

FERC

Meeting Agenda Summary

In this issue...

- Electric Items
 - Gas Items
 - Hydro Items
 - Certificate Items
-

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Below are brief summaries of the agenda items for the Federal Energy Regulatory Commission's July 18, 2019 meeting, pursuant to the agenda as issued on July 11, 2019. Agenda items E-12, E-17, and E-18 have not been summarized due to omission from the agenda.

Electric

E-1 – Data Collection for Analytics and Surveillance and Market-Based Rate Purposes (Docket No. RM16-17-000). On July 21, 2016, the Commission issued a notice of proposed rulemaking (July 2016 NOPR) proposing revisions to its regulations to enable the collection of data for analytics and surveillance purposes from market-based rate (MBR) sellers and other entities holding financial transmission rights or trading virtual products. The revisions proposed in the July 2016 NOPR include new reporting requirements regarding legal and financial connections to other entities, which the Commission states will assist in analytics and surveillance efforts. The July 2016 NOPR also proposes, *inter alia*, a reduction in the scope of ownership information that MBR sellers must provide and a reduction to the information required in asset appendices. Numerous entities submitted comments on the July 2016 NOPR. Agenda item E-1 may be an order on the July 2016 NOPR.

E-2 – Refinements to Horizontal Market Power Analysis for Sellers in Certain Regional Transmission Organization and Independent System Operator Markets (Docket No. RM19-2-000). On December 20, 2018, the Commission issued a notice of proposed rulemaking (December 2018 NOPR) proposing revisions to the horizontal market power analysis required for obtaining or maintaining MBR authority in certain Regional Transmission Organization (RTO) and Independent System Operator (ISO) markets and submarkets. The December 2018 NOPR, *inter alia*, proposed to remove the requirement to submit indicative screens for certain RTO/ISO markets with RTO/ISO administered energy, ancillary services, and capacity markets subject to Commission-approved RTO/ISO monitoring and mitigation. Further, the December 2018 NOPR proposed that MBR sellers whose MBR authority is limited to sales of energy and/or ancillary services, would not need to submit

indicative screens for RTOs and ISOs lacking their own RTO/ISO-administered capacity market. Agenda item E-2 may be an order on the December 2018 NOPR.

E-3 – Interlocking Officers and Directors; Requirements for Applicants and Holders (Docket No. RM18-15-001). On February 21, 2019, the Commission issued Order No. 856, which amended and clarified the Commission's regulations related to interlocking officers and directors. On March 25, 2019, El Paso Electric Company (EPE) requested clarification, and in the alternative, rehearing of Order No. 856. EPE's request, *inter alia*, sought clarification regarding past grants of case-specific authorizations for certain interlocking positions that no longer require Commission authorization as a result of statutory changes made to the Federal Power Act in 1999. Agenda item E-3 may be an order on EPE's request for clarification and or rehearing.

E-4 – North American Natural Resources, Inc. (Docket No. QF18-452-000). On January 29, 2017, North American Natural Resources, Inc. (North American) filed a Form 556 notice of self-certification of qualifying small power production facility status for the Southeast Berrien Generating Station (the Plant) located in Niles, Michigan. Prior to this date, North American operated the Plant without a Form 556 on file and did not have a market-based rate tariff or cost-of-service tariff to govern the rates, terms, and conditions of certain power sales made to the City of Holland Board of Public Works (Holland). On February 22, 2018, North American filed a self-report with the Commission's Office of Enforcement (Enforcement), which resulted in an agreement with Enforcement to refund money to Holland for North American making wholesale sales to Holland at rates not authorized by the Commission. On November 21, 2018, as later supplement on November 26, 2018, North American filed its initial refund report. The November refund report filings were withdrawn by North American on December 14, 2018. On December 21, 2019, North American filed a refund report claiming it paid Holland to resolve its Enforcement self-report. On January 14, 2019, Holland filed a protest of North American's refund report, seeking additional refunds. Agenda item may be an order addressing North American's refund to Holland.

E-5 – Western Area Power Administration (Docket No. NJ19-10-000). On April 1, 2019, the Western Area Power Administration (WAPA) submitted revisions to its non-jurisdictional Open Access Transmission Tariff (OATT) (April Filing). WAPA's April Filing also petitioned the Commission for a declaratory order finding that the proposed OATT revisions (1) substantially conformed to or were superior to the Commission's *pro forma* OATT and (2) satisfied the requirements for reciprocity status. WAPA also stated, *inter alia*, that the purpose of its April Filing was to modify its large generator interconnection agreement and also modify its small generator interconnection procedures and agreement to address previous Commission orders. Agenda item E-5 may be an order on WAPA's April Filing.

