

154 FERC ¶ 61,024
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

January 21, 2016

In Reply Refer To:
Arkansas Electric Cooperative
Corporation
Docket No. QM15-3-000

Phyllis G. Kimmel, Esq.
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Washington, DC 20005

Dear Ms. Kimmel:

1. On April 15, 2015 Arkansas Electric Cooperative Corporation (AECC) filed, on behalf of itself and its seventeen electric distribution cooperative members, fourteen of which are located in Midcontinent Independent System Operator, Inc. (MISO),¹ an application pursuant to section 210(m) of the Public Utility Regulatory Policies Act of 1978 (PURPA)² and section 292.310 of the Commission's regulations³ to terminate its mandatory purchase obligation to enter into new contracts or obligations to purchase energy and capacity from qualifying facilities (QFs) with a net capacity greater than 20 MW in its members' service territories within MISO.

2. AECC states that, for purposes of this application, it is an electric generation and transmission cooperative relying on the transmission system of Entergy Arkansas, Inc. in MISO to service its members' loads. AECC states that it relies on section 292.309(a)(1) of the Commission's regulations,⁴ asserting that QFs in MISO have nondiscriminatory access to independently administered, auction-based day ahead and real time wholesale

¹ *Ark. Elec. Coop. Corp.*, Docket No. QM15-3-000 (April 15, 2015).

² 16 U.S.C. § 824a-3(m) (2012).

³ 18 C.F.R. § 292.310 (2015).

⁴ 18 C.F.R. § 292.309(a)(1) (2015).

markets for the sale of electric energy; and wholesale markets for long-term sales of capacity and energy. AECC states that it also relies on the rebuttable presumption in section 292.309(e) of the regulations,⁵ which states that MISO satisfies the criteria of sections 292.309(a)(1)(i)-(ii) of the Commission's regulations.⁶

3. On July 14, 2015, the Commission issued a deficiency letter notifying AECC that its application was deficient and that additional information was required. On September 14, 2015, AECC filed a partial response to the deficiency letter, and also filed to amend its application so that it will apply solely to AECC and not its members. On November 12, 2015 AECC filed a complete response to the deficiency letter.⁷

4. Notice of AECC's amended application and the response to the deficiency letter was published in the *Federal Register*, 80 Fed. Reg. 72,428 (2015), with interventions and protests due on or before December 10, 2015. No protests were filed. The Commission served notice of the Application on potentially-affected QFs identified in the amended Application by letter dated November 13, 2015.

5. AECC's application to terminate the requirement that AECC enter into new contracts or obligations to purchase electric energy and capacity from QFs with a net capacity in excess of 20 MW on a service territory-wide basis in MISO is granted, effective November 12, 2015.

By direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.

⁵ 18 C.F.R. § 292.309(e) (2015).

⁶ 18 C.F.R. §§ 292.309(a)(1)(i)-(ii) (2015).

⁷ In the response to the deficiency letter, AECC referenced Entergy Services, Inc.'s (Entergy) response to similar questions posed by Commission staff in a June 25, 2015 deficiency letter to Entergy in Docket No. QM14-3-000, to show that QFs in AECC's service territory within MISO South have the ability to make sales of capacity beyond AECC's footprint, notwithstanding any transmission congestion and constraints, including the Sub-regional Power Balance Constraint, between MISO South and MISO Midwest. *See* Entergy Services, Inc., et al., 154 FERC ¶ 61,035 (2016).