

# FERC

## Meeting Agenda Summary

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Below are brief summaries of the agenda items for the Federal Energy Regulatory Commission's December 17, 2015 meeting, pursuant to the agenda as issued on December 10, 2015. Agenda item E-2 has not been summarized due to omission from the agenda.

### Electric

**E-1 – Ownership Information in Market-Based Rate Filings (Docket No. RM16-3-000).** Agenda item E-1 may initiate a new proceeding for a notice of proposed rulemaking on ownership information in market-based rate filings.

#### **E-2 – Omitted**

**E-3 – California Independent System Operator Corporation (Docket No. ER15-861-006).** On August 19, 2015, pursuant to the Commission's "Order on Technical Conference" issued in Docket Nos. ER15-861 and EL15-53 on July 20, 2015, the California Independent System Operator Corporation (CAISO) submitted a filing to include in its tariff, enhancements to its Energy Imbalance Market (EIM). The enhancements are necessary to enable the EIM to automatically recognize and account for non-contingency reserve capacity that balancing authority areas participating in the EIM use to resolve power balance infeasibilities in their individual balancing authority areas. On October 21, 2015, the CAISO submitted another EIM tariff filing in response to the Commission's September 24, 2015, letter requesting additional information regarding the CAISO's EIM proposal. Numerous entities filed motions to intervene and comments. Agenda item E-3 may be an order on the CAISO's tariff filing.

**E-4 – Nevada Power Company (Docket No. ER15-1196-002).** On May 14, 2014, the Commission issued an order conditionally accepting proposed tariff revisions filed by Nevada Power Company and Sierra Pacific Power Company (collectively NV Energy), addressing NV Energy's participation in the EIM created by the CAISO. On June 15, 2015, Truckee Donner Public Utility District and Powerex Corp. filed requests for rehearing and/or clarification. Agenda item E-4 may be an order on the requests for rehearing and/or clarification.

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**E-5 – DCR Transmission, LLC (Docket No. ER15-102-000).** On September 14, 2015, DCR Transmission, LLC (DCR) filed a petition for declaratory order requesting authorization for certain incentive rate treatments for the Delaney Colorado River transmission line project (Project). The Project consists of a new, single-circuit 500-kilovolt, alternating current overhead transmission line approximately 114 miles in length, connecting the Delaney Substation in Arizona (currently under construction by Arizona Public Service Company) to the existing Colorado River Substation in California (owned by Southern California Edison), as more fully explained in DCR's petition. Numerous entities filed motions to intervene and comments. Agenda item E-5 may be an order on the petition for declaratory order.

**E-6 – California Independent System Operator Corporation (Docket No. EL14-22-000).** On March 20, 2014, the Commission initiated investigations under section 206 of the Federal Power Act (FPA) into the day-ahead scheduling practices of the regional transmission organizations and independent system operators to determine if they are just and reasonable. The Commission's investigation was also initiated to ensure that any necessary scheduling revisions correlate with any other revisions to the natural gas scheduling practices ultimately adopted by the Commission in Docket No. RM14-2-000. Numerous entities filed motions to intervene and comments. Agenda item E-6 may be an order on the Commission's section 206 investigation.

**E-7 – Southwest Power Pool, Inc. (Docket Nos. ER15-2377-000 & ER14-27-000).** On March 20, 2014, the Commission initiated investigations under section 206 of the Federal Power Act (FPA) into the day-ahead scheduling practices of the regional transmission organizations and independent system operators to determine if they are just and reasonable. The Commission's investigation was also initiated to ensure that any necessary scheduling revisions correlate with any other revisions to the natural gas scheduling practices ultimately adopted by the Commission in Docket No. RM14-2-000. On August 4, 2015, Southwest Power Pool, Inc. (SPP) filed proposed tariff revisions to modify the timeframes for its Day-Ahead Market and Day-Ahead Reliability Unit Commitment process and to demonstrate why further alignment of its Day-Ahead Market posting results with the natural gas pipeline Timely Nomination Cycle is not needed. Numerous entities filed motions to intervene and comments. Agenda item E-7 may be an order on the Commission's section 206 investigation and SPP's proposed tariff revisions.

