

November 2019

Commission Meeting Summaries

These are summaries of orders voted by the Federal Energy Regulatory Commission at its November 21, 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-11- Press Release

C-1, C-2, C-3 & C-6 – Press Release

FERC issues a final rule

E-1, *Public Utility Transmission Rate Changes to Address Accumulated Deferred Income Taxes*, Docket No. RM19-5-000. The final rule requires all public utilities with transmission formula rates under an Open Access Transmission Tariff, a transmission owner tariff, or a rate schedule to revise those rates to account for changes caused by the Tax Cuts and Jobs Act of 2017 (Tax Cuts and Jobs Act). These requirements are designed to address the effects of the Tax Cuts and Jobs Act on the Accumulated Deferred Income Taxes (ADIT) reflected in the transmission formula rates. The final rule requires all public utilities with transmission formula rates to include a mechanism in their formula rates to deduct any excess ADIT from or add any deficient ADIT to their rate bases. The final rule also requires all public utilities with transmission formula rates to include a mechanism in their formula rates that decreases or increases their income tax allowances by any amortized excess or deficient ADIT, respectively. Finally, the final rule requires all public utilities with transmission formula rates to incorporate a new, populated permanent worksheet into their transmission formula rate that will annually track information related to excess or deficient ADIT. The final rule does not adopt any reforms for public utilities with transmission stated rates, finding that public utilities with transmission stated rates should address any excess or deficient ADIT caused by the Tax Cuts and Jobs Act in their next rate case.

FERC accepts proposed tariff revisions, subject to further compliance filing

E-2, *Midcontinent Independent System Operator, Inc.*, Docket Nos. ER19-465-000 and ER19-465-001. The order accepts, subject to a further compliance filing, MISO's proposed revisions to its Open Access Transmission, Energy and Operating Reserve Markets Tariff in compliance with the requirements of Order No. 841 that removes barriers to the participation of electric storage resources in the capacity, energy and ancillary service markets operated by Regional Transmission Organizations and Independent System Operators.

FERC accepts proposed tariff revisions, subject to further compliance filing

E-3, *California Independent System Operator Corp.*, Docket Nos. ER19-468-000, *et al.* The order accepts, subject to a further compliance filing, CAISO's proposed revisions to its Open Access Transmission Tariff in compliance with the requirements of Order No. 841 that removes barriers to the participation of electric storage resources in the capacity, energy and ancillary services markets operated by Regional Transmission Organizations and Independent System Operators.

FERC accepts proposed tariff revisions, subject to further compliance filing

E-4, *ISO New England Inc.*, Docket No. ER19-470-000, *et al.* The order accepts, subject to a further compliance filing, ISO-NE's proposed revisions to its Transmission, Markets and Services Tariff in compliance with the requirements of Order No. 841 that removes barriers to the participation of electric storage resources in the capacity, energy and ancillary service markets operated by Regional Transmission Organizations and Independent System Operators.

FERC accepts a filing, directs a further compliance filing

E-5, *Golden Spread Electric Cooperative, Inc.* Docket No. ER19-1900-001. The order finds that Golden Spread's compliance filing partially complies with the requirements of Order Nos. 845 and 845-A. The order accepts Golden Spread's filing and directs the company to submit a further compliance filing.

FERC accepts a filing, directs a further compliance filing

E-6, *Tampa Electric Company*, Docket Nos. ER19-1920-000 and ER19-1920-001. The order finds that Tampa Electric's compliance filing partially complies with the requirements of Order Nos. 845 and 845-A. The order accepts Tampa Electric's filing and directs the company to submit a further compliance filing.

FERC accepts a filing, directs a further compliance filing

E-7, *Cheyenne Light, Fuel and Power Company*, Docket No. ER19-1924-000. The order finds that Cheyenne's compliance filing partially complies with the requirements of Order Nos. 845 and 845-A. The order accepts Cheyenne's compliance filing and directs the company to submit a further compliance filing.

FERC accepts a filing, directs a further compliance filing

E-8, *Black Hills Colorado Electric, LLC*, Docket No. ER19-1925-000. The order finds that Black Hills Colorado's compliance filing partially complies with the requirements of Order Nos. 845 and 845-A. The order accepts Black Hills Colorado's compliance filing and directs the company to submit a further compliance filing.

