Meeting Agenda Summary

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Below are brief summaries of the agenda items for the Federal Energy Regulatory Commission’s November 15, 2018 meeting, pursuant to the agenda as issued on November 8, 2018. Item G-3 has not been summarized due to omission from the agenda.

Electric

E-1 – Public Utility Transmission Rate Changes to Address Accumulated Deferred Income Taxes (Docket No. RM19-5-000). Agenda item E-1 may establish a new rulemaking proceeding regarding public utility transmission rate changes to address accumulated deferred income taxes.


E-3 – Geomagnetic Disturbance Reliability Standard Reliability Standard for Transmission System Planned Performance for Geomagnetic Disturbance Events (Docket Nos. RM18-8-000, RM15-11-003). On January 22, 2018, the North American Electric Reliability Corporation (NERC) petitioned the Commission for approval of proposed Reliability Standard TPL-007-2 (Transmission System Planned Performance for Geomagnetic Disturbance Events) and its associated implementation plan, Violation Risk Factors, and Violation Severity Levels, as well as the retirement of currently-effective Reliability Standard TPL-007-1. NERC states in its petition that proposed Reliability Standard TPL-007-2 requires owners and operators of the Bulk Power System (BPS) to conduct initial and on-going vulnerability assessments of the potential impact of defined geomagnetic disturbance (GMD) events on BPS equipment and the BPS as a whole. On April 19, 2018, as directed by the Commission in a prior order, NERC submitted a revised work plan to conduct research on topics related to GMD events and their reliability impact on the BPS. Agenda item E-3 may be an order on NERC’s petition and revised GMD research work plan.
E-4 – Accounting and Ratemaking Treatment of Accumulated Deferred Income Taxes and Treatment Following the Sale or Retirement of an Asset (Docket No. PL19-2-000). Agenda item E-4 may establish a new policy proceeding regarding accounting and ratemaking treatment of accumulated deferred income taxes and treatment following the sale or retirement of an asset.


E-7 – UNS Electric, Inc. (Docket Nos. EL18-71-000, EL18-71-001). On March 15, 2018, the Commission issued an Order to Show Cause directing UNS Electric, Inc. (UNS) to either (1) propose revisions to its transmission formula rates under its open access transmission tariff or transmission owner tariff to reflect the recent reduction in federal corporate income tax rate, or (2) show cause why it should not be required to do so. On April 16, 2018, UNS requested rehearing of the Order to Show Cause arguing that the Commission’s order was directed at utilities that have “a fixed line item in their formula rates for the federal corporate income tax rate”, and because UNS’s transmission tariff contains no such fixed line item, UNS should not have been included in the Order to Show Cause. Agenda item E-7 may be an order on UNS’ request for rehearing.

E-8 – Alcoa Power Generating Inc. - Long Sault Division (Docket No. EL18-72-000); Alcoa Power Generating Inc. - Tapoco Division (Docket No. EL18-73-000); Alcoa Power Generating Inc. (Docket Nos. ER18-1600-000, ER18-1601-000); Black Hills/Colorado Electric Utility Company, LP (Docket Nos. EL18-76-000, ER18-1580-000); Cube Yadkin Transmission LLC (Docket Nos. EL18-90-000, ER18-1602-000); Essential Power Rock Springs, LLC (Docket No. EL18-97-000); PJM Interconnection, L.L.C., Essential Power Rock Springs, LLC (Docket No. ER18-1566-000); Monongahela Power Company, Potomac Edison Company, West Penn Power Company (Docket No. EL18-101-000); PJM Interconnection, L.L.C., Monongahela Power Company, Potomac Edison Company, West Penn Power Company (Docket No. ER18-1595-000); Nevada Power Company, Sierra Pacific Power Company (Docket No. EL18-102-000); Nevada Power Company (Docket No. ER18-1603-000); New York State Electric & Gas Corporation (Docket No. EL18-103-000); Rochester Gas and Electric Corporation (Docket No. EL18-110-000); New York Independent System Operator, Inc., New York State Electric & Gas Corporation, Rochester Gas and Electric Corporation (Docket No. ER18-1588-000); Ohio Valley Electric Corporation (Docket Nos. EL18-105-000, ER18-1599-000, ER18-1599-001); The Dayton Power & Light Company (Docket No. EL18-117-000); PJM Interconnection, L.L.C., The Dayton Power & Light Company (Docket No. ER18-1547-000 not consolidated). On March 15, 2018, the Commission issued an Order to Show Cause directing numerous public utilities to either (1) propose revisions to their transmission formula rates under their respective open access transmission tariff or transmission owner tariff to reflect the recent reduction in federal corporate income tax rate, or (2) show cause why they should not be required to do so. Numerous public utilities proposed tariff revisions in response to the Order to Show Cause. Agenda item E-8 may be an order on the tariff filings stemming from the Order to Show Cause.