**E-8 – Midcontinent Independent System Operator, Inc. (Docket Nos. ER15-2256-000 & EL14-25-000).** On March 20, 2014, FERC initiated an investigation into Independent System Operators' (ISOs) and Regional Transmission Organizations' (RTOs) scheduling practices to address increased reliance on natural gas for electricity generation and the resulting challenges related to coordination of the natural gas and electric industries. Pursuant to that order, FERC instituted a Federal Power Act (FPA) section 206 proceeding to ensure that the scheduling practices of each ISO and RTO correlate with revisions to the natural gas scheduling adopted by FERC. On July 23, 2015, the Midcontinent Independent System Operator, Inc. (MISO) submitted a compliance filing adjusting the time that results of MISO's day ahead energy market and reliability unit commitment processes will be posted. MISO requested an effective date of November 5, 2016 (for the Operating Day November 6, 2016). Agenda item E-8 may be an order on MISO's filing.

**E-9 – Midcontinent Independent System Operator, Inc. and ALLETE, Inc. (Docket No. ER16-118-000).** On October 19, 2015, ALLETE, Inc. (ALLETE) and MISO requested revision to the MISO Tariff to implement requested incentive rate treatment for ALLETE's transmission investment. ALLETE requested, under FPA section 219 and Order No. 679, recovery of 100% of Construction Work In Progress and prudently-incurred abandoned plant costs for its investment in the Great Northern Transmission Line, a to-be constructed 220 mile 500 kV transmission lines from the Minnesota-Manitoba (Canada) border to an ALLETE's substation near Grand Rapids, Minnesota. Agenda item E-9 may be an order on the rate filing.

**E-10 – Midcontinent Independent System Operator, Inc. (Docket No. ER15-548-001).** On May 18, 2015, FERC issued an order regarding MISO's requested waivers and compliance with the latest version of the Standards for Business Practices and Communication Protocols for Public Utilities adopted by the North American Energy Standards Board (NAESB) and incorporated by reference into FERC regulations. MISO filed a request for clarification or, in the alternative, rehearing. MISO argued that it is currently unable to comply with certain FERC requirements related to redirect services until its OASIS vendor implements the required OASIS functionality and requested that FERC clarify that it will not be subject to any adverse enforcement action on this issue until its OASIS software is able to be updated. Agenda item E-10 may be an order on MISO's request for clarification or, in the alternative, rehearing.

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**E-11 – Midwest Independent Transmission System Operator, Inc. (Docket Nos. ER12-2302-002 & ER12-2302-003).** On December 18, 2012, MISO submitted proposed revisions to its Tariff to comply with the requirements of the Commission's September 21, 2012 order regarding the treatment of System Support Resources (SSR). MISO's December 18, 2012 filing proposed, among other things, to use reasonable efforts to respond to a resource owner that submitted an Attachment Y Notice, which is required for market participants that have decided to retire or suspend a generation resource or SCU, within 75 days regarding whether the resource is needed for system reliability and may qualify as an SSR. On July 22, 2014, the Commission conditionally accepted MISO's Tariff revisions, subject to an additional compliance filing. On August 21, 2014, MISO and Wisconsin Electric Power Company separately submitted requests for rehearing of the July 22, 2014 order. On September 19, 2014, MISO submitted its compliance filing. Agenda item E-11 may be an order on rehearing of the July 22, 2014 Order and MISO's September 19, 2014 compliance filing.

**E-12 – PJM Interconnection, LLC and Potomac-Appalachian Transmission Highline, L.L.C. (Docket Nos. ER12-2708-002 & ER09-1256-001 (Consolidated)).** On June 5, 2013, the Commission set for hearing a series of issues that pertain to the abandonment costs of the Potomac-Appalachian Transmission Highline (PATH) Project. The two consolidated dockets that comprised the proceeding were ER12-2708-003, which concerns the PATH Companies' section 205 filing for recovery of the abandonment costs, and ER09-1256-002, which concerned the series of annual update formal challenges involving the accounting and recovery of certain costs through the PATH Companies' formula rate. The hearing commenced on March 24, 2015, and concluded on April 22, 2015, and on September 14, 2015 an initial decision was issued. Agenda item E-12 may be a Commission order on the initial decision.

**E-13 – Entergy Services, Inc. (Docket No. ER10-1350-001).** On May 27, 2010, Entergy filed rates pursuant to Service Schedule MSS-3 of the Entergy System Agreement (Service Schedule MSS-3), implementing the Commission's decisions in Opinion Nos. 480 and 480-A relating to the annual calculation of payments and receipts under the Service Schedule MSS-3 "bandwidth formula." The Commission initially set Entergy's 2010 Bandwidth Filing for hearing and settlement judge proceedings by order issued on July 23, 2010, but held this proceeding in abeyance until certain issues that were pending before the Commission in various preceding bandwidth proceedings reached final Commission determinations. The hearing was held on March 26-28, 2014. The Presiding Judge issued his initial decision on September 19, 2014. Agenda item E-13 may be a Commission order on the initial decision.

