<u>Updates</u> March 19, 2024 FERC Meeting Agenda Summaries for March 2024



Below are brief summaries of the agenda items for the Federal Energy Regulatory Commission's (FERC or the Commission) open meeting to be held on March 21st, at 10:00 a.m. ET.

The summaries below are based on publicly available information in the dockets listed on the FERC agenda at the time of publication. For ease of reference, a link to each lead docket on the meeting agenda has been included. The Commission may decide to remove any items from the meeting agenda at any time.

Item No. Docket No. ADMINISTRATIVE

Company

A-1 AD24-1-000 Agency Administrative Matters
A-2 AD24-2-000 Customer Matters, Reliability, Security, and Market Operations
A-3 <u>AD06-3-000</u> Market Update
ELECTRIC

E-1

E-2

Company

Improvements to Generator Interconnection Procedures and Agreements.

RM22-14-001On July 28, 2023, the U.S. Federal Regulatory Commission (FERC or Commission)
issued a new rule (designated as Order No. 2023) to reform procedures and agreements
that electric transmission providers use to interconnect new generating facilities to the
existing transmission system. By late August 2023, numerous parties had sought
clarification and/or rehearing of Order No. 2023. The Commission noted that rehearing
was denied by operation of law in late September, after which several parties petitioned

for review of the order in the federal courts. Meanwhile, the order took effect November 6, 2023, with transmission providers having until April 3, 2024, to make compliance filings with the Commission. Agenda Item E-1 may be an order on rehearing of Order No. 2023.

Duke Energy Carolinas, LLC and Duke Energy Florida, LLC

Duke Energy Carolinas, LLC, Duke Energy Florida, LLC, and Duke Energy Progress, LLC

On December 15, 2023, Duke Energy Florida, LLC submitted to the Commission an Order No. 2023 compliance filing containing revisions to the Large Generator Interconnection Agreement Interconnection Procedures (LGIP) and Large Generator Interconnection Agreement (LGIA) of its Joint Open Access Transmission Tariff (Joint OATT). The same day, Duke Energy Florida, LLC, along with Duke Energy Carolinas, LLC and Duke Energy Progress, LLC, submitted a separate Order No. 2023 compliance filing containing revisions to the Small Generator Interconnection Procedures under their Joint OATT. In both cases, the respective Duke entities proposed to adopt, without any deviation, the Commissions proposed revisions to the *pro forma* procedures and agreements promulgated in Order No. 2023. Agenda Item E-2 may be an order regarding these compliance filings.

Item No. Docket No.

Company

Arizona Public Service Company

On November 3, 2023, Arizona Public Service (APS) made an Order No. 2023 compliance filing reflecting changes to its Large Generator Interconnection Procedures, Large Generator Interconnection Agreement, Small Generator Interconnection Procedures, and Small Generator Interconnection Agreement. APS proposed to adopt the *pro forma* language set forth in Order No. 2023 to the extent such language was not modified by a September 2023 Commission order, separate from the Order No. 2023 proceeding, accepting certain revisions to the same procedures and agreements. Several parties protested the November 3 APS compliance filing. Agenda item E-3 may be an order regarding the compliance filing.

Idaho Power Company

ER24-10-000
 On October 2, 2023, Idaho Power Company (Idaho Power) submitted a compliance filing in response to Order No. 2023. Idaho Power submitted, among other things, the *pro forma* revisions contained in Order No. 2023 and, in certain sections, proposed revisions that differ from the *pro forma* LGIP and LGIA, but that Idaho Power believes meet the Commission's intent in Order No. 2023. Additionally, on February 29, 2024, Idaho Power submitted a request for waiver of its LGIP to allow Idaho Power to implement its cluster study process prior to Commission action on its compliance filing. Agenda item E-4 may be an order on Idaho Power's compliance filing and request for waiver.

AD21-15-000 Joint Federal-State Task Force on Electric Transmission Federal and State Current Issues Collaborative

E-5 AD24-7-000 On June 17, 2021, pursuant to section 209(b) of the Federal Power Act (FPA), the Commission issued an order establishing a Joint Federal-State Task Force on Electric Transmission (Task Force) to consider a wide variety of issues where greater federal-state coordination could ease barriers to development of transmission infrastructure. Agenda item E-5 may be an order regarding next steps for the Task Force.

E-3

Item No. Docket No.

RM22-2-000

E-6

Company

Compensation for Reactive Power Within the Standard Power Factor Range.