FERC accepts a filing, directs a further compliance filing

E-9, *Black Hills Power, Inc.*, Docket No. ER19-1926-000. The order finds that Black Hills Power's compliance filing partially complies with the requirements of Order Nos. 845 and 845-A. The order accepts the company's compliance filing and directs Black Hills Power to submit a further compliance filing.

FERC accepts a filing, directs a further compliance filing

E-10, *Portland General Electric Company*, Docket Nos. ER19-1927-000 and ER19-1927-001. The order finds that Portland General's compliance filing partially complies with the requirements of Order Nos. 845 and 845-A. The order accepts the filing and directs the company to submit a further compliance filing.

FERC accepts and suspends, to become effective subject to refund, proposed tariff revisions

E-12, *Trans Bay LLC*, Docket No. ER19-2846-000. The order addresses Trans Bay's requested revisions to its transmission owner tariff seeking to: increase its transmission revenue requirement, establish a wildfire liability reserve fund, and establish a return on equity set at the upper end of the zone of reasonableness, not to exceed 13.5%, among other matters. The order accepts the proposed revisions, suspends them for five months, to become effective subject to refund, and establishes hearing and settlement judge procedures.

FERC approves an uncontested settlement

E-13, *Southwest Power Pool, Inc.*, Docket No. ER19-1910-000. The order approves an uncontested settlement filed by SPP on behalf of Oklahoma Gas & Electric Company

(OG&E). The settlement resolves all issues set for hearing as to Oklahoma Municipal Power Authority's complaint regarding OG&E's return on equity and treatment of excess Accumulated Deferred Income Taxes.

FERC accepts proposed tariff revisions

E-14, *Southwest Power Pool, Inc.*, Docket No. ER19-2681-000. The order accepts SPP's proposed revisions to its Open Access Transmission Tariff to modify the time it posts the Day-Ahead Market results and the time when it begins the Day-Ahead Reliability Unit Commitment process.

FERC grants, in part, and denies in part, a formal challenge to a formula rate update

E-15, *Ameren Illinois Company*, Docket No. ER18-1122-000. The order grants in part, and denies in part, Southwestern Electric Cooperative, Inc.'s formal challenge, in accordance with Midcontinent Independent System Operator, Inc.'s Open Access Transmission, Energy and Operating Reserve Markets Tariff, challenging certain inputs to Ameren Illinois' annual informational formula rate update.

FERC accepts a compliance filing

E-16, *American Electric Power Service Corporation v. PJM Interconnection, L.L.C.*, Docket No. EL19-18-001, *et al.* The order accepts PJM's filing submitted to comply with the Commission's order granting AEPSC's complaint against PJM for failure to include an option-to-build indemnification provision in its *pro forma* Interconnection Construction Service Agreement (ICSA). The order also accepts PJM's filing to comply with the Commission's order accepting the unexecuted interconnection agreement among PJM, Guernsey Power Station, and AEPSC subject to PJM's amending the agreement to include the same provisions required by the Commission in the complaint order.

FERC finds refunds not appropriate

E-17, *Louisiana Public Service Commission v. Entergy Services, Inc.*, Docket No. EL01-88-019. The order finds that refunds should not be ordered in this proceeding involving a zero-sum allocation of costs among the Entergy operating companies.

FERC denies a complaint

E-18, *Louisiana Public Service Commission v. Entergy Corporation*, Docket No. EL19-50-000. The order denies the Louisiana Commission's complaint alleging that certain sales of electric energy by Entergy Services to third-party power marketers and others for

the benefit of Entergy Arkansas violated the provisions of Entergy's generation and transmission pooling arrangement.

FERC denies a complaint

E-19, *New York Power Authority v. PJM Interconnection, L.L.C., and PJM Transmission Owners in their Collective Capacity*, Docket No. EL17-94-000. This order denies a complaint by NYPA against PJM that contended that PJM is violating its tariff by continuing to invoice Regional Transmission Expansion Plan (RTEP) Transmission Enhancement Charges following Hudson Transmission Partner's (Hudson) notice that it had relinquished its Firm Transmission Withdrawal Rights. Because Hudson (and therefore NYPA, contractually responsible for Hudson's charges) held Firm Transmission Withdrawal Rights until December 15, 2017 and received service in accordance with those Firm Transmission Withdrawal Rights, Hudson and NYPA were responsible for RTEP charges.