**E-14 – Southern California Edison Company (Docket No. RC15-1-000).** On April 15, 2015, Southern California Edison Company (SoCal Edison) filed an application for a factual determination that indicated 115kV facilities are used in local distribution. SoCal Edison's application seeks to establish that (1) certain SoCal Edison 115 kV facilities are not part of the Bulk Electric System, in accordance with Commission precedent, and (2) SoCal Edison has appropriately sought to exempt these facilities from the Bulk Electric System by filing the instant application. Agenda item E-14 may be an order on SoCal Edison's application.

**E-15 – Louisiana Public Service Commission v. Entergy Corporation, Entergy Services, Inc., Entergy Louisiana, LLC, Entergy Arkansas, Inc., Entergy Mississippi, Inc., Entergy New Orleans, Inc., Entergy Gulf States Louisiana, L.L.C. & Entergy Texas, Inc. (Docket No. EL10-65-004).** On August 4, 2010, the Commission issued an order setting issues related to the Entergy System Agreement raised in a complaint filed by the Louisiana Public Service Commission (LPSC) for hearing and settlement judge procedures. The August 4, 2010 order also held those procedures in abeyance pending the outcome of a number of related proceedings. On December 18, 2014, FERC directed, among other things, reinstatement of hearing and settlement judge procedures concerning (1) inclusion of Waterford 3 generating plant Accumulated Deferred Income Tax (ADIT) in the bandwidth formula; (2) direct assignment of ADIT; and (3) exclusion of interruptible load from the bandwidth formula, should the LPSC wish to pursue it. On January 20, 2014, Entergy and the LPSC separately filed requests for rehearing of the December 18, 2014 order. Agenda item E-15 may be an order on rehearing of the December 18, 2014 order.

**E-16 – Shell Energy North America (US), L.P. v. California Independent System Operator Corporation (Docket No. EL15-94-000).** On August 24, 2015, Shell Energy North America (Shell) filed a complaint pursuant to FPA Sections 306 and 206 against CAISO. CAISO operates on a 36-month settlement and invoicing cycle and its Tariff imposes deadlines for disputing each settlement statement. Shell alleges that CAISO improperly invoiced unavailability penalties to Shell under CAISO's standard capacity product. CAISO admitted that the settlement charges were erroneous, but Shell did not meet the Tariff deadline to dispute these charges. Shell's complaint requests that the Commission (1) require CAISO to correct Shell's CAISO invoice and settlement statement for trade month August 2010 and refund improper charges and (2) find

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Section 11.29.8.4.6 of the CAISO Tariff, which limits the time for a Scheduling Coordinator to raise invoice disputes to five (5) business days, is unjust and unreasonable. Agenda item E-16 may be an order on Shell's complaint.

## Gas

**G-1 – Five-Year Review of the Oil Pipeline Index (Docket No. RM15-20-000).** On June 30, 2015, FERC issued a notice of inquiry regarding its proposed five-year review of the index level used to determine annual changes to oil pipeline rate ceilings. FERC proposed an index level for the five-year period commencing July 1, 2016 between the Producer Price Index for Finished Goods (PPI-FG)+2.0% and PPI-FG+2.4%. Numerous parties filed initial and reply comments. Agenda item G-1 may be an order on the notice of inquiry.

## Hydro

**H-1 – Alabama Power Company (Docket No. P-349-173).** On June 8, 2011, Alabama Power Company (Alabama Power) submitted an application to relicense its existing 182.5 MW Martin Dam Hydroelectric Project on Tallapoosa River in Alabama. On April 2, 2015, FERC Staff issued a Final Environmental Impact Statement, recommending that the project be relicensed (with some suggested modifications to Alabama Power's proposal). Agenda item H-1 may be an order on Alabama Power's relicensing application.

**H-2 – Appalachian Power Company (Docket No. P-2210-252).** An individual alleged that Appalachian Power Company (Appalachian Power) is in violation of its license requirements for the Smith Mountain Pumped Storage Project due to certain property rights issues. On July 10, 2015, FERC issued a letter order finding no instances of non-compliance by Appalachian Power. The individual submitted a request for rehearing. Agenda item H-2 may be an order on the request for rehearing.

