

Promoting Wholesale Competition Through Open-Access Non-discriminatory Transmission Services by Public Utilities, Docket No. RM95-8-000, Recovery of Stranded Costs by Public Utilities and Transmitting Utilities, Docket No. RM94-7-001

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**Promoting Wholesale Competition Through Open-Access Non-discriminatory Transmission Services by Public Utilities, Docket No. RM95-8-000
Recovery of Stranded Costs by Public Utilities and Transmitting Utilities, Docket No. RM94-7-001**

Notice of Extension of Time and Clarifying Service and Docketing Procedures

(Issued September 27, 1996)

By Direction of the Commission: Lois D. Cashell, Secretary.

This Notice extends the date by which public utilities that are members of tight power pools or are within loose power pools must take service under joint pool-wide open-access transmission *pro forma* tariffs. It also extends the date by which public utilities that are members of holding companies must begin to take service under their system-wide tariffs.

Order No. 888

In Order No. 888,¹ the Commission required that public utilities that are members of tight power pools or are within loose power pools file joint pool-wide Final Rule *pro forma* tariffs no later than December 31, 1996 and begin to take service under those tariffs for all pool transactions no later than December 31, 1996. The Commission also required that they file reformed power pooling agreements no later than December 31, 1996.²

With respect to public utility holding companies (except the Central and South West (CSW) System), the Commission required public utilities

[62,647]

that are members of holding companies to file a single system-wide Final Rule *pro forma* tariff permitting transmission service across the entire holding company system at a single price within 60 days of publication of the Final Rule in the *Federal Register*.³ As to CSW, the Commission directed the public utility subsidiaries of CSW to file no later than December 31, 1996 a system tariff that provides comparable service to all wholesale users on the CSW System.⁴ Moreover, the Commission extended the date by which public utilities that are members of holding companies must take service under the system tariff for wholesale trades between and among the public utility operating companies within the holding company system to no later than December 31, 1996.

The Commission also noted that registered holding companies may need to reform their holding company equalization agreements to recognize the non-discriminatory terms and conditions of transmission service required under the Final Rule *pro forma* tariff.⁵ However, it did not set a date by which reformed equalization agreements should be filed.

Discussion

Under Order No. 888, the joint pool-wide section 206 compliance tariffs would become effective December 31, 1996, and the requirement to take service under those tariffs would be effective no later than December 31, 1996; however, proposed amendments to the related pooling agreements would need to be made pursuant to section 205 of the FPA and could not become effective until 60 days after filing (i.e., 60 days after December 31, 1996 for those utilities that file on December 31, 1996). The Commission believes it is important to review in tandem the revised tariffs and proposed power pool amendments, and to have the opportunity to act on both prior to their effectiveness. Accordingly, in order to permit Commission review of both the joint pool-wide tariffs and the amended power pooling agreements required by Order No. 888 prior to the time the tariffs become

effective, the Commission will extend the date by which public utilities that are members of tight power pools or are within loose power pools must begin to take service under new pool-wide tariffs. Joint pool-wide section 206 compliance tariffs must be filed no later than December 31, 1996, and pool members must begin to take service under the tariffs 60 days after the section 206 filing.⁶ Amendments to power pool agreements also must be filed no later than December 31, 1996, and will take effect 60 days after filing unless otherwise ordered by the Commission.⁷

The Commission also will give members of public utility holding companies, including CSW, an extension of time to begin to take service under their system-wide tariff until no later than March 1, 1997, which is 60 days after December 31, 1996. This is consistent with our treatment of power pools.

-- Footnotes --

[62,646]

¹ Promoting Wholesale Competition Through Open-Access Non-discriminatory Transmission Services by Public Utilities, and Recovery of Stranded Costs by Public Utilities and Transmitting Utilities, 61 Fed. Reg. 21540 (May 10, 1996); *FERC Statutes and Regulations, Regulations Preambles January 1991-June 1996* ¶31,036 (Order No. 888), *reh'g pending*.

² 61 Fed. Reg. at pp. 21594 and 21694; Order No. 888, *mimeo* at pp. 270-73 and 780-81.

[62,647]

³ 61 Fed. Reg. at pp. 21594 and 21694; Order No. 888, *mimeo* at pp. 274 and 780-81.

⁴ 61 Fed. Reg. at pp. 21595 and 21694; Order No. 888, *mimeo* at pp. 276 and 780-81.

⁵ 61 Fed. Reg. at pp. 21595 and 21694; Order No. 888, *mimeo* at pp. 276-77 and 780-81.

⁶ As a reminder to affected entities, the Commission will assign OA docket designations to the joint pool-wide section 206 compliance tariff filings and will provide notice of such filings with a period of 30 days for interested entities to respond. *See* Order Clarifying Order Nos. 888 and 889 Compliance Matters, 76 FERC ¶61,009 (1996) (Clarifying Order). In addition, as also explained in the Clarifying Order, electronic versions of the compliance tariff filings must be submitted for posting on the Commission's Electronic Bulletin Board and copies of the compliance filings must be provided on electronic diskette (via overnight delivery) to any eligible customer (as well as any state regulatory agency) that requests a copy. In order to receive such a copy, a request must be made prior to the date the compliance tariff is filed and must include an indication of the entity's agreement to pay the costs associated with such service. Moreover, we will require loose and tight power pools, as defined in Order No. 888, to serve copies of their compliance filings (via overnight delivery) on any non-member customers that have taken wholesale service from the pool after the date of issuance of the Open Access NOPR and on the state agencies that regulate public utilities in the states of the power pools and customers.

⁷ Any amended pooling agreements, as well as any reformed equalization agreements, will be designated ER dockets, consistent with the Commission's current practice.