E-9 – San Diego Gas & Electric Company (Docket No. EL18-67-000). On March 15, 2018, the Commission issued an order to show cause directing utility respondents to propose revisions to its transmission formula rate under its open access transmission tariff or transmission owner tariff to reflect the recent change in the federal corporate income tax rate or to show cause why it should not be required to do so. On May 4, 2018, San Diego Gas & Electric Company (“SDG&E”) submitted an answer to the Commission’s order to show cause with proposed revisions to its transmission formula rate to reflect the federal corporate income tax rate reduction. Agenda item E-3 may be an order related to SDG&E’s answer to the show cause order and/or proposed revisions to its transmission formula rate.

E-10 – Transource Maryland, LLC and Transource Pennsylvania, LLC (Docket Nos. EL18-68-000, EL18-69-000). On March 15, 2018, the Commission issued an order to show cause directing utility respondents to propose revisions to its transmission formula rate under its open access transmission tariff or transmission owner tariff to reflect the recent change in the federal corporate income tax rate or to show cause why it should not be required to do so. On May 10, 2018, Transource Maryland, LLC (“TMD”) and Transource
Pennsylvania, LLC (“TPA”) responded to the Commission’s order to show cause explaining they had submitted revisions to its formula rates on March 23, 2018 in Docket No. ER17-419. Agenda item E-10 may be an order related to TPA and TMD’s response to the show cause order and/or related formula rates.

E-11 – Avista Corporation (Docket No. EL18-75-000). On March 15, 2018, the Commission issued an order to show cause directing utility respondents to propose revisions to its transmission formula rate under its open access transmission tariff or transmission owner tariff to reflect the recent change in the federal corporate income tax rate or to show cause why it should not be required to do so. On May 14, 2018, as supplemented on May 18, 2018, Avista Corporation (“Avista”) submitted a response to the Commission’s show cause order, stating it should not be required to submit proposed revisions to its stated transmission rate because Avista expects to submit proposed revisions to its transmission rates in 2019. Avista states that even accounting for the reduction in the corporate federal income tax rate, it expects its transmission rates to increase significantly and all rate issues should be addressed at one time in that filing. Agenda item E-11 may be an order related to Avista’s response to the show cause order.

E-12 – Sky River LLC (Docket Nos. ER18-1596-000, EL18-112-000). On March 15, 2018, the Commission issued an order to show cause directing utility respondents to propose revisions to its transmission formula rate under its open access transmission tariff or transmission owner tariff to reflect the recent change in the federal corporate income tax rate or to show cause why it should not be required to do so. On May 14, 2018, Sky River LLC (“Sky River”) submitted a response to the Commission’s show cause order with proposed revisions to its point-to-point open access transmission tariff rates resulting from a reduction in the federal corporate income tax from 35 to 21 percent. Agenda item E-12 may be an order regarding Sky River’s response to the show cause order and/or its proposed revisions to its transmission tariff.

E-13 – Deseret Generation and Transmission Co-operative, Inc. and Smokey Mountain Transmission LLC (Docket Nos. EL18-93-000, EL18-113-000). On March 15, 2018, the Commission issued an order to show cause directing utility respondents to propose revisions to its transmission formula rate under its open access transmission tariff or transmission owner tariff to reflect the recent change in the federal corporate income tax rate or to show cause why it should not be required to do so. On May 14, 2018, under Docket No. E18-93, Deseret Generation & Transmission Co-operative, Inc. d/b/a Deseret Power (“Deseret”) submitted a response to the Commission’s show cause order, explaining that no change to Deseret’s revenue requirement is warranted because its cost of service upon which Deseret’s transmission revenue requirement and resulting stated rates were established contained a federal income tax expense of zero dollars. Relatedly, on May 14, 2018, under Docket No. EL18-113, Smokey Mountain Transmission LLC (“SMT”) submitted a compliance filing in response to the Commission’s show cause order explaining that SMT is a disregarded entity for federal income tax purposes and its stated transmission rates do not include a federal corporate income tax component. Agenda item E-13 may be an order related to Deseret and SMT’s responses to the Commission’s show cause order.