In 2021, FERC issued a Notice of Inquiry (NOI) requesting comment on issues related to reactive power capability compensation, including changes in the electric market and generation resource mix since the Commission approved the "AEP Methodology" for cost allocation in 1999. Due to market changes, regional transmission organizations / independent system operators (RTOs/ISOs) seek to employ different compensation methods, which results in a high number of reactive power proceedings to be resolved by the Commission. FERC accepted comments on the otice of ntent (NOI), including proposed alternative methodologies, through March 2022. Agenda item E-6 may be a proposed rule on updated methodology for reactive power within the standard power factor range.

Project-Area Wage Standards in the Labor Cost Component of Cost-of-Service Rates.

FERC periodically issues policy statements to provide guidance and regulatory certainty regarding FERC-administered statutes, orders, rules, and regulations. Policy statements typically discuss the factors that FERC will use to evaluate future proceedings. In October 2023, FERC issued a proposed policy statement clarifying how the Commission will treat the use of project-area wage standards in calculating the labor cost component of cost-of-service rates under the Natural Gas Act (NGA), Interstate Commerce Act (ICA), and FPA. Agenda item E-7 may be a final policy statement.

E-7 PL24-1-000

Item No.	Docket No.	Company
		Louisville Gas and Electric Company and Kentucky Utilities Company
	ER23-2656- 001 ER23-2662- 001 ER21-894-003 ER21-895-002	In 1998, FERC approved the merger of Louisville Gas and Electric Company (LG&E) and Kentucky Utilities (KU) subject, in part, to LG&E/KU's participation in Midcontinent Independent System Operator, Inc. (MISO) as a means of mitigating horizontal market power concerns. In 2006, FERC granted LG&E/KU approval to leave MISO but required that the utility continue de-pancaking measures to mitigate the previously identified concerns. In 2019, FERC approved removal of the de-pancaking measures, given changes in market competition. Customers appealed the order to the U.S. Court of Appeals for the District of Columbia Circuit, which held that the removal decision was reasonable, but that FERC erred by not evaluating the impact of the removal on rates.
E-8	ER21-896-002	In response, FERC issued a remand order in May 2023, reviewing the impact on rates and ultimately reversing its acceptance of the de-pancaking measures. FERC found that
	ER21-897-001	removing the measures will increase the cost of wheeling transactions and therefore have an adverse effect on rates and ordered LG&E/KU to make a compliance filing
	ER21-900-001	reinstituting the de-pancaking measures. LG&E/KU requested rehearing, and subsequently filed a petition for review with the D.C. Circuit. On August 18, 2023,
	ER21-904-001	LG&E/KU submitted the required compliance filing under protest. On November 16, 2023, FERC issued an Order on the Compliance Filing accepting LG&E/KU's proposed
	(Consolidated)	rate schedules, subject to certain revisions. Disagreeing with the order, LG&E/KU subsequently submitted a request for rehearing "out of an abundance of caution" to avoid waiver of objections as LG&E/KU continue to pursue relief in the D.C. Circuit. Agenda item E-8 may be a decision on the request for rehearing.
		Louisville Gas and Electric Company
E-9	<u>ER23-2656-</u> 002	On January 16, 2024, LG&E/KU submitted a revised version of their Joint Rate Schedule FERC No. 525 pursuant to the Commission's Order on Compliance Filing and Transition Mechanism Agreements issued on November 16, 2023. In addition, LG&E/KU continue to protest Rate Schedule 525 and the changes to Rate Schedule 525 ordered by the Commission for the reasons stated in their earlier August 18, 2023, compliance filing and

protest of Rate Schedule 525 and their request for rehearing of the Compliance Filing

Order. Agenda item E-9 may be an order on this filing.

Company

Wabash Valley Power Association, Inc.

ER24-36-001On January 3, 2024, Wabash Valley Power Association, Inc. (Wabash Valley) filed a
request for rehearing of the Commission's Order Rejecting Wholesale Power Supply
Contracts and Notices of Cancellation, Rejecting Board Policies, and Establishing a Show
Cause Proceeding and Refund Effective Date issued December 5, 2023. In the December
5 order, the Commission rejected Wabash Valley's filing of new long-term all-
requirements wholesale power contracts with twenty of its member-owner electric
distribution cooperatives, together with notices of cancellation of these members' existing
wholesale power contracts, and Wabash Valley's companion filings of two written policies
adopted by Wabash Valley's board of directors. Agenda item E-10 may be an order on this
request.

