

UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Pat Wood, III, Chairman;  
William L. Massey, and Nora Mead Brownell.

Electric Quarterly Reports	Docket No. ER02-2001-000
Alliance Strategies	Docket No. ER95-1381-000
American Premier Energy Corporation	Docket No. ER98-3451-000
Ashton Energy Corporation	Docket No. ER94-1246-000
Audit Pro Incorporated	Docket No. ER95-0878-000
Black Brook Energy Company	Docket No. ER97-1676-000
Business Discount Plan, Inc.	Docket No. ER99-0581-000
Clean Air Capital Markets Corporation	Docket No. ER97-4434-000
Clinton Energy Management Services, Inc.	Docket No. ER98-3934-000
Commodore Electric	Docket No. ER99-1890-000
Current Energy, Inc.	Docket No. ER98-0102-000
Delta Energy Group	Docket No. ER99-2970-000
Direct Access Management, LP	Docket No. ER96-0924-000
Dorman Materials, Inc.	Docket No. ER02-0893-000
Electech, Inc.	Docket No. ER95-1399-000
Energy Marketing Services Inc.	Docket No. ER96-0734-000
Energy & Steam Company, Inc.	Docket No. ER00-1530-000
EnergyTek, Inc.	Docket No. ER96-1781-000
Engineered Energy Systems Corporation	Docket No. ER96-1731-000
Enpower, Inc.	Docket No. ER95-1752-000
Entrust Energy, LLC	Docket No. ER01-2059-000
Family Fiber Connection, Inc.	Docket No. ER96-1631-000
Friendly Power Company, LLC	Docket No. ER97-3815-000

Full Power Corporation	Docket No. ER99-2540-000
Growth Unlimited Investments, Inc.	Docket No. ER96-1774-000
K & K Resources, Inc.	Docket No. ER98-3006-000
Keystone Energy Services, Inc.	Docket No. ER97-3053-000
Micah Tech Industries, Inc.	Docket No. ER98-1221-000
Northern Lights Power Company	Docket No. ER01-1414-000
People's Utility Corporation	Docket No. ER98-2232-000
PowerCom Energy & Communications Access, Inc.	Docket No. ER97-4364-000
PowerGasSmart.com, Inc.	Docket No. ER95-0751-000
PowerSource Corporation	Docket No. ER98-3052-000
River City Energy, Inc.	Docket No. ER99-0823-000
Sigma Energy, Inc.	Docket No. ER97-4145-000
Starghill Alternative Energy Corporation	Docket No. ER97-4680-000
TC Power Solutions	Docket No. ER97-1117-000
The New Power Company	Docket No. ER00-2535-000
The FURSTS Group, Inc.	Docket No. ER98-2423-000
TransCurrent, LLC	Docket No. ER98-1297-000
US Energy, Inc.	Docket No. ER96-2879-000

## INTENT TO WITHDRAW MARKET-BASED RATE AUTHORITY

(Issued July 28, 2003)

1. Section 205 of the Federal Power Act (FPA), 16 U.S.C. § 824d (2000); accord 18 C.F.R. Part 35 (2003), requires that all rates, terms and conditions of jurisdictional services be filed with the Commission. In Order No. 2001,<sup>1</sup> a final rule establishing revised public utility filing requirements for rates, terms and conditions of jurisdictional

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<sup>1</sup>Revised Public Utility Filing Requirements, Order No. 2001, 67 Fed.Reg. 31043, FERC Stats. & Regs. ¶ 31,127 (April 25, 2002), reh'g denied, Order No. 2001-A, 100 FERC ¶ 61,074, reconsideration and clarification denied, Order No.2001-B, 100 FERC ¶ 61,342, order directing filings, Order No. 2001-C, 101 FERC ¶ 61,314 (2002).

services,<sup>2</sup> the Commission required public utilities, including power marketers, to file, among other things, Electric Quarterly Reports summarizing the contractual terms and conditions in their agreements for all jurisdictional services (including market-based power sales, cost-based power sales, and transmission service) and transaction information (including rates) for short-term and long-term market-based power sales and cost-based power sales during the most recent calendar quarter. In Order No. 2001-C,<sup>3</sup> the Commission required utilities to file their Electric Quarterly Reports using software provided by the Commission. Commission staff review of the Electric Quarterly Report submittals has revealed that a number of utilities that previously had been granted authority to sell power at market-based rates have failed to file Electric Quarterly Reports. Accordingly, this order notifies those utilities that their market-based rate authorizations will be withdrawn unless they comply with the Commission's requirements.

