Regulatory & Compliance / Power / Project Finance



## **Meeting Agenda Summary**

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Below are brief summaries of the agenda items for the Federal Energy Regulatory Commission's June 21, 2018 meeting, pursuant to the agenda as issued on June 14, 2018. Item G-1 has not been summarized due to omission from the agenda.

## **Electric**

E-1 – Ameren Illinois Company, Ameren Transmission Company of Illinois, American Transmission Company, LLC, GridLiance West Transco LLC, International Transmission Company, ITC Midwest, LLC, Northern States Power Company, a Minnesota corporation, Northern States Power Company, a Wisconsin corporation, Public Service Company of Colorado, Southern California Edison Company, TransCanyon DCR, LLC, Southwestern Public Service Company, Virginia Electric and Power Company. (Docket Nos. EL18-155-000, EL18-156-000, EL18-157-000, EL18-158-000, EL18-159-000, EL18-160-000, EL18-161-000, EL18-161-000, EL18-163-000, EL18-163-000, EL18-165-000, EL18-166-000, EL18-167-000). Agenda item E-1 may be an order instituting a new proceeding involving the above-captioned entities.

**E-2 – Great River Energy (Docket Nos. EL18-45-000, EL17-33-000).** On January 5, 2018, the Commission issued an order (January Order) pursuant to section 206 of the Federal Power Act (FPA), instituting an investigation into whether Great River Energy's cost-based revenue requirements for providing reactive power from a number of its generating units located in the Midcontinent Independent System Operator, Inc. (MISO) balancing authority area may be unjust and unreasonable. The January Order instituted hearing and settlement judge procedures, which occurred over the following months. On May 9, 2018, the proceeding's settlement judge certified an uncontested offer of settlement to the Commission, which if approved, would resolve all issues in the proceeding. On May 14, 2018, the chief administrative law judge issued an order terminating settlement judge procedures. Agenda item E-2 may be an order on the uncontested offer of settlement.

**E-3 – Midcontinent Independent System Operator, Inc. (Docket No. EL18-17-000).** On October 19, 2017, the Commission issued an order pursuant to section 206 of the FPA, instituting an investigation in to whether the MISO Open Access Transmission, Energy and Operating Reserve Markets Tariff may be unjust, unreasonable,

unduly discriminatory or preferential because of inconsistencies between Section 4.4.4 of MISO's Generator Interconnection Procedures and Article 2.3.1 of MISO's pro forma Generator Interconnection Agreement. Agenda item E-3 may be an order on the Commission's section 206 investigation.