E-6 – Duke Energy Carolinas, LLC, Duke Energy Progress, LLC, and Duke Energy Florida, LLC (Docket No. ER19-1876-000). On May 15, 2019, Duke Energy Carolinas, LLC, Duke Energy Progress, LLC, and Duke Energy Florida, LLC (the Duke Southeast Companies) filed a petition for waiver of certain provisions of their Joint Open Access Transmission Tariff to address certain implications of the Tax Cuts and Jobs Act on updates to their formula transmission rates. Agenda item E-6 may be an order on the Duke Southeast Companies' waiver request.

E-7 – Lackawanna Energy Center LLC (Docket No. ER18-2370-001). On August 31, 2018, pursuant to section 205 of the FPA, Lackawanna Energy Center LLC (Lackawanna) filed a new rate schedule to provide reactive supply and voltage control in accordance with Schedule 2 of the PJM Interconnection LLC (PJM) Open Access Transmission Tariff. On October 29, 2018, the Commission issued an order accepting Lackawanna's proposed rate schedule for filing, to become effective on October 1, 2018, and instituted hearing and settlement judge procedures. On April 23, 2019, Lackawanna filed an offer of settlement comprehensively resolving all issues that were set for settlement. On May 24, 2019, the presiding administrative law judge issued an order certifying the offer of settlement as uncontested and recommending the Commission approve the offer of settlement. Agenda item E-7 may be an order on Lackawanna's offer of settlement.

E-8 – Quilt Block Wind Farm LLC (Docket No. ER19-585-001). On December 18, 2018, pursuant to section 205 of the FPA, Quilt Block Wind Farm LLC (Quilt Block) submitted a new rate schedule proposing to provide reactive supply and voltage control service in accordance with Schedule 2 of the PJM Open Access Transmission Tariff. On February 15, 2019, the Commission issued an order accepting the proposed rate schedule, suspending it for a nominal period, to become effective March 1, 2019, subject to refund, and set the filing for hearing and settlement judge procedures. On May 10, 2019, Quilt Block submitted an offer of settlement. On June 11, 2019,

the presiding administrative law judge issued an order certifying the offer of settlement as uncontested and recommending the Commission approve the offer of settlement. Agenda item E-8 may be an order on Quilt Block's offer of settlement.

E-9 – Invenergy Nelson LLC (Docket No. ER19-266-001). On November 1, 2018, pursuant to section 205 of the FPA, Invenergy Nelson LLC (Invenergy) filed a new rate schedule to provide reactive supply and voltage control service in accordance with Schedule 2 of the PJM Open Access Transmission Tariff. On December 31, 2018, the Commission issued an order accepting Invenergy's proposed rate schedule for filing, to become effective on December 1, 2018, and instituted hearing and settlement judge procedures. On April 25, 2019, Invenergy filed an offer of settlement comprehensively resolving all issues that were set for settlement. On May 30, 2019, the presiding administrative law judge issued an order certifying the offer of settlement as uncontested and recommending the Commission approve the offer of settlement. Agenda item E-9 may be an order on Invenergy's offer of settlement.

E-10 – PSEG Energy Resources & Trade LLC (Docket No. ER18-1222-005). On March 29, 2018, in accordance with a prior settlement agreement, PSEG Energy Resources & Trade LLC (PSEG ER&T) filed proposed tariff sheets with a rate schedule to provide reactive supply and voltage control service in accordance with Schedule 2 of the PJM Open Access Transmission Tariff for two newly constructed generation units owned by PSEG ER&T affiliates, Sewaren Urban Entity LLC and PSEG Keys Energy Center LLC. On July 9, 2018, the Commission issued an order accepting the proposed rate schedule for filing and instituting hearing and settlement judge procedures. On January 17, 2019, PSEG ER&T filed an offer of settlement comprehensively resolving all issues that were set for settlement. On February 28, 2019, the presiding administrative law judge issued an order certifying the offer of settlement as uncontested and recommending the Commission approve the offer of settlement. Agenda item E-10 may be an order on PSEG ER&T's offer of settlement.

