

# **September 2019**

## **Commission Meeting Summaries**

**These are summaries of orders voted by the Federal Energy Regulatory Commission at its September 19, 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](http://www.ferc.gov).**

### **E-1 - Press Release and Fact Sheet**

#### **FERC grants in part, and denies in part, a complaint**

**E-2, *EDF Renewable Energy, Inc. v. Midcontinent Independent System Operator, Inc., Southwest Power Pool, Inc., and PJM Interconnection, L.L.C.*** Docket Nos. EL18-26-000 and AD18-8-000. The order grants, in part, and denies, in part, a complaint by EDF Renewable Energy, Inc. against Midcontinent Independent System Operator, Inc., Southwest Power Pool, Inc., and PJM Interconnection, L.L.C. related to their interconnection coordination procedures with each other as affected systems. The order also declines to initiate a generic proceeding on the broader affected systems coordination issues raised in the Notice of Proposed Rulemaking issued in Docket No. RM17-8-000 and the technical conference in Docket No. AD18-8-00.

#### **FERC grants in part, and denies in part, a complaint**

**E-3, *American Electric Power Service Corporation v. Midcontinent Independent System Operator, Inc. and Southwest Power Pool, Inc.***, Docket No. EL17-89-000. This order addresses a complaint filed by AEP against Midcontinent Independent System Operator, Inc. (MISO) and Southwest Power Pool, Inc. (SPP), alleging that MISO violated the Joint Operating Agreement between MISO and SPP with respect to the assessment of congestion charges on load that is pseudo-tied out of MISO into SPP. AEP further alleges that the MISO tariff and business practices manual are unjust and unreasonable with respect to the assessment of congestion charges on such load. The order grants the complaint in part and denies it in part. This item is related to Agenda Item E-5.

## **FERC grants in part, and denies in part, a complaint**

**E-4**, *City of Prescott, Arkansas v. Southwestern Electric Power Company and Midcontinent Independent System Operator, Inc.*, Docket No. EL19-60-000. The order addresses a complaint by the City of Prescott, Arkansas, filed against Southwestern Electric Power Company and Midcontinent Independent System Operator, Inc., alleging that (a) it is subject to overlapping congestion charges; (b) its efforts to secure the purchase of electric power from other suppliers has been thwarted; (c) it should be allowed to settle congestion charges on Day-Ahead prices; and (d) certain cost-of-service provisions in its Amended Power Supply Agreement are unjust and unreasonable. The order grants the complaint in part, denies it in part, and sets certain issues for hearing and settlement judge procedures. This item is related to Agenda Item E-5.

## **FERC establishes briefing procedures**

**E-5**, *American Electric Power Service Corporation v. Midcontinent Independent System Operator, Inc. and Southwest Power Pool, Inc. and City of Prescott, Arkansas v. Southwestern Electric Power Company and Midcontinent Independent System Operator, Inc.*, Docket Nos. EL17-89-000 & EL19-60-000. This order establishes briefing procedures to investigate issues concerning certain tariff provisions, contract provisions, and/or practices that result in potentially overlapping and/or duplicative congestion charges being imposed on pseudo-tie transactions between Midcontinent Independent System Operator, Inc. and Southwest Power Pool, Inc., as discussed in Agenda Items E-3 and E-4.

## **FERC establishes hearing and settlement judge procedures**

**E-6**, *Southwest Power Pool, Inc. and Sunflower Electric Power Corporation*, Docket No. ER19-2273-000. The order establishes hearing and settlement judge procedures regarding proposed revisions to SPP's tariff would reflect the merger of Mid-Kansas Electric Company, Inc. into Sunflower, and revise various aspects of Sunflower's formula rate template and implementation protocols. The order conditionally grants Sunflower's request for a 50 basis-point adder to its base return on equity for its participation in SPP and sets the remaining issues for hearing and settlement judge procedures.

## **FERC institutes a Federal Power Act section 206 proceeding**

**E-7**, *Idaho Power Co.*, Docket No. ER10-2126-005. The order institutes a proceeding in accordance with section 206 of the Federal Power Act to determine whether Idaho Power Company's market-based rate authority in the Idaho Power balancing authority area remains just and reasonable.

