

April 2019

Commission Meeting Summaries

These are summaries of orders voted by the Federal Energy Regulatory Commission at its April 18, 2019 public meeting. The summaries are produced by FERC's Office of External Affairs and are intended to provide only a general synopsis of the orders. These summaries are not intended as a substitute for the Commission's official orders. To determine the specific actions and the Commission's reasoning, please consult the individual orders when they are posted to FERC's eLibrary found at www.ferc.gov.

E-2 & E-3 – Press Release

H-1 – Press Release

C-2 & C-3 – Press Release

FERC partially grants a complaint

E-1, *American Wind Energy Association and the Wind Coalition v. Southwest Power Pool, Inc.*, Docket No. EL19-11-000. This order partially grants a complaint, finding that SPP's membership exit fee as applied to non-transmission owners is unjust and unreasonable. The order directs SPP to eliminate the membership exit fee for non-transmission owners.

FERC proposes a rule

E-5, *Critical Infrastructure Protection Reliability Standard CIP-012-1 – Cyber Security – Communication between Control Centers*, Docket No. RM18-20-000. This Notice of Proposed Rulemaking (NOPR) proposes to approve Reliability Standard CIP-012-1 (Cyber Security – Communications between Control Centers), submitted by the North American Electric Reliability Corporation (NERC) in response to a Commission directive in Order No. 822. In addition, the NOPR proposes to direct NERC to develop and submit modifications to the NERC Reliability Standards to: (1) require protections regarding the availability of communication links and data communicated between bulk electric system Control Centers; and (2) clearly identify the types of data that must be protected.

FERC accepts an uncontested settlement agreement

E-6, *Duke Energy Carolinas, LLC*, Docket No. ER17-1357-002. The letter order accepts an uncontested settlement agreement among Duke Energy Carolinas, LLC and Duke Energy Progress, LLC (collectively, Duke), the Fayetteville Public Works Commission, the North Carolina Electric Membership Corporation, the North Carolina Eastern Municipal Power Agency, the North Carolina Municipal Power Agency Number 1, and the Piedmont Municipal Power Agency. The settlement addresses Duke's proposed amendment to its Joint Open Access Transmission Tariff to incorporate a revised methodology for calculating Real Power Loss factors.

FERC grants request for extension of effective dates

E-7, *Southwest Power Pool, Inc.*, Docket No. ER17-1568-002, *et al.* This order grants SPP's request to defer the effective date for certain revisions to its tariff as a result of developmental delays to SPP's new Settlement Management System. The order directs SPP to submit an informational filing no less than 30 days prior to the implementation date of its new Settlement Management System.

FERC grants a filing

E-8, *Flat Ridge 2 Wind Energy LLC et al.*, Docket No. ER19-1112-000. The order grants Flat Ridge 2 and Fowler Ridge II Wind Farm LLC (together, Sellers) authorization to make affiliate sales under existing power purchase agreements (PPAs) with Southwestern Electric Power Company, Indiana Michigan Power Company, and Ohio Power Company (together, Purchasers). Sellers and Purchasers are not currently affiliates but are expected to become affiliated when AEP Clean Energy Resources, LLC acquires Sempra Renewables LLC's interests in Flat Ridge 2 and Fowler Ridge II (Proposed Transaction). The order authorizes continued sales under these PPAs after consummation of the Proposed Transaction. The order finds that the PPAs were negotiated at arms-length several years before the Proposed Transaction and, as such, satisfy the Commission's concerns regarding the potential for affiliate abuse.

FERC grants authorization to issue securities

E-9, *El Paso Electric Company*, Docket No. ES19-15-000. This order authorizes El Paso Electric, in accordance with section 204 of the Federal Power Act, to (1) issue common stock in an amount up to \$200 million; (2) issue short-term debt under a revolving credit facility in an amount not to exceed \$400 million; (3) issue long-term debt in an amount not to exceed \$225 million; and (4) remarket up to \$100.6 million of pollution control bonds or issue replacement debt of equal value in the form of senior notes.

