



FERC Update

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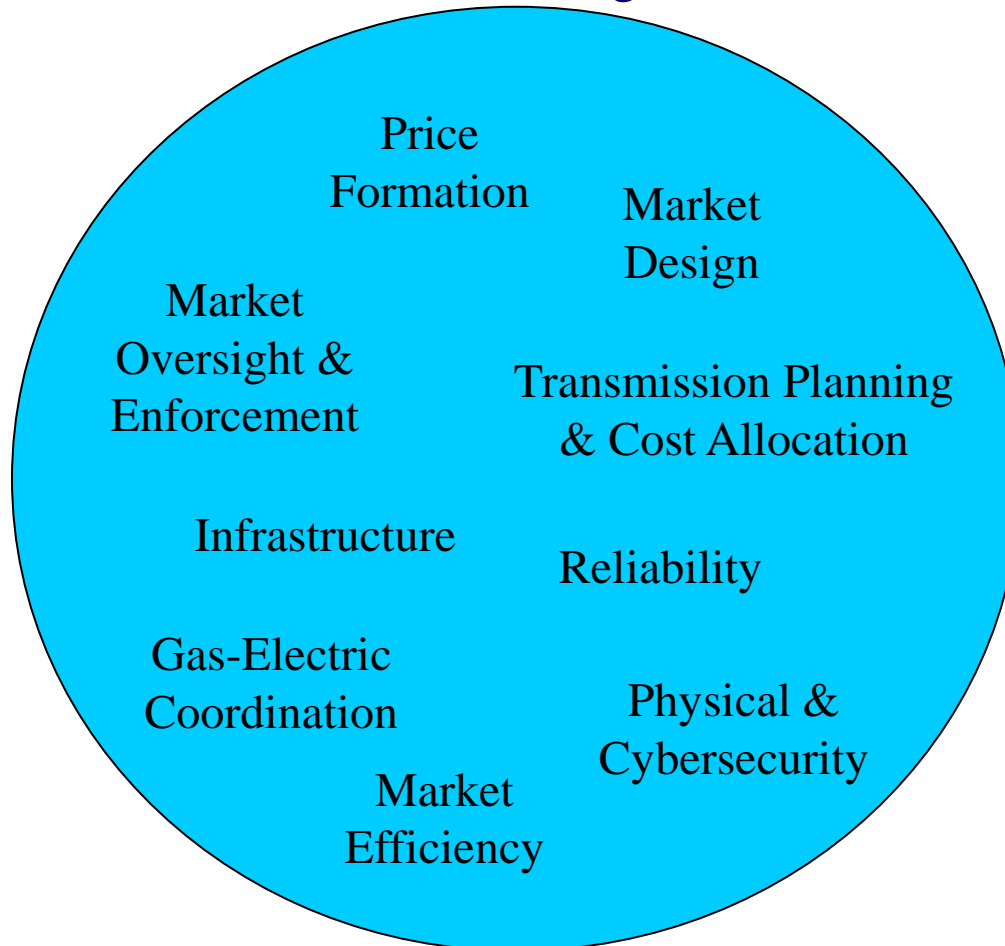
FERC Office of Energy Market Regulation

WSPP Operating Committee Meeting

October 2015



Priorities & Major Initiatives





Western Market Development

- **CAISO EIM**
 - **PacifiCorp** “Go Live” November 1, 2014
 - **NV Energy**
 - OATT provisions conditionally accepted May 2015
 - A number of filings/authorizations still pending
 - Planned/Potential Participants: APS, Puget Sound, Portland General, Idaho Power

- **NWPP Centrally Cleared Energy Dispatch Market**
 - Petition for Declaratory Order filed September 4, 2015



Western Market Development

- **PacifiCorp Exploring CAISO PTO Status**
 - Benefits study released October 13, 2015
 - Anticipates \$3.4B–\$9.1B savings over 20 years
- **SPP Expansion**
 - October 1, 2015: Integrated Systems (WAPA-UGP/Basin/Heartland) fully join
 - Added 5,000 MW of capacity and 9,500 miles of lines in 7 states
 - First time a PMA joins an RTO



Price Formation

- **2014 Tech Conferences**
 - Uplift, offer price mitigation and offer caps, scarcity and shortage pricing, and operator actions
- **September 2015 Settlement & Scarcity Pricing NOPR**
 - Align settlement and dispatch intervals
 - Trigger shortage pricing for any dispatch interval during which a shortage occurs
- **NOPR indicated expected future action on other areas of price formation**



Recent MBR Developments

- **MBR Refinements Final Rule**
 - Clarify and streamline a variety of filing requirements
 - Does not adopt NOPR proposal to remove requirement that applicants for MBRA in RTOs/ISOs submit indicative screens
- ***PNM*, 153 FERC ¶ 61,060 (2015)**
 - Accepts notice of change in status; rejects request for MBR authority in PNM's BAA
 - Provides clarification/guidance on information and analysis to be included in DPTs and SILs