## **FERC approves a contested settlement**

**E-8**, *Southwestern Electric Power Company*, Docket No. ER18-1225-001, *et al.* This order approves a settlement that resolves matters involving the Power Supply Agreement between Southwestern Electric Power Company and the City of Minden, Louisiana. The City of Prescott, Arkansas (Prescott) filed comments opposing the settlement. The order finds that the benefits of the settlement for the settling parties outweigh the objections of the contesting party and dismisses Prescott's rehearing request as moot.

## **FERC approves an uncontested settlement**

**E-9**, *Calpine Bethlehem, LLC*, Docket No. ER14-874-003. This order approves an uncontested settlement submitted by Calpine Bethlehem, LLC, *et al.* (the Calpine Companies). The settlement addresses the revenue requirement for the provision of reactive supply and voltage control service from the generating facilities owned by the Calpine Companies in Pennsylvania, New Jersey, Delaware, Maryland, Virginia and Illinois. The order finds the settlement resolves all issues that were set for hearing and settlement judge procedures.

## **FERC authorizes sales at market-based rates**

**E-10**, *San Diego Gas & Electric Company and Sempra Gas & Power Marketing, LLC*, Docket No. ER19-2422-000. This order authorizes Sempra Gas & Power Marketing to sell Resource Adequacy capacity at market-based rates to its affiliate, San Diego Gas & Electric Company.

## **FERC accepts a refund report**

**E-11**, *Panoche Valley Solar, LLC*, Docket No. ER18-855-000. This order accepts a refund report filed by Panoche Valley stemming from unauthorized wholesale sales of electric power it made prior to receiving Commission authorization to make sales at market-based rates. The order also authorizes the California Independent System Operator Corporation (CAISO) to distribute the refund on a pro-rata basis to all market participants that paid its grid management charge during the refund period, as proposed by CAISO.

## **FERC terminates a Federal Power Act section 206 proceeding**

**E-13**, *New Brunswick Energy Marketing Corp.*, Docket No. ER14-225-005, *et al.* The order finds that New Brunswick Energy Marketing Corporation satisfies the Commission's standards for market-based rate authority, and terminates the Federal Power Act section 206 proceeding established to address whether it should continue to have market-based rate authority.

## **FERC authorizes a transaction**

**E-14**, *NRG Wholesale Generation LP*, Docket No. EC19-63-000. The order authorizes a proposed transaction between NRG Wholesale Generation LP and Entergy Mississippi, LLC in which Wholesale Generation will sell a generation facility and associated facilities and equipment to Entergy Mississippi. In evaluating the proposed transaction's effect on competition, the order concludes that, based on the evidence filed in this proceeding, Midcontinent Independent System Operator South currently is not a relevant geographic market and will not be considered a submarket.

## **FERC grants clarification**

**E-15**, *Bayou Cove Peaking Power, LLC*, Docket No. EC18-63-001. This order grants clarification of the Commission's December 12, 2018 order in response to a request filed by Entergy Services, LLC. This item is related to Agenda Item E-14.

## **FERC denies rehearing**

**E-16**, *Southern California Edison Co.*, Docket No. ER18-370-002. The order denies rehearing of the Commission's August 31, 2018 order accepting Southern California Edison Company's Transmission Owner Tariff amendment implementing an annual Transmission Maintenance and Compliance Review process, and finding that certain asset management projects and activities are not subject to Order No. 890's transmission planning requirements.

## **FERC denies rehearing**

**E-17**, *California Public Utilities Commission, et al. v. Pacific Gas and Electric Co.*, Docket No. EL17-45-001. The order denies rehearing of the Commission's August 31, 2018 order denying a complaint alleging that Pacific Gas and Electric Company's treatment of certain asset management projects violates Order No. 890 transmission planning requirements.

## **FERC denies rehearing**

**E-18**, *Nebraska Public Power District v. Tri-State Generation and Transmission Association, Inc. and Southwest Power Pool, Inc.*, Docket Nos. EL18-194-001 and ER16-204-000. This order denies Nebraska Public Power District's (NPPD) request for rehearing of its complaint against Tri-State Generation and Transmission Association, Inc. (Tri-State) and SPP concerning Tri-State's annual transmission revenue requirement. The order also dismisses a related protest filed by NPPD.

