2014, Indicated PJM Transmission Owners filed a motion at FERC urging the Commission to establish paper hearing procedures and to set an expeditious procedural schedule. Agenda item E-13 may be an order in response to the motion.

**E-14: Illinois Municipal Electric Agency (Docket No. ER14-1681-001):** On April 7, 2014, Illinois Municipal Electric Agency (IMEA) filed for waiver of Schedule 8.1, Section D.5 of the Reliability Assurance Agreement Among Load Serving Entities in the PJM Region and any related provision of any other PJM governing document necessary to permit the Naperville, Illinois portion of IMEA's load in the Commonwealth Edison Locational Deliverability Area to use PJM's Fixed Resource Requirement Alternative for the Delivery Year beginning June 1, 2017. On May 2, 2014, the Commission issued an order granting IMEA's request for waiver for the 2017/18 Delivery Year. On June 2, 2014, IMEA requested clarification, or in the alternative, rehearing of the Commission's May order. Agenda item E-14 may be an order on IMEA's request for clarification, or in the alternative, rehearing.

**E-15: PJM Interconnection, L.L.C. (Docket No. ER14-503-002):** On April 22, 2014, the Commission issued an order accepting PJM's proposed tariff revisions to recognize limits on the amount of capacity from external generation resources that can be reliably committed in the PJM forward capacity auctions. On May 22, 2014, IMEA, American Municipal Power, Inc., and Northern Illinois Municipal Power Agency filed the requests for rehearing of the Commission's April order. Agenda item E-15 may be an order on the requests for rehearing.

**E-16: South Carolina Electric & Gas Company (Docket Nos. ER13-107-006; ER130-107-007):** On October 11, 2012, South Carolina Electric & Gas Company (SCE&G) submitted revisions to Attachment K of its Tariff in order to comply with Order No. 1000. Specifically, SCE&G amended Attachment K to detail its plan to fulfill the interregional planning requirement. FERC accepted the filing on April 18, 2013, subject to further modification. On May 15, 2014, FERC issued an order on rehearing, accepting in part and denying in part SCE&G's proposed Tariff revision and directing SCE&G to submit an additional compliance filing. On June 16, 2014, LSP Transmission Holdings, LLC and SCE&G each filed a request for clarification or

rehearing. In addition, SCE&G submitted its compliance filing on July 17, 2014. Agenda item E-16 may be an order on the requests for clarification or rehearing and/or the July 17 compliance filing.

**E-17: Midwest Independent Transmission System Operator, Inc.; MidAmerican Energy Company; Cleco Power LLC; Entergy Arkansas (Docket Nos. ER13-187 et seq.; ER13-186-004; ER13-84-002 ER13-95-002):**

On October 25, 2012, MISO submitted revisions to its Tariff to comply with the local and regional transmission planning and cost allocation requirements of Order No. 1000. On October 11, 2012, MidAmerican Energy Company (MidAmerican) and American Transmission submitted revisions to their local transmission planning process in the MISO Tariff to comply with the Order No. 1000 requirements related to local transmission planning. Also on October 11, 2012, Cleco Power LLC and Entergy Arkansas submitted revisions to Attachment K of their respective Tariffs to comply with the regional transmission planning requirements of Order No. 1000. FERC conditionally accepted the filings on March 22, 2013. On rehearing, FERC, in a May 15, 2014 order, conditionally accepted in part and rejected in part MISO's proposed Tariff revisions and accepted MidAmerican and American Transmission's proposed Tariff revisions. It also directed MISO to submit an additional compliance filing, which was submitted by July 14, 2014. Requests for rehearing or reconsideration of the May 15 order were submitted on July 13, 2014. Agenda item E-17 may be an order on the second compliance filing and/or the requests for rehearing or reconsideration of the May 15 order.

**E-18 PJM Interconnection, L.L.C.; Public Service Electric and Gas Company; Pennsylvania Electric Company (Docket Nos. ER13-198 et seq.; ER13-90-004):**

PJM Interconnection L.L.C (PJM) submitted revisions to its OATT and Operating Agreement to comply with Order No. 1000 on October 11, 2012. By a March 22, 2013 order, FERC accepted the revisions but directed PJM to submit an additional compliance filing. On rehearing, FERC accepted the revisions as required by the compliance order on May 15, 2014, but again requested an additional compliance filing. A timely request for rehearing or reconsideration of the May 15 Order was made by the Illinois Commerce Commission on June 13, 2014. Agenda item E-18 may be an order on the request for rehearing or reconsideration.