2. In Order No. 2001, the Commission stated that,

[i]f a public utility fails to file a[n] Electric Quarterly Report (without an appropriate request for extension), or fails to report an agreement in a report, that public utility may forfeit its market-based rate authority and may be required to file a new application for market-based rate authority if it wishes to resume making sales at market-based rates.<sup>[4]</sup>

3. The Commission further stated that,

[t]he Electric Quarterly Reports are designed to satisfy the FPA section 205(c) requirements. For power marketers, the Electric Quarterly Report is intended to replace the current filing of Quarterly Transaction Reports summarizing their market-based rate transactions and the filing of long-term agreements. Electric Quarterly Reports are also intended to replace the Quarterly Transaction Reports and rate filings required of traditional utilities with market-based rate authority. Once this rule becomes effective, the requirement to comply with this rule will supersede the conditions in public utilities' market-based rate authorizations and failure to comply with the requirements of this rule will subject public utilities to the same consequences they would face for not satisfying the conditions in their rate

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<sup>2</sup>Order No. 2001, FERC Stats. & Regs. ¶ 31,127 at P 11-12, 18-21.

<sup>3</sup>Order No. 2001-C, 101 FERC ¶ 61,314 at P 9.

<sup>4</sup>Order No. 2001, FERC Stats. & Regs. ¶ 31,127 at P 222.

authorizations, including possible revocation of their authority to make wholesale power sales at market-based rates.<sup>[5]</sup>

4. Commission staff has determined that a number of public utilities that had been granted market-based rate authority have failed to file their Electric Quarterly Reports.<sup>6</sup> Commission staff has made a concerted effort to contact non-filing utilities in writing and by phone to inform them of their regulatory obligation. Moreover, on April 24, 2003, the Secretary of the Commission sent letters to 423 companies reminding them that they were required to file the Electric Quarterly Report. The letters stated:

[w]ithin thirty (30) days of the date of this letter, your company utility must file Electric Quarterly Reports for the 2nd, 3rd, and 4th Quarters of 2002 and the 1st Quarter of 2003. Failure to do so may result in the Commission's revocation of your market-based rate authority in accordance with Order No. 2001. . . . Please provide your immediate attention to this important compliance matter.<sup>[7]</sup>

5. Each of the public utilities listed in the caption of this order was sent this letter but none of them responded. In some cases, the letters were returned unopened. Commission staff called the contacts identified in its power marketer rolls and searched Commission records and the Internet to identify alternate addresses and contacts. Where an alternate address or contact could be identified, a second letter was sent. These letters also received no response.<sup>8</sup>

6. Notwithstanding efforts to find the non-filing public utilities listed in the caption of this order to remind them of their filing obligations, they have not complied with the requirement to file Electric Quarterly Reports.

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<sup>5</sup>Id. at P 223.

<sup>6</sup>In many cases, the utilities had previously failed to file Power Marketer Quarterly Reports (the predecessor to the Electric Quarterly Reports).

<sup>7</sup>Letter informing Abacus Group Ltd, et al., that to date their Electric Quarterly Reports had not been filed and requesting that the reports for the 2nd, 3rd, and 4th quarters of 2002, et al., be filed within 30 days (April 24, 2003).

<sup>8</sup>These public utilities appear to have failed to update their addresses with the Secretary as required in the Commission's regulations, 18 C.F.R. § 385.2010(i)(2) (2003). In some cases, they may have gone out of business and failed to file a Notice of Cancellation of their electric market-based rate tariff with the Commission. See 18 C.F.R. § 35.15 (2003).

7. Accordingly, the market-based rate authorizations for those utilities identified in the caption of this order will be withdrawn unless they comply with the Commission's requirements.

The Commission orders:

(A) Within 30 days of the date of issuance of this order, each public utility listed in the caption of this order shall file its Electric Quarterly Reports for the 2nd, 3rd, and 4th Quarters of 2002 and the 1st and 2nd Quarters of 2003. If no such filings are made, the Commission will withdraw the public utility's authority to sell power at market-based rates and terminate its electric market-based rate tariff.

(B) The Secretary is hereby directed to publish this order in the Federal Register.

By the Commission.

( S E A L )

Magalie R. Salas,  
Secretary.