FERC grants a petition for declaratory order

E-20, *TerraForm Power, Inc.*, Docket No. EL19-94-000. The order grants a petition for declaratory order filed by TerraForm requesting an exemption from certain regulations under the Public Utility Holding Company Act of 2005 for it and its current and future subsidiaries that are holding companies of public utility companies with fuel cell generating facilities. The order also denies TerraForm's request for waiver of the requirement to file a notification of material change in fact under certain circumstances.

FERC grants a request for incentives

E-22, *New York Power Authority*, Docket No. EL19-88-000, *et al.* The order grants NYPA's request for the Abandoned Plant Incentive and the Construction Work In Progress Incentive. The order further grants the 50-basis point Return On Equity (ROE) Risk Adder, subject to Commission action on NYPA's future filing under Federal Power Act section 205 to incorporate the ROE Risk Adder and a cost containment provision into its Formula Rate.

FERC affirms in part, and reverses in part, an Initial Decision

E-23, *City and County of San Francisco v. Pacific Gas & Electric Company*, Docket No. EL15-3-002, *et al.* This opinion addresses wholesale distribution service provided by PG&E to the City and County of San Francisco under a series of proposed agreements that were to replace an expiring interconnection agreement between the parties. The opinion finds the replacement agreements to be just and reasonable, and affirms in part, and reverses in part, the determinations of the Initial Decision, and directs PG&E to make

a compliance filing with regard to the replacement agreements. In addition, the opinion denies a related complaint filed by San Francisco against PG&E.

FERC denies request for rehearing

E-24, *Midcontinent Independent System Operator, Inc.*, Docket No. ER19-34-003. The order denies a request for rehearing of the Commission's March 19, 2019 order accepting MISO's Phase 2 tariff revisions intended to address alleged overlapping or duplicative congestion charges imposed by MISO and PJM on certain pseudo-tie resources. (MISO Phase 2 Order). The order on rehearing affirms the finding in the MISO Phase 2 Order that the Phase 1 and Phase 2 tariff revisions eliminated the overlapping or duplicative charges.

FERC denies request for rehearing and clarification

E-25, *Tilton Energy LLC v. Midcontinent Independent System Operator, Inc., et al.*, Docket No. EL16-108-001, *et al.* The order denies rehearing and clarification of the Commission's four orders on complaints issued May 16, 2019. The complaints raised two main arguments: (1) the RTOs' assessment of congestion charges on resources pseudo-tied from MISO to PJM violates MISO's and PJM's respective Tariffs; and (2) this assessment of congestion charges is unjust and unreasonable because it, *inter alia*, results in overlapping or duplicative congestion charges by the two RTOs. In the May 2019 Orders, the Commission denied the complaints regarding the tariff violation arguments but granted the complaints regarding the RTOs' assessment of overlapping or duplicative congestion charges. The May 2019 Orders consolidated the proceedings for purposes of settlement, hearing and decision with respect to appropriate refunds. The order denies rehearing and clarification, affirming the Commission's findings in the May 2019 Orders.

FERC dismisses as moot requests for rehearing

E-26, *Linden VFT, LLC v. PJM Interconnection, L.L.C.*, Docket Nos. EL15-67-004, *et al.* The order dismisses as moot requests for rehearing of the Commission's July 19, 2018 order that established settlement judge procedures for each of the docketed proceedings except for Docket No. EL18-54-001. The order also dismisses as moot New Jersey Board of Public Utilities' request to consolidate its pending request for rehearing of the Commission's May 24, 2018 order in Docket No. EL18-54-001 with the July 2018 Order.

FERC accepts a compliance filing

G-1, *Atmos Pipeline – Texas*, Docket Nos. PR17-60-003 and PR17-60-003. This letter order accepts a Priority of Service compliance filing as fair and equitable under section 311 of the Natural Gas Policy Act of 1978.

FERC grants a limited waiver

G-2, *Cheniere Energy, Inc.*, Docket No. RP18-851-000. The order grants a limited waiver in response to Cheniere’s Petition for Declaratory Order requesting that the Commission find that certain proposed transactions would not violate the Commission’s buy/sell prohibition or any related capacity release rule, regulation or policy. The order finds that, although the proposals set forth by Cheniere would violate the Commission’s prohibition against buy/sell arrangements, there is good cause to grant a limited waiver of the buy/sell prohibition in the circumstances set forth by the company.