Viridon New England LLC. On December 6, 2023, Viridon New England LLC (VNE) filed with the Commission a request for authorization for VNE to utilize three incentive rate treatments—a regulatory asset incentive, a hypothetical capital structure incentive, and a regional transmission organization participation incentive for the development of transmission projects within the ISO-New England Inc. region. Additionally, VNE requested authorization for any VNE subsidiaries created to own or develop specific transmission assets in the ISO-NE region to use the same rate incentives without relitigation. On February 15, 2024, VNE filed a supplemental filing explaining that VNE would use the common formula transmission rate already embedded in the ISO-NE open Access Transmission Tariff for use by participating transmission owners in ISO-NE and would not have a VNE-specific formula rate. Agenda item E-11 may be an order on this filing.

E-11 ER24-771-000

Item No. Docket No.

Company

	ER18-1182- 007	
	<u>ER18-1182-</u> 000	System Energy Resources, Inc.
	EL17-41-000	Arkansas Public Service Commission and Mississippi Public Service Commission v. System Energy Resources, Inc.
	EL18-142-000 EL18-204-000	Louisiana Public Service Commission v. System Energy Resources, Inc. and Entergy Services, Inc.
	(consolidated)	Louisiana Public Service Commission v. System Energy Resources, Inc. and Entergy Services, Inc.
	EL18-152-000 EL20-72-000	Louisiana Public Service Commission, Arkansas Public Service Commission, Council of the City of New Orleans, Louisiana, and Mississippi Public Service Commission v. System Energy Resources, Inc. and Entergy Services, LLC
	ER21-117-000	
E-12	ER21-129-000 EL21-24-000	Louisiana Public Service Commission, Council of the City of New Orleans, Louisiana, Arkansas Public Service Commission v. System Energy Resources, Inc., Entergy Services, LLC, and Entergy Operations, Inc. System Energy Resources, Inc. Louisiana Public Service Commission, Arkansas Public Service Commission, and Council of the City of New Orleans, Louisiana v. System Energy Resources, Inc., Entergy Services, LLC, and Entergy Operations, Inc. The listed dockets primarily concern the interpretation and implementation of a unit power sales agreement and System Energy Resources, Inc.'s (SERI) FERC-jurisdictional cost- based formula rate. On June 23, 2022, Entergy Services, LLC —as an agent for SERI—filed a partial settlement agreement and offer of settlement. On December 7, 2023, SERI, on its own behalf and that of the Arkansas Public Service Commission, filed a motion requesting that FERC grant procedural relief to facilitate the disposition of a partial settlement agreement filed on November 17, 2023. The Council of the City of New Orleans and the Louisiana Public Service Commission filed comments in nonopposition to the partial settlement agreement. Agenda item E-12 may be an order on SERI's motion for procedural relief and/or an order on the partial settlement agreement.
	ER21-748-000	
	EL21-46-000 (consolidated)	
	EL21-56-000	
	ER22-958-000	
	ER23-435-000	
	ER23-816-000	
	<u>ER23-1022-</u> 000	
	ER23-1164- 000	
	EL24-5-000	

Item No.	Docket No.	Company
E-13		Algonquin Power Windsor Locks, LLC On September 20, 2023, Algonquin Power Windsor Locks, LLC (Windsor Locks) submitted a Petition for Declaratory Order providing limited waiver of filing requirements applicable to Windsor Lock's facility under Section 292.203(b)(2), as well as a Refund Report that details the amount paid to Ahlstrom-Munksjo Nonwovens LLC (Ahlstrom) in accordance with Commission precedent and 18 C.F.R. § 35.19a. Agenda item E-13 may be an order on Windsor Locks' Petition for Declaratory Order and acceptance of the refund report.
E-14	OMITTED	
		Karen Schedler, Jeremy Helms, Solar United Neighbors, and Vote Solar v. Salt River Project Agricultural Improvement and Power District
E-15	<u>EL24-54-000</u>	On January 12, 2024, Karen Schedler, Jeremy Helms, Solar United Neighbors, and Vote Solar (Petitioners) petitioned the Commission to initiate an enforcement action to compel the Salt River Project (SRP) to properly implement the Commission's Public Utility Regulation Policies Act of 1978 regulations. On January 22, 2024, the First Amended Petition was filed to add Solar United Neighbors as a Petitioner. On February 12, 2024, Salt River Project Agricultural Improvement and Power District filed a Motion to Intervene, Motion to Dismiss, and Protest to the First Amended Petition for Enforcement. Several other parties as well as the National Association of Regulatory Utility Commissioners (NARUC) also filed protests. Agenda item E-15 may be an order on the First Amended Petition for Enforcement.
GAS		
		Standards for Business Practices of Interstate Natural Gas Pipelines

G-1 <u>RM96-1-043</u> On September 29, 2023, the North American Energy Standards Board (NAESB) submitted a report with an updated Version 4.0 of the NAESB Wholesale Gas Quadrant (WGQ) Business Practice Standards. Version 4.0 of the WGQ Business Practice Standards includes enhancements to cybersecurity protections, development activities intended to improve efficiencies of business processes for transportation service providers, and two new model addendums supporting the NAESB Base Contract for the Sale and Purchase of Natural Gas.