## **FERC holds complaint in abeyance**

**E-20**, *Tipmont Rural Electric Member Cooperative v. Wabash Valley Power Association, Inc.*, Docket No. EL19-2-000. This order holds in abeyance Tipmont's complaint in order to provide Wabash time to prepare a Federal Power Act section 205 filing proposing rates, terms, and conditions to govern the early termination of Tipmont's contracts. If Wabash does not submit a section 205 filing within 90 days, the order directs Wabash to submit a status report indicating whether—and, if so, when—Wabash intends to make such a filing.

## **FERC grants a temporary waiver**

**E-21**, *EF Kenilworth LLC*, Docket Nos. EL19-72-000 and QF90-73-010. This order grants EF Kenilworth's request for temporary waiver of the qualifying facility operating and efficiency standards set forth in sections 292.205(a)(1) and (2) of the Commission's regulations for calendar years 2018 and 2019. The order dismisses the request for waiver for calendar year 2020.

## **FERC grants a petition**

**E-22**, *New England Ratepayers Association*, Docket No. EL19-10-010. The order grants New England Ratepayers' Petition, finding that the recently enacted New Hampshire statute, Senate Bill 365 (SB 365), is preempted by the Federal Power Act (FPA) and section 210 of the Public Utility Regulatory Policies Act of 1978 (PURPA). SB 365 requires utilities to offer to purchase the net output of eligible biomass and waste facilities at a state-established rate. The order finds that this requirement establishes rates for wholesale sales of electric energy in interstate commerce, and thus intrudes on the Commission's exclusive authority under the FPA with respect to rates for wholesale sales of electric energy in interstate commerce. Additionally, the order finds that the SB 365 rate is also inconsistent with PURPA because the rate is not based on the purchasing utilities' avoided cost and will likely exceed the current avoided-cost rate.

## **FERC denies in part, and grants in part, a tariff filing, and establishes hearing and settlement judge procedures**

**E-23**, *Tucson Electric Power Company*, Docket No. ER19-2023-000. The order denies Tucson Electric's request for 100 percent recovery of the prudently-incurred costs associated with the development of a transmission line, which was ultimately abandoned. The order grants Tucson Electric's request for 50 percent recovery of the prudently-incurred project costs. The order also sets for hearing and settlement judge procedures the types and level of prudently-incurred costs, and the appropriate amortization period.

## **FERC denies rehearing**

**E-25**, *Public Service Electric and Gas Company v. Consolidated Electric Company of New York, Inc.*, Docket No. EL18-143-001. The order denies PSE&G's request for rehearing of the Commission's September 6, 2018 order dismissing a complaint filed by PSE&G against Con Edison. The order affirms the order's determination that certain agreements between PSE&G and Con Edison will terminate on December 31, 2020.

## **FERC accepts a filing, grants a waiver**

**G-1**, *West Texas Gas, Inc.*, Docket No. RP19-1371-000. This order accepts a report detailing West Texas' purchased-gas cost reconciliation for the 12-month period ending April 30, 2019, in accordance with West Texas's tariff and a 1998 settlement. It also grants waiver of West Texas's tariff and settlement in order to allow acceptance of a reconciliation report for prior periods from May 1, 2010 through April 30, 2018.

## **FERC denies motion to stay**

**H-1**, *Algignis, Inc.*, Project Nos. P-14896-003, *et al.* The order denies Algignis' motion to stay the Commission's dismissal of its 60 preliminary permit applications pending judicial review. The order finds Algignis has failed to demonstrate any irreparable injury.

## **FERC issues a new license**

**H-2**, *McMahan Hydroelectric, LLC*, Project No. 14858-000. The order issues an original minor license to McMahan Hydroelectric, LLC (McMahan Hydro) to operate and maintain the Bynum Hydroelectric Project No. 14858. The 600-kilowatt project is located at an existing masonry dam on the Haw River, in the town of Bynum, North Carolina. The order finds North Carolina waived its authority under section 401 of the Clean Water Act because the state twice directed McMahan Hydro to withdraw and resubmit its application for water quality certification.