## Certificates

**C-1 – Trunkline Gas Company, LLC (Docket No. CP14-119-000); Lake Charles LNG Export Company, LLC and Lake Charles LNG Company, LLC (Docket No. CP14-120-000); Lake Charles LNG Company, LLC (Docket No. CP14-122-000).** On March 25, 2014, under Docket No. CP14-119-000, Trunkline Gas Company (Trunkline Gas) submitted an application pursuant to Section 7(b) and 7(c) of the Natural Gas Act (NGA) for a Certificate of Public Convenience and Necessity to construct and install new interstate natural gas pipeline and associated facilities, to remediate certain existing pipeline, and to modify or abandon certain compression and metering stations. The modification project would provide 3,100,000 Dth/day of firm transportation service to be delivered to certain liquefaction facilities being constructed in the Louisiana Gulf Coast region. On April 24, 2014, Laclede Gas Company filed a protest and requested FERC hold a technical conference. In addition, under Docket No. CP14-120-000, Lake Charles LNG Export, LLC and Lake Charles LNG Company, LLC (collectively, Lake Charles LNG) submitted an application pursuant to Section 3 of the NGA to site, construct, and operate new natural gas liquefaction facilities located near Lake Charles, Louisiana, and to modify an existing LNG terminal. The proposed Lake Charles facilities will have the capability to liquefy and export domestically produced natural gas. Lastly, under Docket No. CP14-122-000, Lake Charles LNG submitted an application pursuant to Section 7(b) and Section 3 of the NGA requesting Commission authorization to abandon certain LNG facilities previously certified under NGA Section 7, abandonment of certain services provided under its FERC Gas Tariff, cancellation of its FERC Gas Tariff, and authorization to operate all of its LNG facilities under Section 3 of the NGA. Agenda item C-1 may be an order regarding the requested authorizations related to the proposed Lake Charles LNG facilities.

**C-2 – American Midstream (Midla), LLC (Docket No. CP15-523-000).** On June 29, 2015, American Midstream (Midla), LLC (Midla) submitted an application pursuant to Section 7(c) of the NGA for a Certificate of Public Convenience and Necessity to construct, own, and operate approximately 52 miles of natural gas pipeline traversing portions of Louisiana and Mississippi. The application was submitted in accordance with a Commission-approved settlement between Midla and several of its customers concerning abandonment of certain existing Midla facilities. On November 6, 2015, FERC issued an Environmental Assessment Report regarding the proposed facilities. Agenda item C-2 may be an order regarding Midla's application.

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**C-3 – National Fuel Gas Supply Corporation (Docket No. CP14-501-000).** On June 13, 2014, National Fuel Gas Supply Corporation (National Fuel) submitted an application pursuant to Section 7(c) of the NGA for a Certificate of Public Convenience and Necessity to revise the reservoir and buffer boundaries of three underground natural gas storage fields located in Pennsylvania and New York. Agenda item C-3 may be an order regarding National Fuel's application.

**C-4 – Texas Eastern Transmission, LP (Docket No. CP15-90-000).** On February 19, 2015, Texas Eastern Transmission LP (Texas Eastern) submitted an application pursuant to Section 7(c) of the NGA for a Certificate of Public Convenience and Necessity and related authorization for its Gulf Market Expansion Project. Specifically, Texas Eastern requested authorization to construct facilities that will enable Texas Eastern to provide 650,000 Dth/day of firm transportation service, rolled-in rate treatment, and any necessary waivers to implement its proposed modifications. On March 25, 2015, a group of shippers consisting of ConocoPhillips Company, Direct Energy Business Marketing, LLC, ExxonMobil Gas & Power Marketing Company, Shell Energy North America (U.S.), LP and SWEPI LP (collectively, Indicated Shippers) submitted comments requesting the Commission condition any rolled-in rate determination on the absence of a significant change in circumstances when Texas Eastern seeks rolled-in rate treatment in any future rate proceeding and that Texas Eastern be required to demonstrate there was no significant change in circumstances in such a proceeding. Texas Eastern filed an answer requesting the Commission deny Indicated Shippers' request. Agenda item C-4 may be an order regarding Texas Eastern's application.

**C-5 – Kern River Gas Transmission Company (Docket No. CP15-132-000).** On March 26, 2015, Kern River Gas Transmission Company (Kern River) submitted an application pursuant to Section 7(c) of the NGA for authorization to replace and operate approximately 1.56 miles of natural gas pipeline near Las Vegas, Nevada. The replacement project is to replace the existing pipeline with a thicker-walled pipe in order to meet US Department of Transportation design and integrity requirements. Agenda item C-5 may be an order regarding Kern River's application.

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