FERC grants a petition for declaratory order

G-3, *Saddlehorn Pipeline Company, LLC*, Docket No. OR19-31-000. The order grants Saddlehorn Pipeline’s petition for declaratory order related to an expansion of its crude oil pipeline system that serves origins at multiple Rockies production regions and destinations at the mid-continent trading and storage hub at Cushing, Oklahoma.

FERC sets complaint for hearing and settlement judge procedures

G-5, *American Aviation Supply LLC v. Buckeye Pipe Line Company, L.P.*, Docket No. OR19-26-000. The order addresses a complaint filed by American Aviation Supply LLC, Delta Air Lines, Inc., JetBlue Airways Corporation, and United Airlines, Inc. challenging the justness and reasonableness of the rates that Buckeye charges for the transportation of jet and aviation fuel on its pipeline from Linden, New Jersey, to Newark International Airport, John F. Kennedy International Airport, and LaGuardia Airport. The order finds that the complaint raises issue of material fact concerning the challenged rates and sets the complaint for hearing and settlement judge procedures.

FERC affirms an Initial Decision

G-6, *Aircraft Service International Group, Inc., et al. v. Central Florida Pipeline LLC*, Docket No. OR16-26-000. The order affirms an Initial Decision dismissing a complaint. The order affirms the Initial Decision’s finding that the facts reflect that service provided over the Central Florida Pipeline is intrastate in nature.

FERC grants rehearing and clarification requests

H-1, *Eugene Water & Electric Board*, Project No. 2242-110. The order grants Oregon Department of Environmental Quality's and Oregon Department of Fish and Wildlife's joint request for rehearing of the Commission's order issuing a license for the Carmen-Smith Hydroelectric Project No. 2242 and revises the license order to include Condition 12 of the water quality certification. In addition, the order provides clarification regarding certain license articles in response to a request by the U.S. Fish and Wildlife Service.

FERC rejects request for rehearing

H-2, *FirstLight Hydro Generating Company; FirstLight MA Hydro LLC*, Project No. 1889-089 and **FirstLight Hydro Generating Company; Northfield Mountain LLC**, Project No. 2485-078. The order rejects Mr. Karl Meyer's request for rehearing of two delegated orders that approved the transfer of the licenses for the Turners Falls Hydroelectric Project No. 1889 from FirstLight Hydro Generating Company to FirstLight MA Hydro LLC and for the Northfield Mountain Pumped Storage Project No. 2485 from FirstLight to Northfield Mountain LLC for failing to comply with the Commission's regulations regarding the contents of a rehearing request. The order finds that, in any event, Mr. Meyer's request is without merit.

FERC grants authorization for an interstate natural gas expansion project

C-4, *El Paso Natural Gas Company, L.L.C.* Docket No. CP18-332-000. The order issues a certificate of public convenience and necessity to El Paso Natural Gas Company, L.L.C. to construct and operate approximately 17 miles of loop pipeline facilities and two new compression stations for the proposed South Mainline Expansion Project. El Paso will co-locate the pipeline in an existing right-of-way and site the new compressor stations within previously disturbed compressor station sites it owns. The project is designed to enable El Paso to flow an additional 182,085 dekatherms of gas per day of firm expansion capacity downstream of its existing Hueco Compressor Station in Hudspeth County, Texas to delivery points in Arizona. The order also grants El Paso's request for a pre-determination of rolled-in rate treatment for the project's cost.

FERC dismisses, rejects or denies requests for rehearing

C-5, *Spire STL Pipeline LLC*, Docket No. CP17-40-002. The order dismisses, rejects or denies requests filed by Missouri Public Service Commission, the Environmental Defense Fund and Juli Viel for rehearing of the Commission's August 3, 2018 order issuing a certificate of public convenience and necessity to Spire STL to construct and

operate the Spire STL Pipeline Project. The order addresses issues regarding: the Certificate Policy Statement's evaluation of affiliate contracts and impacts to existing pipelines and their customers, landowners and communities; the order's acceptance of Spire STL's proposed 14 percent return on equity; the Environmental Assessment's purpose and need statement and evaluation of alternatives; the indirect and cumulative impacts of the project; greenhouse gases; and methane emissions, among other issues. The order also notes that Enable Mississippi River Transmission withdrew its request for rehearing in a filing submitted September 9, 2019.