E-14 – Cheyenne Light, Fuel and Power Company (Docket No. EL18-790-000). On March 15, 2018, the Commission issued an order to show cause directing utility respondents to propose revisions to its transmission formula rate under its open access transmission tariff or transmission owner tariff to reflect the recent change in the federal corporate income tax rate or to show cause why it should not be required to do so. On April 30, 2018, Cheyenne Light, Fuel and Power Company (“Cheyenne Light”) submitted a response to the Commission’s show cause order stating that it commits to filing a transmission rate case on or before December 28, 2018, which will include a specific reference to how the proposed amended transmission revenue requirement fully accounts for the reduction in the federal corporate income tax rate. Agenda item E-14 may be an order related to Cheyenne Light’s response to the Commission’s show cause order.

E-15 – DATC Path 15, LLC (Docket No. EL18-91-000). On March 15, 2018, the Commission issued an order to show cause directing utility respondents to propose revisions to its transmission formula rate under its open access transmission tariff or transmission owner tariff to reflect the recent change in the federal corporate income tax rate or to show cause why it should not be required to do so. On May 10, 2018, DATC Path 15, LLC (“DATC”) submitted a response to the Commission’s show cause order, explaining that DATC’s rate is currently the subject of an ongoing hearing proceeding under Docket No. ER17-998-001 and EL17-61-001.
Accordingly, DATC asserts it will address the reduction of the corporate income tax rate and requested the Commission find this approach sufficient. On May 31, 2018, the Cities of Anaheim, Azusa, Banning, Colton, Pasadena, and Riverside, California (collectively, the "Six Cities") filed a limited protest to DATC’s response. Agenda item E-15 may be an order regarding DATC’s response to the Commission’s show cause order and/or the related protest.

E-16 – Citizens Sunrise Transmission LLC (Docket No. EL18-66-000). On March 15, 2018, the Commission issued an order to show cause directing utility respondents to propose revisions to its transmission formula rate under its open access transmission tariff or transmission owner tariff to reflect the recent change in the federal corporate income tax rate or to show cause why it should not be required to do so. On May 14, 2018, Citizens Sunrise Transmission, LLC (“CST”) submitted a response to the Commission’s show cause order, explaining that it should not be required to modify its transmission rate because its fixed capital cost already contained in CST’s rate is currently lower than if its cost of service model is rerun with a 21 percent federal income tax rate and would produce a higher revenue requirement. Agenda item E-16 may be an order related to CST’s response to the Commission’s show cause order.

E-17 – Pacific Gas and Electric Company (Docket No. EL18-108-000). On March 15, 2018, the Commission issued an order to show cause directing utility respondents to propose revisions to its transmission formula rate under its open access transmission tariff or transmission owner tariff to reflect the recent change in the federal corporate income tax rate or to show cause why it should not be required to do so. On May 14, 2018, Pacific Gas and Electric Company (“PG&E”) submitted a response to the Commission’s show cause order, explaining that it should not be required to submit proposed revisions to its stated transmission rates or revenue requirements to reflect the change in federal corporate income tax and instead be addressed in PG&E’s nineteenth transmission owner tariff rate case currently pending before the Commission in settlement judge proceedings. On June 4, 2018, various parties submitted protests to PG&E’s May 14 response to the Commission’s show cause order, including from the Transmission Agency of Northern California, the Modesto Irrigation District, and the California Public Utilities Commission, amongst others. On June 18, 2018, PG&E submitted a response to the protests. Agenda item E-17 may be an order on PG&E’s response to the Commission’s show cause order and/or the related protests.

E-18 – Rockland Electric Company (Docket Nos. EL18-111-000, ER18-1585-000). On December 22, 2017, the Tariff Cuts and Jobs Act, lowering the federal corporate income tax rate from a maximum 35 percent to a flat 21 percent, was signed into law to become effective January 1, 2018. On March 15, 2018, the Commission issued, pursuant its authority under section 206 of the FPA, an Order to Show Cause directing numerous public utilities, including Rockland Electric Company (Rockland), to either 1) propose revisions to their stated transmission rates to reflect the recent change in the federal corporate income tax and describe the methodology for making such revisions, or 2) show cause why they should not be required to do so. On May 14, 2018, Rockland submitted proposed revisions to its stated transmission rate and revenue requirement to reflect the reduction in the federal corporate income tax rate as directed by the Commission’s order. The New Jersey Division of Rate Counsel and Rockland exchanged comments and an answer addressing how the reduction should be interpreted in light of a black box settlement that formed the basis for Rockland’s transmission revenue requirement. Agenda item E-18 may be an order addressing the proposed tariff revisions.