E-11 – Northern Indiana Public Service Company LLC (Docket Nos. ER18-1737-002 & ER18-1737-004). On June 4, 2018, Northern Indiana Public Service Company LLC (NIPSCO) filed, pursuant to section 205 of the FPA an update to its currently effective rate schedule for reactive supply and voltage control capability for various NIPSCO generating units that provide reactive power to the Midcontinent Independent System Operator, Inc. (MISO) region. On September 7, 2018, the Commission issued an order accepting NIPSCO's proposed rate schedule for filing to become effective October 1, 2018, subject to refund, and established hearing and settlement judge procedures. On February 1, 2019, NIPSCO filed an offer of settlement comprehensively resolving all issues set for hearing. On March 13, 2019, the presiding administrative law judge issued an order certifying the offer of settlement as uncontested and recommending the Commission approve the offer of settlement. Agenda item E-11 may be an order on NIPSCO's offer of settlement.

E-12 – Omitted

E-13 – Pacific Gas and Electric Company (Docket Nos. ER14-2529-005, ER15-2294-004, ER16-2320-004). By orders dated September 30, 2014 (TO 16 Order), September 30, 2015 (TO 17 Order), and September 30, 2016 (TO 18 Order), the Commission, pursuant to section 219 of the Federal Power Act, granted Pacific Gas and Electric Company's (PG&E) 50 basis point return-on-equity (ROE) incentives for its membership in the California Independent System Operator Corporation (CAISO). In making its determinations, the Commission rejected California Public Utilities Commission (CPUC) arguments that PG&E should not be eligible for RTO participation incentives because California state law requires PG&E's participation in the CAISO. On appeal, the US Court of Appeals for the Ninth Circuit (Ninth Circuit) remanded the TO16 and TO17 Orders directing the Commission to determine whether PG&E could unilaterally decide to leave CAISO and whether an incentive adder could induce it to remain in CAISO. On February 2, 2018, PG&E submitted a motion to establish procedures on remand allowing interested parties to brief arguments relating to whether California law requires PG&E to participate in CAISO. On August 20, 2018, the Commission issued an order granting PG&E's motion, consolidating the three TO proceedings, and establishing a briefing schedule. Numerous parties submitted initial and reply briefs. Agenda item E-13 may be an order addressing the directive of the remand from the Ninth Circuit.

E-14 – Virginia Electric and Power Company, et. al. (Docket Nos. ER11-2774-003, ER12-303-003, ER11-2774-004). On February 8, 2019, as supplemented on May 15, 2019, Dominion Energy Services, Inc. (DES) provided notice to the Federal Energy Regulatory Commission (Commission) that it was extending a waiver of

separation of function requirements, related to market-based rate affiliate restrictions, it obtained to permit DES affiliates to continue shared fuel procurement arrangements (fuel procurement waiver) following the completion of the merger with SCANA Corporation in January of 2019. On June 7, 2019, DES provided notice to the Commission that it was relinquishing its fuel procurement waiver, specifically as that waiver applied to shared procurement personnel for natural gas, following a May 9, 2019 transaction in which it disposed of jurisdictional generation facilities. Agenda item E-14 may be an order addressing the notices of changes to the fuel procurement waiver.

E-15 – Gregory and Beverly Swecker v. Midland Power Cooperative and Central Iowa Power Cooperative, et. al.(EL18-48-002, QF11-424-007). On December 1, 2017, Gregory and Beverly Swecker (the Sweckers) filed, pursuant to section 210(h)(s) of the Public Utility Regulatory Policies Act of 1978 (PURPA) a petition seeking fast track enforcement of the PURPA against Midland Power Cooperative and Central Iowa Power Cooperative. On January 30, 2019, the Commission issued a Notice of Intent Not to Act declining to initiate an enforcement action. On January 31, 2019 the Sweckers submitted a request for clarification of the January 30 Order seeking greater specificity concerning the significance of the order. On March 1, 2018, the Commission declined the request for clarification reminding the Sweckers that petitioners seeking enforcement action from the Commission under PURPA may bring an action in the appropriate US District Court if the Commission does not act within 60 days of filing. On March 14, 2018, pursuant to Rule 713 of the Commission’s Rules of Practice and Procedure, the Sweckers requested rehearing of the March 1 Order. Agenda item E-15 may be an order responding to the request for rehearing.

E-16 – Consumers Energy Company, Interstate Power and Light Company, et. al. (Docket No. EL18-140-001). On April 20, 2018, pursuant to section 206 and 306 of the FPA, Consumers Energy Company, Interstate Power and Light Company, Midwest Municipal Transmission Group, Missouri River Energy Services, Southern Minnesota Municipal Power Agency, and WPPI Energy (collectively, Complainants) filed a complaint against three subsidiaries of ITC Holdings Corporation (ITC Holdings) – International Transmission Company (ITC Transmission), ITC Midwest, LLC (ITC Midwest), and Michigan Electric Transmission Company (METC) (collectively, the ITC Companies) asserting that ROE incentive adders previously granted to the ITC Companies for being independent stand-alone transmission companies were no longer just and reasonable due to a merger transaction. On October 18, 2018, the Commission issued an order partially granting the complaint whereby it reduced the independence incentive adder from 50 basis points to 25 basis points. On November 19, 2018, METC filed, pursuant to section 313 of the FPA and Rule 713 of the Commission’s Rules of Practice and Procedure, a request for rehearing of the October 18 Order. Agenda item E-16 may be an order responding to the request for rehearing.