- **E-4 CPV Maryland, LLC, CPV Shore, LLC, CPV Towantic, LLC, CPV Valley, LLC (Docket Nos. ER13-343-008 ER13-342-012 ER16-700-001 ER16-701-001).** On June 30, 2017, the above-named entities (collectively, the CPV MBR Sellers) submitted their triennial market power update for the Northeast region as required by market-based rate authorization rules and regulations of the Commission. The CPV MBR Sellers submitted supplements to the June 30 filing on October 18, 2017 and on February 2, 2018, respectively, addressing the upstream ownership of certain equity interests. Agenda item E-4 may be an order on the CPV MBR Sellers triennial filing, as supplemented.
- E-5 GridLiance West Transco LLC (Docket No. ER17-706-002). On December 30, 2016, GridLiance West Transco LLC (GridLiance West), pursuant to Section 205 of the Federal Power Act (FPA), submitted its Transmission Owner Tariff, including formula rate template and implementation protocols (collectively, the TO Tariff). On February 24, 2017, the Commission issued an order accepting GridLiance West's TO Tariff and setting the TO Tariff and projected cost of service for hearing and settlement judge procedures. On March 14, 2018, following settlement discussions, the parties reached a settlement and filed a request to the presiding administrative law judge to certify the settlement as uncontested. On April 30, 2018, the presiding administrative law judge issued an order certifying the settlement as uncontested and recommending the settlement be approved by the Commission. Agenda item E-5 may be an order on the GridLiance West settlement agreement.
- **E-6 California Independent System Operator Corporation (Docket No. ER18-1169-000).** On March 23, 2018, the California Independent System Operator Corporation (CAISO), pursuant to section 205 of the FPA, submitted proposed amendments to its Open Access Transmission Tariff (CAISO Tariff) to permit use-limited resources to reflect opportunity cost in their bids to provide additional flexibility regarding alternative resource characteristics to manage contract limits. Numerous parties intervened and/or filed protests, including from the CAISO independent market monitor who requested FERC reject the proposed amendments. Agenda item E-6 may be an order on the proposed revisions to the CAISO Tariff.
- E-7 PJM Interconnection, LLC (Docket No. ER16-372-003, ER16-372-004, ER16-372-005). On June 9, 2015, the Commission issued an order rejecting a complaint of Duke Energy and initiating a new proceeding holding that PJM's OATT and Operating Agreement may be unjust and unreasonable because the OATT and Operating Agreement do not appear to allow market participants to submit day-ahead offers that vary by hour and do not appear to allow market participants to update their offers in real time, including during emergency situations. PJM subsequently submitted a report on July 10, 2015 where it agreed that its OATT and Operating Agreement should allow market participants to submit hourly offers. After working through its stakeholder process, PJM submitted its first compliance filing in the proceeding on November 20, 2015. On June 17, 2016, after a round of requests and responses from PJM, the Commission found that PJM's OATT was not just and reasonable and rejected the November 20, 2015 citing its lack of necessary detail. On August 16, 2016, PJM filed revisions to its OATT and Operating Agreement in compliance with the June 2016 Order to revise certain elements of its market rules to detail a Fuel Cost Policy review and approval process, and to provide market sellers greater flexibility to submit offers throughout the Operating Day. On February 3, 2017, the Commission accepted the August 16 Filing and ordered PJM to make certain changes through a compliance filing, within thirty days of the date of the order. On March 6, 2017, PJM submitted a request for clarification and a separate compliance filing to satisfy the requirements of the February 2017 Order. Agenda item E-7 may be an order addressing the request for clarification and/or the tariff revisions proposed in PJM's compliance filing.
- **E-8 Public Service Company of Colorado, et. al. (Docket No. ER13-75-012; et. al.).** On December 18, 2017, the public utility transmission owning members of the WestConnect Order No. 1000 planning region submitted a request for rehearing of the Commission's Order on Remand responding to the remand from the United States Court of Appeals for the Fifth Circuit directing the Commission to demonstrate through evidence how compliance orders permitting non-public utilities to plan for their transmission needs through the Order No. 1000 planning processes, while allowing them to opt out of transmission cost allocation for the resulting projects, is just and reasonable. In the request for rehearing the public utility transmission owning members of the WestConnect Order No. 1000 planning region assert, inter alia, that the Commission failed to adequately justify its decision to retain

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an uncoupled regional planning and cost allocation scheme for non-public utilities. Agenda item E-8 may be an order addressing the request for rehearing.

**E-9 – San Diego Gas & Electric (Docket No. ER18-1360-000).** On April 12, 2018, San Diego Gas & Electric Company (SDG&E) filed, pursuant to section 205 of the FPA, a request for a limited, one-time waiver of section 11.2 of Appendix DD: Generator Interconnection and Deliverability Allocation Procedures of the California Independent System Operator Corporation's Tariff. SDG&E states that it submits the request to avoid a requirement that SDG&E, in its capacity as interconnection customer, post interconnection financial security to itself, in its capacity as transmission owner, for the interconnection of its Top Gun Energy Storage Project. Agenda item E-9 may be an order addressing the request for waiver by SDG&E.

## Gas

### G-1 - Omitted

G-2 – CCPS Transportation, LLC (Docket No. OR18-18-000). On March 16, 2018, CCPS Transportation, LLC (CCPS) filed a Petition for Declaratory Order, requesting the Commission to confirm the proposed capacity allocation and rate structure for its Spearhead Pipeline. The request originates from a planned re-contracting of a portion of capacity on the pipeline, therefore CCPS is seeking the Commission to grant certainty for firm shippers to enter into contracts. CCPS proposes to re-contract the Transportation Service Agreements (TSA) that are scheduled to expire in 2019 through a competitive and transparent process. Agenda item G-2 may be an order on the Petition for Declaratory Order submitted by CCPS.