E-19 – Northwestern Corporation (Docket No. EL18-104-000). On December 22, 2017, the Tariff Cuts and Jobs Act, lowering the federal corporate income tax rate from a maximum 35 percent to a flat 21 percent, was signed into law to become effective January 1, 2018. On March 15, 2018, the Commission issued, pursuant its authority under section 206 of the FPA, an Order to Show Cause directing numerous public utilities, including Northwestern Corporation (Northwestern), to either 1) propose revisions to their transmission rates to reflect the recent change in the federal corporate income tax and describe the methodology for making such revisions, or 2) show cause why they should not be required to do so. On May 14, 2018, Northwestern submitted an explanation of why it should not be required to reduce its current stated transmission rate to reflect the reduction in the federal corporate income tax rate as directed by the Commission’s order. Northwestern asserted that it was significantly under-recovering its costs, as provided in its FERC Form 1, and that such underrecovery more than offset the reduction in the federal corporate income tax rate. Additionally,
Northwestern committed to file on or before March 31, 2019 revisions to its Montana Open Access Transmission Tariff to reflect the reduction in the federal corporate income tax rate and its updated costs. Agenda item E-19 may be an order addressing the explanation and commitment to submit proposed tariff revisions.

E-20 Arkansas Public Service Commission and Mississippi Public Service Commission v. System Energy Resources, Inc., et. al. (Docket Nos. EL17-41-001, EL18-142-000, EL17-76-001, EL18-58, ER18-1225-000, EL18-122-000, EL18-147). On January 23, 2017 the Arkansas Public Service Commission (APSC) and Mississippi Public Service Commission (MPSC) submitted, pursuant to Section 206 of the FPA, a complaint against System Energy Resources, Inc. (SERI) seeking a reduction of its return on equity (ROE) to its current cost of equity. On April 27, 2017, the Louisiana Public Service Commission (LPSC) submitted, pursuant to Section 206 of the FPA, a complaint against SERI seeking changes to its formula rate to reduce costs associated with the Grand Gulf nuclear unit under the Unit Power Sales Agreement. On June 5, 2017, the East Texas Electric Cooperative (ETEC) submitted, pursuant to Section 206 of the FPA, a complaint against Public Service Company of Oklahoma (PSCO), Southwestern Electric Power Company (SWEPCO), AEP Oklahoma Transmission Company (AEPOKT), and AEP Southwestern Transmission Company (AEPSWT)(collectively AEP West Companies) seeking to reduce the ROE used in the AEP West formula rates. On November 16, 2017, the Commission issued an order in response to ETEC’s complaint establishing hearing and settlement judge procedures. On January 26, 2018, the Oklahoma Municipal Power Authority submitted, pursuant to Section 206 of the FPA, a complaint against Oklahoma Gas and Electric (OG&E) seeking to reduce the equity cost level, the ROE, and modification to reflect the reduction in the federal corporate income tax rate. On February 28, 2018, the City of Minden, Louisiana (Minden) submitted, pursuant to Section 206 of the FPA, a complaint against SWEPCO alleging that the provisions of the Power Supply Agreement between Minden and SWEPCO are unjust and unreasonabable. On March 29, 2018, SWEPCO submitted, pursuant to Section 205 of the FPA, proposed revisions to formula rate inputs to the Revised and Restated Power Supply Agreement Between Southwestern Electric Power Company and City of Minden, Louisiana. On May 10, 2018, Alabama Municipal Electric Authority and Cooperative Energy (AMEACE) submitted, pursuant to Section 206 of the FPA, a complaint seeking a reduction in the base ROE of Alabama Power Co., Georgia Power Co., Gulf Power Co. Mississippi Power Co., and Southern Company Services (collectively, Southern Companies). On May 30, 2018, the Commission issued an order accepting and suspending SWEPCO’s proposed revisions and establishing hearing and settlement judge procedures. On June 13, 2018, the Commission set Minden’s complain for hearing and settlement judge procedures and consolidated the complaint proceeding with the proceeding in which SWEPCO proposed revisions to its formula rate inputs. On September 6, 2018, the Commission issued an order in response to AMEACE’s complaint establishing hearing and settlement judge procedures. While several of the underlying dockets for this agenda item have been formally consolidated, others have not. Nevertheless, the underlying dockets all require the resolution of various aspects of transmission formula rates. Agenda item E-20 may be an order addressing the impact of the reduction in the federal corporate income tax rate on these rate cases.