E-17 – Omitted

E-18 – Omitted

E-19 – Public Citizen, Inc. v. Midcontinent Independent System Operator, Inc., et. al. (Docket Nos. EL15-70-000, EL15-71-000, EL15-72-000). On May 28, 2015, Public Citizen, Inc. (Public Citizen) filed a complaint against MISO pursuant to section 206 of the Federal Power Act (FPA) and Rule 206 of the Commission’s Rules of Practice and Procedure. On May 28, 2015, the People of the State of Illinois By Illinois Attorney General Lisa Madigan (Illinois Attorney General) filed a complaint against MISO pursuant to FPA sections 205, 206, and 222 and Rule 206 of the Commission’s Rules of Practice and Procedure. On May 29, 2015, Southwestern Electric Cooperative, Inc. (Southwestern) filed a complaint against MISO, Dynegy, Inc. (Dynegy), and all sellers of capacity into Zone 4 of MISO’s 2015/16 Auction pursuant to FPA sections 206, 222, and 306 and Rule 206 of the Commission’s Rules of Practice and Procedure. On June 30, 2015, Illinois Industrial Energy Consumers (Industrial Consumers) filed a complaint against MISO pursuant to sections 206, 222, and 306 of the FPA and Rule 206 of the Commission’s Rules of Practice and Procedure. The four complaints, filed in response to the results of the MISO 2015/2016 Planning Resource Auction for Local Resource Zone 4, alleged that the auction results were not just and reasonable and were the product of market manipulation and certain provisions of the MISO tariff that were no longer just and reasonable. On December 31, 2015, the Commission issued an order partially granting and partially denying the complaints finding that provisions in the MISO tariff associated with calculation Initial Reference Levels and Local Clearing Requirements were no longer just and reasonable for prospective application. Further, the Commission clarified that arguments raised in the complaints that were not

addressed were under consideration to be addressed in a future order. Agenda item E-19 may be an order addressing issues raised in the complaints that have not yet been addressed.

Gas

G-1 – Atmos Pipeline-Texas (Docket Nos. PR17-60-001, PR17-60-002). On August 31, 2017, Atmos Pipeline-Texas (APT) filed a revised statement of operating conditions and rates. APT sought to modify its rates to reflect the cost-of-service based rates approved in a prior proceeding at the Railroad Commission of Texas. APT filed a revision to its statement of operating conditions as a supplement to its initial filing. On May 1, 2018, the Commission issued a notice indicating a technical conference relating to this docket would be held on May 23, 2018. Two pipelines also operating within the state of Texas that provide intrastate transportation service (ONEOK WesTex Transmission, L.L.C. and DCP Guadalupe Pipeline LLC, respectively) filed post-conference comments opposing the application of “economic dispatch” to APT’s interruptible interstate transportation service. All three parties filed reply post-conference comments on July 3, 2018. Agenda item G-1 may be an order on the revised statement of operating conditions and modified rates as brought forward by APT, or setting the matter for evidentiary hearing procedures.

G-2 – Transcontinental Gas Pipe Line Company, LLC (Docket No. RP18-1126-001). On August 31, 2018, Transcontinental Gas Pipe Line Company, LLC (Transco) filed revised tariff records reflecting a general rate increase. Further, Transco proposes to include a new section in its tariff regarding an emissions reduction surcharge, which is a mechanism designed to recover the cost of its emission reduction program via an annual limited Natural Gas Act (NGA) section 4 filing. Transco asserts that the proposed rate increase is warranted due to commensurate increases in its operation and maintenance expenses, depreciation expenses, and return and related income taxes. A number of stakeholders filed motions to intervene, substantive comments, and protests. On September 28, 2018, the Commission issued an order accepting tariff records, subject to refund, and establishing settlement judge procedures. On October 26, 2018, The National Grid Gas Delivery Companies (National Grid) filed a request for rehearing in order to address certain issues it set forth previously including the service flexibility provided by Transco at a specific interconnect as well as its ability to provide an automated file upload system to its customers. Agenda item G-2 may be an order on the request for rehearing brought forward by National Grid.