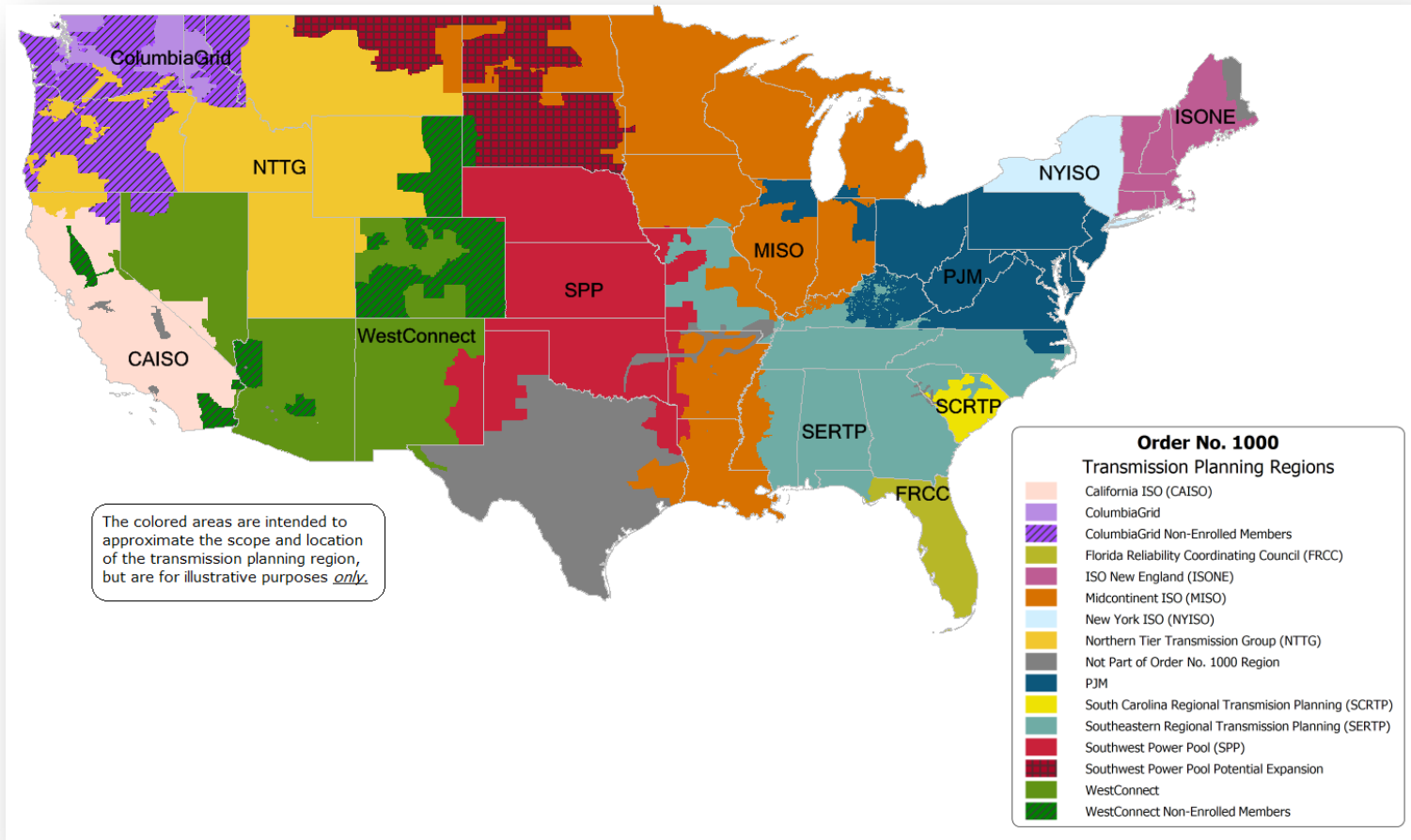


Transmission Planning

- **Order No. 1000 Compliance**
 - CAISO regional compliance – COMPLETE
 - NTTG regional compliance – COMPLETE
 - WestConnect & Columbia Grid regional – 4th round
- **CAISO Competitive Solicitations**
 - 8 projects: 4 to incumbents (or groups that include incumbents), 3 to non-incumbents and 1 pending



Order No. 1000 Transmission Planning Regions





Interconnection

- **ICIF Final Rule (Order No. 807) – March 2015**
 - Blanket Waiver of OATT requirements
 - Third party access via FPA sections 210, 211, and 212
 - Five-year “safe harbor”: rebuttable presumption ICIF owner has definitive plans to use any excess capacity
- **AWEA Petition for Rulemaking**
 - Seeks changes to LGIP/LGIA on study/restudy certainty, interconnection process transparency, network upgrade cost certainty
 - Comments were due September 8



Enforcement & Market Oversight

- **Investigations**
 - Recent attention to process issues
 - Federal Court Litigation: Potential for significant development of case law
- **Connected Entities NOPR – September 2015**
 - Common RTO/ISO market participant identifiers
 - Identification of “Connected Entities”: certain ownership, employment, debt, or contractual relationships
 - Description of Connected Entity relationships



Clean Power Plan

- Four **Tech Conferences** in 2015: reliability, wholesale markets and operations, and energy infrastructure
- May 2015 **Commission Letter** to EPA on reliability
- Future **EPA-DOE-FERC Coordination**
 - August 2, 2015 document describes how the agencies will “coordinate efforts to help ensure continued reliable electricity generation and transmission during the implementation” of the CPP



Questions?