FERC grants authorization to issue securities

E-10, *South Carolina Electric & Gas Company, South Carolina Generating Company, Inc.*, Docket No. EC19-14-000. This order authorizes South Carolina Electric & Gas Company and South Carolina Generating Company, Inc., in accordance with section 204 of the Federal Power Act to issue short-term debt securities for one year.

FERC grants a waiver

E-11, *City Utilities of Springfield, Missouri*, Docket No. EL19-42-000. This order grants Springfield's request for a limited waiver of the *pro forma* Sponsored Upgrade Agreement of the Southwest Power Pool, Inc. tariff because, under the presented circumstances, the requirement to post financial security serves no useful purpose and is unnecessary as Springfield is both the project sponsor and transmission provider.

FERC grants a declaratory order

E-12, *Sunrun, Inc.*, Docket No. EL18-205-000. This order grants Sunrun's petition for a declaratory order requesting a limited waiver of the qualifying facility certification filing requirements for individual separately-interconnected residential solar photovoltaic systems with individual maximum net power production capacities of 20 kilowatt or less that together may aggregate to over one megawatt (MW) within a one-mile radius and thus may exceed the otherwise-applicable one MW exemption from the qualifying facility certification filing requirement.

FERC denies rehearing requests

G-1, *Interstate and Intrastate Natural Gas Pipelines; Rate Changes Relating to Federal Income Tax Rate*, Order No. 849-A, Docket Nos. RM18-11-001 and RP18-415-001. The order denies the requests for rehearing and reaffirms the Commission's determinations in Order No. 849. Order No. 849, issued July 18, 2018, adopted procedures for determining which jurisdictional natural gas pipelines may be collecting unjust and unreasonable rates in light of the income tax reductions provided by the Tax Cuts and Jobs Act, the Commission's Revised Policy Statement, and precedent concerning tax allowances to address the double recovery issue identified by the 2016 ruling by a federal appeals court in *United Airlines v. FERC*.

FERC orders tariff revisions

G-2, *Transwestern Pipeline Company, LLC*, Docket RP15-23-000. This order responds to briefs addressing an issue reserved for Commission resolution by a prior settlement. The parties to that settlement asked the Commission to resolve whether Transwestern's interpretation and implementation of its tariff complied with the Commission's capacity

release policies. The order addresses the supplemental briefing of the parties on the reserved issue, finds that Transwestern has not been implementing its tariff as required by the Commission's capacity release policies, and, in accordance with section 5 of the Natural Gas Act, directs Transwestern to revise its tariff to conform to the Commission's policies.

FERC grants an extension of time

G-3, *Tallgrass Interstate Gas Transmission, LLC, et al.*, Docket Nos. RP19-810-000, *et al.* This order grants an extension of time until December 31, 2020 for Tallgrass Interstate, Trailblazer Pipeline Company, LLC, and Rockies Express Pipeline, LLC to comply with certain of the North American Energy Standards Board (NAESB) Version 3.1 business practice standards related to electronic processing.

FERC approves an uncontested settlement agreement

G-4, *Buckeye Pipe Line Company, L.P.*, Docket No. IS18-228-002. The order approves an uncontested settlement between Buckeye Pipe Line Company, L.P. and shippers to resolve issues regarding Buckeye's rates for transportation of refined petroleum products (1) on its Midwest Products System from various origins in Indiana, Michigan, Ohio, and Pennsylvania to destinations in the Pittsburgh, Pennsylvania market, and (2) on its Eastern Products System from various origins in New Jersey and Pennsylvania to destinations in the Pittsburgh and Harrisburg, Pennsylvania markets.

FERC dismisses requests for clarification and denies a request for rehearing

G-5, *Northern Border Pipeline Company*, Docket No. RP18-1038-003. This order dismisses a request for clarification and denies a request for rehearing of the Commission's August 30, 2018 order accepting Northern Border's proposed tariff records to revise its bid evaluation process for available firm capacity.