G-3 – Andeavor Field Services, LLC v. Mid-American Pipeline Company, LLC and Enterprise Products Operating LLC (Docket No. OR18-15-000). On February 27, 2017, Andeavor Field Services, LLC (Andeavor) filed a Complaint against Mid-America Pipeline Company, LLC (MAPL) and Enterprise Products Operating LLC (Enterprise, and collectively, the Respondents). Andeavor alleges that, on the Enterprise-owned MAPL system (an approximately 8,109-mile natural gas liquids pipeline in the Mountain West and Texas), MAPL has misrepresented the nature of a TSA addressed by a declaratory order from the Commission in 2011. Stemming from the claim that MAPL improperly imposed a ship-or-pay obligation on uncommitted shippers on existing capacity, Andeavor has operated at a loss since November 2017. Andeavor alleges that this diversion of shipments has disrupted its business relationships. On March 28, 2018, the Chief Judge issued an order adopting a protective order for documents exchanged in the proceeding and waived the answer period. The Respondents submitted a Joint Answer to the Complaint on March 29, 2018, stating that Andeavor had entered into a TSA in 2011 that would support the Respondents' expansion of its Rocky Mountain Pipeline system. In the Joint Answer, the Respondents indicate that Andeavor had agreed to ship a certain volume on the pre-expansion capacity prior to receiving credit for its volume on the expansion project. In June 2017, Andeavor did not continue to fulfill its obligations. The Respondents also assert that the Commission should decline to exercise its primary jurisdiction in this proceeding. Agenda item G-3 may be an order on the Complaint brought forward by Andeavor.

# **Hydro**

H-1 – Contoocook Hydro, LLC (Docket No. P-4253-003). Agenda item H-1 may establish a new sub-docket relating to the Bell Mill project owned and operated by Contoocook Hydro, LLC.

H-2 – Northern Indiana Public Service Company, LLC (Docket No. P-12514-074). On October 2, 2014, Northern Indiana Public Service Company, LLC (NIPSCO) submitted a request for Commission approval to modify the definition of "abnormal river conditions" in the license for its Norway-Oakdale Hydroelectric Project. Namely, since the issuance in 2007, changes to the Endangered Species Act and new data compel NIPSCO to request that low flow contingencies now be designated as abnormal conditions (initially defined as "conditions under which the licensee [NIPSCO] may operate the reservoirs with a greater range of surface elevation"). A large volume of comments opposing the request were submitted to the Commission, most from the general public concerned about changes to the water levels of the lake. Following the comment period, the Commission solicited supplemental information from NIPSCO and participating agencies. On November 10, 2016, the Commission

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issued the Final Environmental Assessment, finding no significant impact to the environment. Agenda item H-2 may be an order on the request for modification to the definition of "abnormal river conditions" by NIPSCO.

H-3 – PacifiCorp (Docket Nos. P-2082-065, P-14803-002). On February 18, 2010, PacifiCorp entered into the Klamath Hydroelectric Settlement Agreement (KHSA) with the states of California and Oregon, the US Department of the Interior, the National Marine Fisheries Service, the Yurok Tribe, the Karuk Tribe, and numerous other parties. The KHSA represents a comprehensive agreement resolving long-standing disputes pertaining to the efforts of PacifiCorp to relicense the Klamath Project; most notably, the KHSA set a process under which PacifiCorp would transfer the license for the four hydroelectric developments to the KRRC, a dam removal entity. KRRC would then seek Commission authorization to physically remove the four components. PacifiCorp and the KRRC filed an Amendment and Transfer Application on September 23, 2016 to effectuate those terms and also create a new license (the Lower Klamath Project) that would be transferred to KRRC. On March 15, 2018, the Commission issued an order granting the amendment but deferring action on the transfer request. PacifiCorp is now the sole licensee for the Lower Klamath Project, not KRRC as requested, and filed a Motion to Stay on April 16, 2018 to avoid compliance and operational costs that were not intended to be covered by PacifiCorp. Agenda item H-3 may be an order on the Motion to Stay brought forward by PacifiCorp or granting rehearing.

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