E-21 – Tucson Electric Power Company (Docket No. EL18-119-000). On December 22, 2017, the Tax Cuts and Jobs Act, lowering the federal corporate income tax rate from a maximum 35 percent to a flat 21 percent, was signed into law to become effective January 1, 2018. On March 15, 2018, the Commission issued, pursuant its authority under section 206 of the FPA, an Order to Show Cause directing numerous public utilities, including Tucson Electric Power Company (Tucson), to either 1) propose revisions to their transmission rates to reflect the recent change in the federal corporate income tax and describe the methodology for making such revisions, or 2) show cause why they should not be required to do so. On May 14, 2018, Tucson submitted proposed revisions to Schedules 7 and 8 of its transmission revenue requirement, as provided in Attachment H of its OATT, to reflect the reduction in the federal corporate income tax rate as directed by the Commission’s order. Tucson committed to submit a compliance filing to implement the proposed rates, effective March 21, 2018, upon acceptance by the Commission. Agenda item E-21 may be an order addressing the proposed tariff revisions.
E-22 – Baltimore Gas and Electric Company (Docket No. EL18-64-000). On December 22, 2017, the Tax Cuts and Jobs Act, lowering the federal corporate income tax rate from a maximum 35 percent to a flat 21 percent, was signed into law to become effective January 1, 2018. On March 13, 2018, the Commission issued, pursuant its authority under section 206 of the FPA, an Order to Show Cause directing numerous public utilities, including Baltimore Gas and Electric Company (BG&E), to either 1) propose revisions to their transmission rates to reflect the recent change in the federal corporate income tax and describe the methodology for making such revisions, or 2) show cause why they should not be required to do so. On March 26, 2018, BG&E asserted that it need not update its rates because its formula rate already calculated costs at the currently effective income tax rate and therefore the rate would be properly reflected in the annual update. Agenda item E-22 may be an order addressing the response provided by BG&E explaining that its formula rate already adequately addresses the reduction in the federal corporate income tax rate.

E-23 – Startrans IO, LLC (Docket No. EL18-115-000). On December 22, 2017, the Tax Cuts and Jobs Act, lowering the federal corporate income tax rate from a maximum 35 percent to a flat 21 percent, was signed into law to become effective January 1, 2018. On March 15, 2018, the Commission issued, pursuant its authority under section 206 of the FPA, an Order to Show Cause directing numerous public utilities, including Startrans IO, LLC (Startrans), to either 1) propose revisions to their transmission rates to reflect the recent change in the federal corporate income tax and describe the methodology for making such revisions, or 2) show cause why they should not be required to do so. On May 14, 2018, Startrans submitted an explanation of why it should not be required to reduce its current stated transmission rate to reflect the reduction in the federal corporate income tax rate as directed by the Commission’s order. Startrans asserted that its blackbox rates were the result of arms-length negotiations and that compelling Startrans to change only one aspect of the rate would deprive them of the benefit of the bargain. Agenda item E-23 may be an order addressing Startrans’ explanation for not proposing tariff revisions.

E-24 – Transbay Cable LLC (Docket No. EL18-118-000). On December 22, 2017, the Tax Cuts and Jobs Act, lowering the federal corporate income tax rate from a maximum 35 percent to a flat 21 percent, was signed into law to become effective January 1, 2018. On March 15, 2018, the Commission issued, pursuant its authority under section 206 of the FPA, an Order to Show Cause directing numerous public utilities, including Transbay Cable LLC (Transbay), to either 1) propose revisions to their transmission rates to reflect the recent change in the federal corporate income tax and describe the methodology for making such revisions, or 2) show cause why they should not be required to do so. On May 14, 2018, Transbay submitted an explanation of why it should not be required to reduce its current stated transmission rate to reflect the reduction in the federal corporate income tax rate as directed by the Commission’s order. Transbay asserted that its blackbox rates were the result of arms-length negotiations and that it was already legally bound to revise its rates upon the expiration of the rate moratorium contained in the settlement. Agenda item E-24 may be an order addressing Transbay’s explanation for not proposing tariff revisions.