Iter No	Docket No	Company
G-2		Petition for Rulemaking to Update Commission Regulations Regarding Allocation of Interstate Pipeline Capacity
	2 <u>RM22-17-000</u>	On June 2, 2022, the American Gas Association, the American Public Gas Association, the Process Gas Consumers Group, and the Natural Gas Supply Association filed a petition for rulemaking requesting that the Commission adopt a rule precluding natural gas pipelines from the practice of aggregating bids on non-contiguous segments of capacity in determining the highest value bid for the purpose of allocating capacity. Agenda item G-2 may be an order on this petition for rulemaking.
HY	DRO	
		Eagle Creek Hydro Power, LLC, Eagle Creek Water Resources, LLC, and Eagle Creek
		Land Resources, LLC
	D 0(00 115	

P-9690-115
 H-1 P-10481-069
 P-10482-122
 On March 30, 2020, Eagle Creek Hydro Power, LLC, Eagle Creek Water Resources, LLC, and Eagle Creek Land Resources, LLC (collectively Eagle Creek) filed final license applications for three separate, new licenses for the Swinging Bridge, Mongaup Falls, and Rio Hydroelectric Projects (collectively Mongaup River Hydroelectric Projects or "Projects). The FERC licenses for the Projects expired on March 31, 2022, and Eagle Creek pursued new licenses for the continued operation of the Projects. Agenda item H-1 may be an order on the final license applications.

Andrew Peklo III

H-2 P-12790-015 On October 15, 2019, Andrew Peklo, III, submitted an application for amendments to the license for the Pomperaug Hydroelectric water power project. On April 16, 2020, FERC accepted the application for filing and solicited comments, motions to intervene, and protests to the application. Agenda item H-2 may be an order on the amendment of license application.

Sandy Hollow Power Company, Inc.

H-3 P-5728-022 On January 26, 2024, Sandy Hollow Power Company Inc. filed a request for a stay following FERC's rejection of the license application for the Sandy Hollow Hydroelectric Project No. 5728. On February 22, 2024, Sandy Hollow Power Company Inc. subsequently filed a request for rehearing for the rejection of the license application. Agenda item H-3 may be an order on the request for rehearing.

CERTIFICATES

T4 area

C-1

Company

Transcontinental Gas Pipe Line Company, LLC

CP23-194-000 On April 19, 2023, Transcontinental Gas Pipe Line Company, LLC (Transco) submitted an abbreviated application for a certificate of public convenience and necessity authorizing Transco to construct, install, modify, operate, and maintain its Alabama Georgia Connector Project (the Project), which will enable Transco to provide an additional 63,800 dekatherms per day of firm transportation service beginning with the 2025/2026 winter heating season. On November 27, 2023, FERC staff published an environmental assessment for the proposed Project, concluding that approval of the Project, with appropriate mitigating measures, would not constitute a major federal action significantly affecting the quality of the human environment. Agenda item C-1 may be an order on Transco's application.

East Tennessee Natural Gas, LLC

C-2 <u>CP23-131-000</u> CP23-131-000 CP23-131-000 On March 31, 2023, East Tennessee Natural Gas, LLC (East Tennessee) submitted an abbreviated application for a certificate of public convenience and necessity authorizing construction activities for its System Alignment Program Project (Project) designed to improve the operational reliability of East Tennessee's system. On November 17, 2023, FERC staff published an environmental assessment for the proposed Project, concluding that approval of the Project, with appropriate mitigating measures, would not constitute a major federal action significantly affecting the quality of the human environment. Agenda item C-2 may be an order on the application.

© 2024 Perkins Coie LLP

Authors

Explore more in

Environment, Energy & Resources Energy Infrastructure & Clean Technology

Related insights

Update

HHS Proposal To Strengthen HIPAA Security Rule

Update

California Court of Appeal Casts Doubt on Legality of Municipality's Voter ID Law