

UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Joseph T. Kelliher, Chairman;  
Sudeen G. Kelly, Marc Spitzer,  
Philip D. Moeller, and Jon Wellinghoff.

Unitil Companies

Docket No. ER06-1094-008

ORDER GRANTING REQUEST FOR WAIVERS

(September 21, 2006)

1. On June 1, 2006, as amended on July 31, 2006, the Unitil Companies<sup>1</sup> filed a request for waivers from the standards adopted by the Commission in Order No. 676.<sup>2</sup> In this order, the Commission grants the requested waivers, as discussed below.

**Background**

2. In Order No. 676, the Commission incorporated by reference in its regulations certain standards promulgated by the Wholesale Electric Quadrant (WEQ) of the North American Energy Standards Board (NAESB). In addition, the Commission directed public utilities to comply with these standards and revise their open access transmission tariffs (OATT) to include these standards. The standards establish a set of business practice standards and communications protocols (Standards WEQ-001, 002, and 003) for the electric industry that replace the Commission's existing Open Access Same-Time Information Systems (OASIS) standards, and also include business practices to complement reliability standards of the North American Electric Reliability Council (NERC) (Standards WEQ-004, 005, 006, and 007). As an alternative to complying with

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<sup>1</sup> The Unitil Companies comprise: Unitil Power Corp. (UPC); Fitchburg Gas and Electric Light Company (FGE); and Unitil Energy Systems (UES) (collectively, Applicants).

<sup>2</sup> *Standards for Business Practices and Communication Protocols for Public Utilities*, Order No. 676, 71 *Fed. Reg.* 26,199, FERC Stats. & Regs., Regulations Preambles ¶ 31,216, *order on reh'g*, Order No. 676-A, 116 FERC ¶ 61,102 (2006).

the standards, Order No. 676 gave public utilities the option of applying for a waiver, in whole or part, of the standards.

3. Specifically, Order No. 676 required public utilities to revise their OATTs to include the following WEQ standards: WEQ-001 – Business Practices for Open Access Same-Time Information Systems (OASIS); WEQ-002 – Business Practices for Open Access Same-Time Information Systems (OASIS) Standards & Communication Protocols; WEQ-003 -- Open Access Same-Time Information Systems (OASIS) Data Dictionary; WEQ-004 – Coordinate Interchange; WEQ-005 – Area Control Error (ACE) Equation Special Cases; WEQ-006 – Manual Time Error Correction; and (WEQ-007) – Inadvertent Interchange Payback.<sup>3</sup>

4. As explained above, Order No. 676 also permitted public utilities to request a waiver of specific standards by explaining the reasons why the waiver should be granted. Further, Order No. 676 stated that public utilities, including ISOs and RTOs, that have existing waivers of certain OASIS standards may reapply for such waivers using simplified procedures. These streamlined procedures require an applicant to identify the specific standard(s) from which it seeks waiver and to provide the caption, date, and docket number of the proceeding in which it previously received the waiver. In addition, an applicant must certify that the circumstances warranting its waiver(s) have not changed.<sup>4</sup>

## **Discussion**

### **Description of the Applicants**

5. Applicants state that UPC does not own or operate any generation, transmission or distribution facilities, that it does not serve any wholesale load, and that it does not purchase or sell power other than that associated with its pre-May 2003 obligations.<sup>5</sup> Applicants indicate that UPC has retained a 1.22 percent interest in the use of the high voltage direct current (HVDC) Phase II transmission system in New England and that the rights to this transmission capacity are made available to Central Vermont Public Service Corporation (CVPS) via contract. CVPS includes UPC's 1.22 percent interest in its Schedule 20A-CV to ISO-New England, Inc.'s (ISO-NE) OATT.

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<sup>3</sup> Order No. 676 at P 19.

<sup>4</sup> *Id.* at P 79.

<sup>5</sup> Unutil Power Corp., unpublished letter order, Docket No. ER03-483-000 (March 21, 2003).