E-25 – Radford’s Run Wind Farm LLC v. PJM Interconnection, L.L.C. (Docket No. EL18-183-000). On June 26, 2018, Radford’s Run Wind Farm, LLC (Radford’s Run) submitted, pursuant to Section 206 of the FPA, a complaint seeking to obtain Incremental Capacity Transfer Rights (ICTRs). PJM initially found that a later-queued ComEd upgrade created 279 MW capacity value to the ComEd Local Deliverability Area (LDA). Radford’s Run asserts that a network upgrade that it funded removed the known limiting element into the transmission constrained ComEd LDA creating the 279 MW of capacity value into the ComEd LDA. In its Answer, PJM responded that it followed its FERC-approved tariff and implementing manuals and that Radford Run’s failure to obtain ICTRs is due, at least in part, to its failure to request such ICTRs ninety days before the Base Residual Auction. PJM further argues that even if Radford’s Run would have requested the ICTRs, a System Impact Study would have revealed that they would not have been entitled to receive them. In its Answer, Radford’s Run asserts that PJM’s tariff requires that PJM make Capacity Emergency Transfer Limit (CETL) and ICTR determinations in the System Impact Study and that PJM allocate ICTR’s to a customer that funds upgrades that increase the import capability into a LDA. Agenda item E-25 may be an order addressing Radford’s Run’s complaint.

E-26 – Edison Electric Institute (Docket No. AC18-59-000). On March 19, 2018, the Edison Electric Institute (EEI) requested blanket approval for public utilities and centralized holding companies to record
reclassifications of “accumulated other comprehensive income” (AOCI) Account 219 in retained earnings Account 439, in order to account for the reduction in the corporate tax rate due to the Tax Cuts and Jobs Act of 2017. Comments on EEI’s request were due on April 18, 2018, and various intervenors submitted comments. On August 14, 2018, in order to ensure that customer rates for companies that record the reclassification entry are not impacted, EEI amended its request to cover only public utilities and centralized holding companies that include in their capital rate structures for rate purposes both the AOCI and retained earnings accounts. Agenda item E-26 may be an order addressing EEI’s request.

E-27 – Midcontinent Independent System Operator, Inc. (Docket No. ER18-2273-000). On August 21, 2018, the Midcontinent Independent System Operator, Inc. (MISO) requested a one-time waiver of Part B of Schedule 44 of its Open Access Transmission, Energy and Operating Reserve Markets Tariff (Tariff) to allow MISO to allocate a Commercially Significant Voltage and Local Reliability (VLR) Commitment to those entities that benefit from the VLR Commitment without conducting a Commercially Significant VLR Issue Study. MISO states that the relevant VLR Issue – the Fancy Point VLR Issue – is expected to meet the criteria for a Commercially Significant VLR because of similarities with another VLR Issue. Various intervenors commented on the request. Agenda item E-27 may be an order granting MISO’s request for a waiver.

E-28 – MATL LLP (Docket No. ER18-1788-000). On May 3, 2018, MATL LLP (MATL) submitted proposed revisions to the interconnection procedures contained in its Open Access Transmission Tariff to comply with FERC’s directives in Order No. 842 concerning primary frequency response. On May 23, 2018, MATL filed an Expeditious Request for Clarification, or in the Alternative Waiver, to request that the proposed revisions not apply to an interconnection request pending since 2013 with nearly completed interconnection studies. Agenda item E-21 may be an order granting MATL’s request.

E-29 – Consolidated Edison Company of New York, Inc. (Docket No. EL18-89-000). On March 15, 2018, pursuant to section 206 of the Federal Power Act, FERC directed Consolidated Edison Company of New York, Inc. (Con Edison) to either propose revisions to its transmission rates on file with FERC to reflect the change to the corporate income tax rate due to the Tax Cuts and Jobs Act of 2017, or to show cause why it should not be required to do so. On May 14, 2018, Con Edison submitted a response to the March 15 Order to Show Cause, stating that it should not be required to file an updated wholesale revenue requirement because the New York Public Service Commission has already opened a proceeding on the issue that impacts a majority of Con Edison’s customers, and because Con Edison’s wholesale revenue requirement is a black-box agreement that only impacts a small number of sporadic Transmission Service Charge customers. Agenda item E-29 may be an order addressing Con Edison’s response.

E-30 – El Paso Electric Company (Docket No. EL18-95-000). On March 15, 2018, pursuant to section 206 of the Federal Power Act, FERC directed El Paso Electric Company (EPE) to either propose revisions to its transmission rates on file with FERC to reflect the change to the corporate income tax rate due to the Tax Cuts and Jobs Act of 2017, or to show cause why it should not be required to do so. On May 14, 2018, EPE submitted a response to the March 15 Order to Show Cause, stating that a rate reduction due to the change in federal income taxes is not justified because EPE’s total transmission revenue will not be excessive if its federal income tax expense is reduced as a result of the change. Agenda item E-30 may be an order addressing EPE’s response.