## **FERC denies requests for rehearing and stay**

**H-3**, *Eagle Crest Energy Company*, Project No. 13123-028. The order denies the National Parks Conservation Association's (the Association) and the Desert Protection Society's (Society) requests for rehearing and stay of the Commission's May 7, 2019 order granting extensions of time to commence and complete construction for the Eagle Mountain Pumped Storage Hydroelectric Project. The order affirms the Commission's decision to deny the Association and Society party status in the proceeding because a

proceeding to commence or complete construction is not one in which the Commission permits intervention.

### **FERC denies rehearing**

**H-4**, *Island in the Sky Hydro, LLC*, Project No. 14805-001. The order denies Island in the Sky Hydro, LLC's (Island Hydro) request for rehearing of Commission staff's order cancelling Island Hydro's preliminary permit for the Island Hydroelectric Project. This draft order finds that Island Hydro did not demonstrate extraordinary circumstances sufficient to reinstate the preliminary permit.

### **FERC denies rehearing and dismissing stay**

**H-5**, *Public Utility District No. 1 of Lewis County, Washington*, Project No. 2833-110. The order denies Mr. John Stormon's and Mr. Pat Kelleher's requests for rehearing of Commission staff's April 30, 2019 order amending the whitewater boating take-out site plan for the Cowlitz Falls Hydroelectric Project No. 2833 (Amendment Order). The order upholds Commission staff's findings in the Amendment Order and concludes that Commission staff appropriately removed two roads from the project boundary as a result of the licensee's modifications to the whitewater boating take-out site plan. The order further finds that Commission staff took all comments into consideration in amending the whitewater boating take-out site plan and did not rely on false and/or misleading statements in doing so. The order further dismisses as moot Mr. Stormon's request for stay of the Amendment Order's requirement that the licensee file revised Exhibit K drawings reflecting the updated project boundary.

### **FERC conditionally authorizes a certificate of public convenience and necessity**

**C-1**, *Cheyenne Connector, LLC and Rockies Express Pipeline LLC*, Docket Nos. CP18-102-000 and CP18-103-000. This order issues certificates of public convenience and necessity to Cheyenne Connector and Rockies Express, as well as Part 157 and 284 blanket certificates to Cheyenne Connector. The order authorizes Cheyenne Connector to construct and operate approximately 70 miles of new interstate pipeline and related facilities in Weld County, Colorado. The proposed pipeline is designed to transport up to 600,000 dekatherms per day of natural gas from processing plants to a delivery interconnect with Rockies Express Pipeline at the Cheyenne Hub in Weld County, Colorado. The order also authorizes Rockies Express to construct and operate certain compression and ancillary facilities at its existing Cheyenne Compressor Station at the Cheyenne Hub, enabling it to provide a new hub service allowing for firm receipts and deliveries of natural gas between Rockies Express and other interconnected pipelines, including the Cheyenne Connector Pipeline Project, at the Cheyenne Hub.

## **FERC conditionally authorizes a new LNG export project**

**C-2, *Eagle LNG Partners Jacksonville LLC***, Docket No. CP17-41-000. The order authorizes Eagle LNG to site, construct, and operate a new liquefaction, storage, and export terminal facility on the St. Johns River in Jacksonville, Florida. Each of the project's three liquefaction trains authorized would enable Eagle LNG to liquefy for export approximately 44 million standard cubic feet per day of domestically produced natural gas, or a total project capacity of approximately 132 million standard cubic feet per day. The project will receive natural gas from Peoples Gas System, liquefy it, and store and transfer the LNG into LNG carriers for export to foreign markets, such as constrained Caribbean ports. The LNG to be produced by the project is also intended for use in the domestic marine LNG bunkering trade at ports near the Jacksonville Project or for LNG vehicular fueling stations in Florida and other southeastern states. Eagle LNG received authorization from the U.S. Department of Energy to export up to the equivalent of 49.8 Bcf per year (0.14 Bcf per day) of natural gas in the form of LNG to Free Trade Agreement (FTA) nations. Eagle LNG's application to export LNG to non-FTA nations is pending.