

142 FERC ¶ 61,116
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Jon Wellinghoff, Chairman;
Philip D. Moeller, John R. Norris,
Cheryl A. LaFleur, and Tony T. Clark.

Iberdrola Renewables, Inc.
PacifiCorp
NextEra Energy Resources, LLC
Invenergy Wind North America LLC
Horizon Wind Energy LLC

Docket No. EL11-44-002

v.

Bonneville Power Administration

ORDER GRANTING EXTENSION OF TIME

(Issued February 19, 2013)

1. In this order, the Commission grants Bonneville an extension of time to comply with the Commission's December 20, 2012 order issued in this proceeding.¹ In the Compliance Order, the Commission directed Bonneville to submit a further compliance filing under section 211A of the Federal Power Act (FPA) to propose a cost allocation methodology under the Oversupply Management Protocol (OMP) to allocate displacement costs in a manner that, in conjunction with the non-rate terms and conditions of the OMP, ensures comparable transmission service for all generating resources connected to Bonneville's transmission system. The Commission finds it appropriate to grant an extension of time for Bonneville to submit its compliance filing until such time as Bonneville "files its final OMP rate decision with the Commission

¹ *Iberdrola Renewables, Inc., et al. v. Bonneville Power Administration*, 141 FERC ¶ 61,234 (2012) (Compliance Order).

under section 7(i) of the Northwest Power Act.”² Bonneville is directed to file with the Commission the compliance filing directed in the Compliance Order within thirty days after the date that Bonneville files its OMP rate decision under section 7(i) of the Northwest Power Act.

I. Background

2. On December 20, 2012, the Commission conditionally accepted Bonneville’s OMP for filing, conditioned upon Bonneville submitting a further compliance filing under section 211A of the FPA within ninety days of the issuance of the order. In that compliance filing, Bonneville was directed to propose a methodology for allocating displacement costs under the OMP in a manner that, in conjunction with the non-rate terms and conditions of the OMP, ensures comparable transmission service.

3. On January 22, 2013, Bonneville, on its own behalf, and the Joint Intervenors and Western Public Agencies Group, jointly, asked that the Commission defer Bonneville’s compliance obligations under the Compliance Order.³ In support of their requests, the parties state that the to-be-proposed cost allocation methodology under the OMP is being developed through a rate process under section 7(i) of the Northwest Power Act (NWPA rate case). Thus, the parties request that the Commission defer Bonneville’s compliance obligations until either the Commission rules on their rehearing requests, or until Bonneville has completed its NWPA rate case. Bonneville states that, although it recently commenced the NWPA rate case that will ultimately lead to a proposed cost allocation methodology under the OMP, it cannot complete the NWPA rate case within the ninety days directed in the Compliance Order. Bonneville also states that, in light of the Compliance Order, Bonneville temporarily suspended the NWPA rate proceedings, and commenced further discussions with customers in an attempt to resolve their differences regarding the OMP cost allocation in an uncontested manner. Finally, the parties note that there is no urgency for establishing an OMP cost allocation methodology, as customers cannot be billed for OMP-related costs until the OMP cost allocation methodology is established through an NWPA rate case.

4. On February 5, 2013, Charles Pace filed an answer opposing the parties’ deferral requests. On February 6, 2013, Iberdrola Renewables, Inc., PacifiCorp, NextEra Energy

² Bonneville Request for Rehearing and Requested for Stay and Expedited Consideration at 3 (January 22, 2013).

³ These parties also sought rehearing of the Compliance Order. Arguments raised on rehearing will be addressed by the Commission at a later date, in a separate order.

Resources, LLC, Invenergy Wind North America, and EDP Renewables North America LLC (collectively, Petitioners), Northwest and Intermountain Power Producers Coalition, and TransAlta Energy Marketing, Inc., filed an answer generally stating that they do not oppose the parties' deferral requests. However, these parties request that the Commission establish a new compliance filing date of July 22, 2013 for Bonneville's submission.

II. Discussion

5. The Commission grants Bonneville an extension of time to comply with the Compliance Order until Bonneville "files its final OMP rate decision [with the Commission] under section 7(i) of the Northwest Power Act."⁴ As the Commission has stated previously, we continue to encourage Bonneville and its stakeholders to develop mutually-agreeable long term solutions to address the oversupply problems during high water seasons. The Commission grants this extension of time in order to encourage Bonneville's settlement efforts.

6. The Commission directs Bonneville to submit its compliance filing to satisfy the Compliance Order under section 211A in this docket within thirty days after the date it submits to the Commission its final OMP rate decision pursuant to section 7(i) of the Northwest Power Act. As Bonneville notes, the Commission "retains full authority" to review the proposed OMP cost allocation methodology arising from the NWPA rate case to ensure it complies with the Commission's directive under section 211A set forth in the Compliance Order.⁵ Thus, Bonneville must demonstrate in its compliance filing in this proceeding how the OMP cost allocation methodology arising from the NWPA rate case, in conjunction with the non-rate terms and conditions of the OMP, ensures comparable transmission service for all generating resources connected to Bonneville's transmission system.

The Commission orders:

The Commission hereby grants an extension of time for Bonneville to comply with the Compliance Order, and directs Bonneville to submit its compliance filing within

⁴ Bonneville Request for Rehearing and Requested for Stay and Expedited Consideration at 3 (January 22, 2013).

⁵ *Id.* ("To ensure that the Commission retains full authority over Bonneville's allocation of OMP costs under section 211A of the Federal Power Act, Bonneville will also file its final cost allocation methodology and rate with the Commission in this subdocket for approval under section 211A, as directed by the Commission.").

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thirty days after the date it files its final OMP rate decision with the Commission under section 7(i) of the Northwest Power Act.

By the Commission.

(S E A L)

Kimberly D. Bose,
Secretary.

Document Content(s)

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