E-31 – Florida Power & Light Company (Docket No. EL18-98-000). On March 15, 2018, pursuant to section 206 of the Federal Power Act, FERC directed Florida Power & Light Company (FPL) to either propose revisions to its transmission rates on file with FERC to reflect the change to the corporate income tax rate due to the Tax Cuts and Jobs Act of 2017, or to show cause why it should not be required to do so. On May 14, 2018, FPL submitted a response to the March 15 Order to Show Cause, stating that it should not be required to lower its stated transmission rate because increases in other components of FPL’s cost of service that have occurred since FPL’s last transmission rate case offset the reduction in the corporate income tax rate. Agenda item E-31 may be an order addressing FPL’s response.

E-32 – Orange & Rockland Utilities, Inc. (Docket No. EL18-107-000). On March 15, 2018, pursuant to section 206 of the Federal Power Act, FERC directed Orange and Rockland Utilities, Inc. (O&R) to either
propose revisions to its transmission rates on file with FERC to reflect the change to the corporate income tax rate due to the Tax Cuts and Jobs Act of 2017, or to show cause why it should not be required to do so. On May 14, 2018, O&R submitted a response to the March 15 Order to Show Cause, stating that it should not be required to file an updated wholesale revenue requirement because the New York Public Service Commission has already opened a proceeding on the issue that impacts a majority of O&R’s customers, and because adjusting O&R’s transmission revenue requirement, which has not been updated to reflect investments made since 1994, would likely lead to a rate increase rather than decrease for O&R’s small number of Transmission Service Charge customers. Agenda item E-32 may be an order addressing O&R’s response.

E-33 – Portland General Electric Company (Docket No. EL18-109-000). On March 15, 2018, pursuant to section 206 of the Federal Power Act, FERC directed Portland General Electric Company (PGE) to either propose revisions to its transmission rates on file with FERC to reflect the change to the corporate income tax rate due to the Tax Cuts and Jobs Act of 2017, or to show cause why it should not be required to do so. On May 14, 2018, PGE submitted a response to the March 15 Order to Show Cause, stating that it should not be required to file an updated transmission rate because its rate remains just and reasonable due to the offsets of increased transmission investment and demand that has declined or remained flat since PGE’s stated transmission rates were established in 2001. Agenda item E-33 may be an order addressing PGE’s response.

Gas

G-1 – Standards for Business Practices of Interstate Natural Gas Pipelines (Docket No. RM96-1-041). On August 21, 2018, the Commission issued a Notice of Proposed Rulemaking (NOPR) to amend its regulations applicable to natural gas pipelines. Specifically, the NOPR aims to incorporate latest business practice standards adopted by the North American Energy Standards Board (NAESB) in order to clarify the processing of certain business transactions in the wholesale gas market segment. The standards were enacted by the NAESB on September 29, 2017 and therefore the Commission, by integrating the proposed revisions, will facilitate more efficient coordination and means of communication between the electric and natural gas industries. On September 26, 2018, Tennessee Valley Authority filed comments on the NOPR, expressing full support for the amendments. Similarly, the Interstate Natural Gas Association of America (INGAA) filed comments supporting the NOPR; however, INGAA requested that the Commission wait until April 1, 2019 (following the winter heating season) to implement a final rule. INGAA asserts unintended consequences from new standards and regulations could arise during that critical period for gas transportation. Agenda item G-1 may be an order adopting a final rule on the NOPR.

G-2 – Millennium Pipeline Company, L.L.C. (Docket Nos. RP19-65-000, RP19-66-000). On October 11, 2018, Millennium Pipeline Company, L.L.C. (Millennium) submitted its Form No. 501-G as stipulated by the Commission’s Order No. 849 in light of the federal Tax Cuts and Jobs Act of 2017. The Commission instructed jurisdictional natural gas pipelines to file Form No. 501-G to evaluate if the tax reform legislation would affect revenue requirements or cost of service and possibly necessitate adjustment. Following their review through the one-time informational requirements of Form No. 501-G, Millennium elected to propose a voluntary reduction of its tariff rates — in particular, a 10.3 percent reduction of its maximum recourse rates — pursuant to Section 4 of the Natural Gas Act (NGA). Agenda item G-2 may be an order on Millennium’s filing or request to reduce its rates.