Hydro

H-1 – Green Island Power Authority and Albany Engineering Corporation (Docket No. P-13-036). On October 3, 2018, the Commission issued an order finding that Green Island Power Authority (GIPA) and Albany Engineering Corporation (AEC) (collectively, Licensees) were in violation of the license for the Green Island Project and the Federal Power Act. In particular, the Commission concluded that the Licensees had contravened the provisions of the license by failing to commence construction of new and modified project works. On November 2, 2018, Licensees filed a request for rehearing of the October 3 compliance order issued by the Commission. Licensees assert that expanding the Project is infeasible and therefore an unreasonable judgement as rendered by the Commission in the order. In the alternative, the Licensees request that the Commission stay the license articles it finds GIPA and AEC out of compliance with, order a technical conference among the affected parties, and direct its staff to assist in settlement negotiations. Agenda item H-1 may be an order on the request for rehearing as brought forward by GIPA and AEC.

Certificates

C-1 – Gulf South Pipeline Company, LP (Docket No. CP18-525-000). On July 13, 2018, Gulf South Pipeline Company, LP (Gulf South) filed an abbreviated application for a Certificate of Public Convenience and Necessity (CPCN) pursuant to sections 7(c) and 7(e) of the NGA. Gulf South seeks authorization from the Commission to construct, operate, and maintain approximately 19 miles of natural gas pipeline and auxiliary facilities (the Willis Lateral Project) located by a proposed one gigawatt natural gas-fired combined cycle power plant in Willis, Texas. On March 4, 2019, the Commission issued the Environmental Assessment for the proposed Willis Lateral Project, finding that approval (with mitigating measures) would not constitute a major federal action significantly affecting the quality of the human environment. Agenda item C-1 may be an order on the CPCN application by Gulf South.

C-2 – Gulf South Pipeline Company, LP (Docket No. CP19-3-000). On October 9, 2018, Gulf South filed an abbreviated application for a Certificate of Public Convenience and Necessity (CPCN) pursuant to section 7(c) of the NGA. Gulf South seeks authorization from the Commission to construct, operate, and maintain two new compressor units and other auxiliary facilities which will be located adjacent to the Petal III Compressor Station in order to increase the injection capability and restate the withdrawal deliverability of the unit. On April 3, 2019, the Commission issued the Environmental Assessment for the proposed Petal III Compression Project, finding that approval (with mitigating measures) would not constitute a major federal action significantly affecting the quality of the human environment. Agenda item C-2 may be an order on the CPCN application by Gulf South.

C-3 – Texas Eastern Transmission, LP, Transcontinental Gas Pipe Line Company, LLC (Docket No. CP18-485-000); Texas Eastern Transmission, LP, Transcontinental Gas Pipe Line Company, LLC, Northern Natural Gas Company (Docket No. CP18-486-000); Texas Eastern Transmission, LP (Docket No. CP18-505-000). On May 17, 2018, Texas Eastern Transmission, LP (Texas Eastern), on behalf of itself and Transcontinental Gas Pipe Line Company, LLC (Transco) (collectively, the Majority Joint Owners) filed a joint abbreviated application pursuant to section 7(b) of the NGA. The application seeks Commission approval to abandon certain nonjurisdictional offshore gathering facilities, including a lateral line of approximately 20.5 miles and related metering and other facilities, located in federal waters in the Gulf of Mexico near Louisiana. On July 31, 2018, Arena Energy, LP (Arena), Fieldwood Energy, LLC (Fieldwood), Peregrine Oil & Gas II, LLC (Peregrine), Renaissance Offshore, LLC (Renaissance), and Tana Exploration Company, LLC (Tana) (collectively, the Producer Coalition) filed a joint motion to hold the proceeding in abeyance pending a decision in ongoing dockets regarding the jurisdictional status of the Texas Eastern lateral pipeline. The Producer Coalition asserts that since Texas Eastern has based its abandonment application on claims that the line is a non-jurisdictional gathering line, the Commission must hold this proceeding in abeyance until the issue has been resolved in Docket Nos. RP18-271-000 and RP17-811-002. On October 25, 2018, the Commission issued the Environmental Assessment for the Cameron System Abandonment Project, finding that approval (with mitigating measures) would not constitute a major federal action significantly affecting the quality of the human environment. Agenda item C-3 may be an order on the joint abbreviated application by the Majority Joint Owners to abandon the facilities or an order on the joint motion to hold in abeyance as brought forward by the Producer Coalition.

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