FERC denies request for rehearing

G-6, *Andeavor Field Services, LLC v Mid-America Pipeline Company, LLC and Enterprise Products Operating LLC*, Docket No. OR18-15-001. This order denies a request for rehearing of the Commission's June 21, 2018 order that declined to exercise primary jurisdiction over the parties' contractual dispute and, accordingly, dismissed Andeavor's complaint.

FERC approves license surrender and decommissioning of project features and amends certain other licenses

H-2, *Sappi North America, Inc.*, Project Nos. 2897-048, 2932-047, 2941-043,

2931-042 and 2942-051. The order approves Sappi's request to surrender its license for the Saccarappa Project No. 2897 and decommission project works. The order also approves Sappi's request to amend its licenses for the four projects immediately upstream of the Saccarappa Project: the Mallison Falls Project No. 2932, Little Falls Project No. 2941, Gambo Project No. 2931, and Dundee Project No. 2942. The order finds that Sappi's proposals are in the public interest.

FERC grants a four-year successive preliminary permit

H-3, *Cat Creek Energy, LLC*, Project No. 14655-001. The order issues a four-year successive preliminary permit to Cat Creek Energy for a proposed project that would be located on Bureau of Reclamation's Anderson Ranch Reservoir on the South Fork of the Boise River near Mountain Home in Elmore County, Idaho.

FERC grants request for rehearing

H-4, *Pacific Gas and Electric Company*, Project No. 2107-021. This order grants requests filed by PG&E and American Whitewater for rehearing of Commission staff's December 17, 2018 Order Issuing New License for the Poe Project in Butte County, California. The rehearing order: (1) extends the license term from 40 to 50 years; (2) clarifies the length of a road to be included within the project boundary; (3) removes a proposed hiking trail from the project boundary; (4) restates the capacity of the project to be 114 megawatts; and (5) makes minor corrections to a table in license article 401.

FERC denies request for rehearing

H-5, *City of Port Angeles, Washington*, Project No. 6461-027. The order denies the request filed by the Public Utility District No. 1 of Clallam County, Washington (District) seeking rehearing of staff's November 29, 2018 order approving the surrender of the City of Port Angeles's license for the Morse Creek Hydroelectric Project No. 6461, located on Morse Creek in Clallam County, Washington. The order denies rehearing on the grounds that the safety inspection conducted prior to surrender was adequate to conclude that the project works were safe and the minor maintenance issues identified during the inspection do not arise to dam safety issues that must be addressed as a condition of surrender. As such, the order concludes that no further safety inspection is necessary.

FERC grants a declaratory order

H-6, *Placer County Water Authority*, Project No. 2079-080. This order grants a petition for declaratory order filed by Placer County Water Authority, licensee for the Middle

Fork American Project No. 2079, located on the Middle Fork of the American and Rubicon Rivers and Duncan, North, and South Fork Long Canyon Creeks in Placer and El Dorado counties, California. The order finds, consistent with the *Hoopa Valley Tribe v. FERC* federal appeals court decision, that the California State Water Resources Control Board waived its authority under section 401(a)(1) of the Clean Water Act to issue water quality certification with respect to the relicensing of the project, based on the repeated withdrawal and refile of certification applications.

FERC grants a request for rehearing

C-1, *Southern Star Central Gas Pipeline, Inc.*, Docket No. CP17-219-001. The order grants Southern Star's request for rehearing of the Commission's September 20, 2018 order granting, in part, Southern Star's application for a certificate of public convenience and necessity under section 7(c) of the Natural Gas Act to acquire additional property rights and expand the certificated boundaries of its Webb Storage Field in Grant County, Oklahoma. Specifically, the order grants Southern Star's request to expand the Webb Storage Field's certificated boundary to include an additional 80 acres in Section 1 of the North Nardin area, for the recovery of migrated storage gas.