**E-20: NM Neptune, LLC (Docket No. EL14-83-000):**

On July 14, 2014, NM Neptune, LLC (NM Neptune) filed a petition for a declaratory order disclaiming jurisdiction over NM Neptune. Previously, NM Neptune acquired 25 percent of Class C non-managing membership interests in Neptune Regional Transmission System, LLC, a merchant transmission owner with negotiated rate authority, and obtained authorization under FPA Section 203(a)(1)(A) with regard to that acquisition. However, NM

Neptune filed the instant petition to clarify any uncertainty with respect to its status as a "public utility." Agenda item E-20 may be an order on the petition for a declaratory order.

## Gas Items

**G-1: Transwestern Pipeline Company, LLC (Docket No. RP15-23-000):**

On October 1, 2014, Transwestern Pipeline Company, LLC (Transwestern) submitted a rate case pursuant to Section 4 of the Natural Gas Act, and on October 30, 2014, the Commission accepted Transwestern's proposed usage rates, subject to refund. Numerous shippers filed requests for rehearing of the Commission's October 30, 2014 order. Among other things, shippers argued that the Commission should have rejected Transwestern's use of Adjusted Single Fixed Variable rate design. Agenda item G-1 may be an order on the shippers' request for rehearing.

## Hydro Items

**H-1: KC Pittsfield, LLC (Docket No. P-14512-001):**

On April 18, 2013, KC Pittsfield, LLC RC filed and revised on May 6, 2013 an application for a preliminary permit to study the feasibility of developing the proposed Old Cow Creek Open-Channel Turbines Hydro Project No. 14512 located in Whitmore, California, Shasta County within and adjacent to Pacific Gas and Electric Company's (PG&E) Kilarc-Cow Creek Hydroelectric Project No. 606 (Kilarc Project). Several parties filed motions to intervene and comments. On April 15, 2014, PG&E filed a Motion to Intervene and Protest arguing that the developments proposed in KC's permit applications may utilize existing works that are licensed as part of PG&E's Kilarc Project or the same water resources as the Kilarc Project. On November 4, 2014, the Commission dismissed KC's preliminary permit application on the basis that it will not issue preliminary permits for projects proposed to be located on, and use, structures that are or may be a part of a surrender or relicensing proceeding. KC requested rehearing of the Commission's November 4, 2014 order. Agenda item H-1 may be an order on the request for rehearing.

**H-2: New Summit Hydro, LLC (Docket No. P-14612-001):**

On April 1, 2014, New Summit Hydro, LLC filed an application for a preliminary permit to study the feasibility of the proposed New Summit Pumped Storage Project No. 14612 in Norton, North Carolina, Summit and Medina Counties. Several parties filed motions to intervene, protests and comments. On October 16, 2014, the Commission granted New Summit Hydro's application for a preliminary permit. On November 14, 2014, Summit Metro Parks (Metro Parks) filed a request for rehearing of the Commission's October 16, 2014 order. Agenda item H-2 may be an order on the request for rehearing.



**H-3: Northern States Power Company (Docket No. P-2610-10):**

On December 22, 1989, the Commission issued a minor license to Northern States Power Company (Northern States) for the 1.5 MW Saxon Falls Project for a period of 30 years, terminating December 31, 2019. Five years later, on January 19, 1995, the Commission issued a major license to Northern States for the 1.65 MW Superior Falls Project, located 3.5 miles downstream of the Saxon Falls Project, for a period of 30 years, terminating December 31, 2024. On July 18, 2014, Northern States filed a request to extend its license for the Saxon Falls Project by five years to December 31, 2024 to coordinate the expiration of its two licenses, which request was granted on November 6, 2014. A request for rehearing of the Commission's November 6, 2014 order was filed by an intervenor. Agenda Item H-3 may be an order on the request for rehearing.

**H-4: Green Energy Storage Corporation (Docket No. P-14613-001):**

On October 29, 2014, the Commission granted Green Energy Storage Corporation's (Green Energy Storage) April 3, 2014 (as revised on May 13 and June 18, 2014) application for a preliminary permit to study the feasibility of the Weed Heights Pumped Storage Project No. 14613 to be located off-stream near Yerington in Lyon County, Nevada. A request for rehearing of the October 29 order was filed by an intervenor. Agenda Item H-4 may be an order on the request for rehearing.

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