

## Federal Energy Regulatory Commission FACT SHEET November 2, 2007 Montana Consumer Counsel Docket No. EL07-94-000

The Federal Energy Regulatory Commission (FERC) today dismissed a complaint filed by the Montana Consumer Counsel (MCC) against the PPL Companies stating that the Commission already has the authority to order refunds if the Commission's decision in a related case is overturned on review by the courts.

## Background

In May 2006, as reaffirmed on rehearing in July 2007, FERC determined that the PPL Companies (PPL Montana, LLC; PPL EnergyPlus, LLC; PPL Colstrip I, LLC; and PPL Colstrip II, LLC) had rebutted the presumption of market power in a control area operated by NorthWestern Corporation and satisfied FERC's generation market power standard.

In September 2007, MCC filed a complaint "out of an abundance of caution" against the PPL Companies alleging that their wholesale rates under certain contracts were unjust and unreasonable under Federal Power Act standards. MCC stated that it opposed the retention of market-based rates by PPL Companies, and that it had filed a petition for review of the market-based rates with the United States Court of Appeals for the Ninth Circuit. MCC claims that the instant complaint is necessary to ensure that the Commission's jurisdiction to order refunds is clear in the event that the Commission's finding that PPL Companies lack market power is overturned in the Ninth Circuit.

## The Order

FERC dismissed the complaint as unnecessary emphasizing that it already possesses the authority to order refunds should the Ninth Circuit determine that the FERC erred in granting the PPL Companies continued market-based rate authority. Under these circumstances, MCC did not need to file a complaint to preserve the right of Montana consumers to receive refunds, FERC concluded.