6. Applicants state that FGE is an electric and gas distribution utility with a peak load of approximately 100 MW. They further state that FGE owns a 115 kV interconnection with New England Power Company that is classified as Pool Transmission Facilities (PTF) and included as part of ISO-NE's Regional Network Service (RNS). FGE, they continue, also owns one 115 kV to 69 kV substation and 25 miles of 69 kV transmission plant as well as 69 kV and lower distribution plant. According to Applicants, transmission service over FGE's transmission and distribution system is provided under Schedule 21-FGE to ISO-NE's OATT. The Applicants explain that FGE has a 0.43 percent interest in the use of the HVDC Phase I and Phase II transmission system in New England and that the rights to this transmission capacity are made available via contract to CVPS. CVPS includes FGE's 0.43 percent interest in its Schedule 20A-CV to ISO-NE's OATT. Applicants indicate that, while one dispatchable QF generator is located in FGE's service area and is connected to FGE's transmission system, the right to dispatch that generator belongs to ISO-NE.

7. Applicants state that UES is an electric distribution utility with a peak load of approximately 300 MW. They further state that UES owns no generation or transmission facilities, but does operate distribution facilities at 34 kV and lower voltages. They explain that transmission service over the UES distribution system is provided pursuant to Schedule 21-UES to ISO-NE's OATT.

### **Basis for Granting Waiver**

8. In their waiver application, Applicants state that UPC and FGE have previously been granted waivers of the Order No. 889 OASIS standards on September 11, 1996 in *Northern States Power Company*.<sup>6</sup> They also state that UES was granted a waiver of the Order No. 889 OASIS standards on December 20, 2002 in *Concord Electric Company*.<sup>7</sup> In *Northern States Power Company*, the Commission granted the requested waivers of the requirements of Order No. 889 because the applicants in that proceeding (including UPC, FGE, and UES's predecessors) stated that they did not operate or control an interstate transmission grid.<sup>8</sup> In *Northern States Power Company* and in *Concord Electric*, the Commission granted waiver of the requirement to establish and maintain an OASIS, unless and until an entity evaluating its transmission needs complains that it

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<sup>6</sup> 76 FERC ¶ 61,250 (1996).

<sup>7</sup> 101 FERC ¶ 61,324 (2002) (*Concord Electric*). This waiver continued waivers earlier granted to UES's predecessors, Concord Electric Company and Exeter & Hampton Electric Company, in *Northern States Power Company*, 76 FERC ¶ 61,250 (1996).

<sup>8</sup> Northern States Power Company, 76 FERC at 62,296-97.

could not get information necessary to complete its evaluation.<sup>9</sup> The Applicants certify that the circumstances warranting their waivers of the OASIS requirements have not changed.

9. In their waiver application, the Applicants request that the waivers of the Order No. 889 OASIS requirements be continued and also request full waivers of the newly created standards governing firm and non-firm redirects (WEQ-001-9 and 001-10), multiple transmission requests (WEQ-001-8), and the reliability-related standards: WEQ-004 (Coordinate Interchange), WEQ-005 (Area Control Error Equation Special Cases), WEQ-006 (Manual Time Error Correction), and WEQ-007 (Inadvertent Interchange Payback). In support of their latter request for waiver, the Applicants state that they operate within the footprint of ISO-NE, do not operate as Balancing Authorities, or otherwise control the operation of generation or transmission facilities in a manner that would permit them to comply with the Order No. 676 standards.

### **Notices of Filing**

10. Notice of the initial filing was published in the *Federal Register* with comments, interventions, and protests due on or before June 21, 2006.<sup>10</sup> None was filed. Notice of supplemental information provided by the Applicants, as requested by the Commission, was published in the *Federal Register* with comments, interventions, and protests due on or before August 21, 2006.<sup>11</sup> None was filed.

### **Commission Determination**

11. Based on the information provided in the Applicants' waiver request, we will grant the requested waivers, because the Applicants meet the criteria for small public utility waivers provided in Order No. 676.<sup>12</sup> The request for waivers of Order No. 676 is granted subject to the same conditions as applied to the Applicants' earlier waivers of Order No. 889.<sup>13</sup>

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<sup>9</sup> *Id.* at 62,297; *Concord Electric* at P 9.

<sup>10</sup> 71 *Fed. Reg.* 35644 (2006).

<sup>11</sup> 71 *Fed. Reg.* 47198 (2006).

<sup>12</sup> Order No. 676 at P 85-87.

<sup>13</sup> *Id.* at P 87.

The Commission orders:

The Unitil Companies' request for waivers of the Order No. 676 standards is hereby granted, as discussed in the body of this order.

By the Commission.

( S E A L )

Magalie R. Salas,  
Secretary.