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## **FERC: Transmission Prefiling Process to Continue**

The Federal Energy Regulatory Commission (FERC) today denied requests by the Arizona Corporation Commission (ACC) to stay the pre-filing process for the proposed Devers-Palo Verde No. 2 transmission line project and to allow the ACC to intervene in the process.

## **Background**

FERC Order No. 689, enacted in 2006, established the process by which an applicant may seek a construction permit for interstate electric transmission lines under the "backstop" siting authority granted to FERC by the Energy Policy Act of 2005. The Commission's authority is limited to those areas designated as National Interest Electric Transmission Corridors by DOE. Order No. 689 established a mandatory pre-filing process during which an applicant would gather information necessary to prepare an application and the Commission would begin its environmental review process.

On May 30, 2008, FERC staff granted the request by Southern California Edison (SCE) to initiate the pre-filing process for the Devers-Palo Verde No. 2 line from near Phoenix, Ariz., to a point near Palm Springs, Calif., in the DOE-designated Southwest National Interest Electric Transmission Corridor.

The ACC filed its intervention and stay requests on July 10, 2008, asserting that the Commission should not take any action the proposed project until legal challenges to the designation of the Southwest National Interest Electric Transmission Corridor and to Order No. 689 are resolved. The ACC also asserted that it needed to intervene in the prefiling process in order to advocate its position on the matter.

## The Order

FERC denied the motion to intervene because its regulations do not allow interventions during the pre-filing process. FERC dismissed the motion for stay because the Commission does not automatically stop processing cases when relevant regulations are under review.

With respect to the denial of the motion to intervene, the pre-filing process is not a formal proceeding before FERC. Unlike the application process, the pre-filing process does not result in any formal Commission declaration that could be subject to rehearing or appeal. Therefore, there is no need for formal party status in the pre-filing process.

The goal of the pre-filing process is to define the project and understand its benefits and impacts. During this process the Commission staff will continue to work with SCE to make sure that all interested stakeholders, including the ACC, have been made aware of the proposed project and have had the opportunity for their views and recommendations to be considered.

Allowing the ACC to intervene at this stage would give it no greater rights than it already has as a commenter.



## FACT SHEET

The ACC will have the right to intervene if SCE files a formal application for transmission siting.

Regarding the ACC's request for stay, FERC said it is well within its jurisdiction to proceed with pre-filing pending the outcome of the court cases. This decision is fully consistent with FERC precedent and the practice of other regulatory agencies. To stop processing cases when relevant regulations are under review could bring FERC's business to a halt. In this case, FERC said, it is in the public interest to allow SCE to gather, at its own financial risk, the information necessary to support an application for a construction permit.