G-3 – Omitted

G-4 – North Baja Pipeline, LLC (Docket Nos. RP19-71-000, RP19-72-000). On October 11, 2018, North Baja Pipeline, LLC (North Baja) submitted its Form No. 501-G per the Commission’s Order No. 849 relating to federal tax legislation, as described above in agenda item G-2. Following their review through the one-time informational requirements of Form No. 501-G, North Baja elected to propose a voluntary reduction of its tariff rates — in particular, a 10.8 percent reduction of its maximum recourse rates — pursuant to Section 4 of the Natural Gas Act (NGA). Agenda item G-4 may be an order on North Baja’s filing or request to reduce its rates.

legislation, as described above in agenda item G-2. Following their review through the one-time informational requirements of Form No. 501-G, Vector elected to propose a voluntary reduction of its tariff rates — in particular, a 9.3 percent reduction of its maximum recourse rates — pursuant to Section 4 of the Natural Gas Act (NGA). Agenda item G-5 may be an order on Vector’s filing or request to reduce its rates.

G-6 – Kern River Gas Transmission Company (Docket No. RP19-55-000, RP19-76-000). On October 11, 2018, Kern River Gas Transmission Company (Kern River) submitted its Form No. 501-G per the Commission’s Order No. 849 relating to federal tax legislation, as described above in agenda item G-2. Following their review through the one-time informational requirements of Form No. 501-G, Kern River elected to propose a voluntary reduction of its tariff rates — by reaching a Stipulation and Agreement of Settlement with its shippers — pursuant to Section 4 of the Natural Gas Act (NGA). Kern River will provide a Tax Reform Credit of 11 percent against the maximum tariff rate for all of its shippers. Agenda item G-6 may be an order on Kern River’s filing or request to reduce its rates by approving the stipulation.

G-7 – Northern Natural Gas Company (Docket No. RP18-1219-000). On September 26, 2018, Northern Natural Gas Company (Northern) filed a Petition for Limited Waiver of certain Commission regulations. The waiver pertains to the imbalance resolution terms of an Operational Balancing Agreement at the interconnecting points of Northern’s system and Gulf Coast Express Pipeline, LLC (GCX). Northern states that it will continue to negotiate in good faith with GCX to reach a fair balancing agreement; however, until such an agreement is finalized, a waiver is required to avoid noncompliance. Agenda item G-7 may be an order on Northern’s petition.

Hydro

H-1 – City and County of Denver, Colorado (Docket No. P-2035-104). In 2003, the Denver Board of Water Commission (Denver Water) originally proposed an expansion to the Moffat Collection System, serving as the water supply for the Denver metropolitan area. On April 25, 2014, the Army Corps of Engineers (Army Corps) issued the final Environmental Impact Statement (EIS) of the project, proffering an alternative that would enlarge the Gross Reservoir. As such, any action relating to that reservoir would implicate the Commission’s jurisdiction under the existing license for the Gross Reservoir Hydroelectric Project (Gross Project). On November 26, 2016, Denver Water elected to follow the alternative option and thus filed an application to amend the project license for the Gross Project. The Commission issued the Supplemental Environmental Assessment for the project on February 6, 2018, effectively as an extension of the EIS process completed in 2014 by the Army Corps. On March 26, 2018, Save the Colorado filed a motion to intervene in accordance with the extension of the comment deadline to April 9, 2018. The Commission denied Save the Colorado’s intervention on August 1, 2018, finding a lack of good cause for not previously filing a motion to intervene when the Army Corps initially released the EIS in 2014. On August 31, 2018, Save the Colorado filed a request for rehearing of the Commission’s notice denying their timely motion to intervene. Agenda item H-1 may be an order on Save the Colorado’s request for rehearing.
Certificates

C-1 – Texas Eastern Transmission, LP (Docket No. CP18-26-000). On December 7, 2017, Texas Eastern Transmission, LP (Texas Eastern) submitted an Abbreviated Application for a Certificate of Public Convenience and Necessity (CPCN) regarding its proposed Lambertville East Expansion Project located in New Jersey. Following a number of data requests and supplemental information exchanges, the Commission issued the Environmental Assessment for the project on July 24, 2018, finding that approval of the project would not significantly affect the quality of the human environment. On August 7, 2018, the US Fish and Wildlife Service issued a letter concluding that the project would not be likely to affect federally-listed endangered or candidate species. Agenda item C-1 may be an order on the CPCN application brought forward by Texas Eastern.