

110 FERC ¶ 61,296
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Pat Wood, III, Chairman;
Nora Mead Brownell, and Joseph T. Kelliher.

Entergy Services, Inc.

Docket Nos. ER03-1272-003
EL05-22-000
(not consolidated)

ORDER HOLDING HEARING IN ABEYANCE

(Issued March 22, 2005)

1. On December 17, 2004, the Commission instituted hearing procedures under section 206 of the Federal Power Act (FPA)¹ to investigate the implementation of Entergy Services, Inc.'s² Available Flowgate Capacity (AFC) program, whether Entergy has complied with the Commission's prior orders on AFC matters, and whether Entergy's provision of access to its transmission system is just, reasonable and not unduly discriminatory.³ In light of the Commission order being issued contemporaneously in Docket No. EL05-52-000 involving Entergy's Independent Coordinator of Transmission (ICT) proposal, the Commission will order that the AFC hearing be held in abeyance pending Entergy's response to the accompanying order in Docket No. EL05-52-000.⁴ This order benefits customers by permitting the stakeholders to focus on the ICT proposal, which may address the issues being considered in the AFC hearing.

¹ 16 U.S.C. § 824e (2000).

² Entergy Services, Inc. filed on behalf of the Entergy Operating Companies, which are Entergy Arkansas, Inc., Entergy Gulf States, Inc., Entergy Louisiana, Inc., Entergy Mississippi, Inc., and Entergy New Orleans, Inc. (collectively, Entergy).

³ *Entergy Services Inc.*, 109 FERC ¶ 61,281 (2004).

⁴ 110 FERC ¶ 61,295 (2005).

Background

2. On April 1, 2004, in Docket No. ER04-699-000, Entergy filed revisions to its Open Access Transmission Tariff proposing (1) to contract with an independent entity, the ICT, to provide oversight over the operations of the Entergy transmission system; (2) a new process for assigning cost responsibility for transmission upgrades; and (3) to implement a new Weekly Procurement Process. The Commission convened a series of technical conferences to discuss issues raised by Entergy's proposal in Docket No. ER04-699-000 (ICT Proposal).
3. As a result of the extensive discussions with Entergy's customers and retail regulators in the technical conferences, Entergy submitted, in Docket No. EL05-52-000 a petition for declaratory order on January 3, 2005 requesting guidance on issues associated with its proposal to establish an ICT in Docket No. ER04-699-000 (Petition). In addition, Entergy proposed enhancements to its original ICT proposal that would give the ICT authority to grant or deny requests for transmission service, calculate AFC, administer Entergy's Open-Access Same Time Information Systems, and perform an enhanced planning function (integrating the plans of Entergy and other potential transmission owners to identify regional synergies).
4. In an order issued concurrently, the Commission grants Entergy's request, subject to conditions. Specifically, the Commission states that it will approve Entergy's Proposal on an experimental basis for two years, subject to certain enhancements and monitoring and reporting conditions, and with possible extension if the record developed over the two years demonstrates that Entergy's new pricing program results in just, reasonable and not unduly discriminatory or preferential transmission services. In that order, the Commission states that it expects that Entergy will file a full set of tariff provisions implementing the ICT Proposal under section 205 of the FPA within 60 days of the date of that order.
5. Because the implementation of Entergy's ICT proposal may resolve matters at issue in the AFC hearing, the Commission is willing to hold that hearing in abeyance beginning on the date that Entergy notifies the Commission of its intent to file its section 205 filing, in accordance with the directives of the order in Docket No. EL05-52-000, including the modifications required therein. In order for the hearing to be held in abeyance, Entergy must notify the Commission of its intent to file its section 205 filing within 30 days of the date of this order. In addition, we will hold the AFC hearing in abeyance for an additional 60 days after a Commission order approving the section 205 filing in order for Entergy to file to install an independent entity with the ICT functions. We expect that the ICT will be installed within 60 days of the date of the order approving

the section 205 filing unless the ICT requests a delay. If the Commission approves the filing installing the ICT, then we will continue to hold the AFC hearing in abeyance and will cancel the hearing when ICT begins to perform its functions.

The Commission orders:

The hearing in Docket No. EL05-22-000 is hereby held in abeyance, as discussed in the body of this order.

By the Commission. Commissioner Kelly not participating.

(S E A L)

Linda Mitry,
Deputy Secretary.