



Organization of MISO States

Legal and Licensing – US Issues

ERO Kosovo

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Organization of MISO States

Approval of New Electric Generation

Approval in US is by state commissions

Commissions consider the factors listed in legislation

Typical factors are:

- Is the fuel choice consistent with energy policy?
- Is the plant consistent with integrated resource plans?
- Does the plant meet a need? Does it provide a net economic benefit?
- Is the financing plan reasonable?
- Would the plant create competitive imbalance?
- What alternatives were considered?
- How will the plant's power output be sold? Can the estimated cost be supported by rates?
- Does the location fit community needs?
- Is the terrain suitable for the plant?
- Have environmental issues been adequately considered?
 - Water supply
 - Water discharges
 - Wildlife
 - Air emissions
- Will this plant allow retirements of other plants?

Electric Transmission Lines

Approval in US is by state commissions

Commissions consider the factors listed in legislation

Typical factors are:

- What needs will the line serve? Will it provide a net economic benefit?
- Is the financing plan reasonable?
- Would the plant create competitive imbalance?
- What alternatives were considered?
- Are the estimated costs reasonable? Can these costs be supported by rates?
- Does the location fit community needs?
- Have environmental issues been adequately considered?
 - Wildlife
 - Air emissions
 - Esthetics
- Have landowner interests been addressed?
- Have public safety issues been addressed?

Natural Gas Transmission Facilities

- Definition of “Interstate Pipeline” as opposed to local distribution facilities is in US Natural Gas Act.
- Interstate pipelines are approved by the FERC.
- Factors considered in Certificate cases:
 - Land use issues
 - Environmental issues
 - Open competitive process for customers of the capacity
- Conditions
- Tariffs are considered in rate cases.
- Projects approved by the FERC are listed at:
<http://www.ferc.gov/industries/gas/industry-act/pipelines/approved-projects.asp>

FERC Pipeline Process

- Pre-Filing Activities and Conferences:
<http://www.ferc.gov/industries/gas/indus-act/pre-filing.asp>
- Environmental Impact Statement: See
<http://www.ferc.gov/eventcalendar/Files/20101019140926-agenda.pdf>
- Policy Statement (Pricing): *Certification of New Interstate Natural Gas Pipeline Facilities*, 88 FERC ¶ 61,227 (1999) (Certificate Policy Statement), *clarified*, 90 FERC ¶ 61,128 (2000), *further clarified*, 92 FERC ¶ 61,094 (2000).

Local Distribution Facilities (Gas or Electric)

Local facilities are approved by state commissions.

Factors vary by state legislation.

Typical factors are:

- What needs will the line serve? Will it provide a net economic benefit?
- Is the financing plan reasonable?
- Would the plant create competitive imbalance?
- What alternatives were considered?
- Are the estimated costs reasonable? Can these costs be supported by rates?
- Is the line sited in accordance with community needs?
- Have environmental issues been adequately considered?
 - Terrain and wildlife
 - Esthetics
- Have landowner interests been addressed?
- Have public safety issues been addressed?
- Are there special construction or land restoration requirements?

Direct Electricity and Gas Lines

- These lines are for retail sales, and are regulated by state commissions.
- If the utility funds the line, the same factors are considered:
 - Cost / benefit
 - Customer contribution
 - Land use
 - Environment
- If customer funded, approval usually comes from municipal authorities.
 - Their considerations relate to zoning and land use.

Sample Transmission Line Case

- <https://efs.iowa.gov/efiling/groups/external/documents/docket/060628.pdf>
- <https://efs.iowa.gov/efs/SearchDocumentSearch.do?searchType=document&sortColumn=xDateFiled&sortBy=Desc&numOfResults=25&docketNumber=E-22033>

Procedures - Public

- Notice to Public
 - Type of Facility
 - Reasons for construction
 - Land requirements
 - Compensation
 - Timetable for construction
 - Expected impacts
- Notice to landowners, local governments, other agencies
- Land use negotiations
- Judicial proceedings for easements or taking

Commission Procedures

- Testimony and exhibits
- Notice of right to participate
- Interventions
- Public filings
- Discovery
- Intervenor testimony
- Public comment
- Hearings
- Briefs
- Decision: oral, written
- Reconsideration
- Future reporting
- Judicial review

STATE OF IOWA - DEPARTMENT OF COMMERCE - UTILITIES BOARD
IN RE: ITC MIDWEST LLC DOCKET NO. E-22033

ORDER GRANTING FRANCHISE

(Issued March 10, 2011)

On November 12, 2010, ITC Midwest LLC, (ITC) filed a petition identified as Docket No. E-22033 with the Utilities Board (Board) for a franchise to erect, maintain, and operate approximately 1.60 miles of 72,500 volt maximum voltage electric transmission line using the early notice process in Hardin County, Iowa, pursuant to Iowa Code chapter 478 (2011). ITC states that all easements required for the line have been obtained.

ITC has met the requirements of Iowa Code chapter 478 (2011) and 199 IAC 11 and 25, and a franchise should be issued to ITC for the transmission line described in the petition.

FINDINGS OF FACT

1. No objections to the petition have been filed as provided for by Iowa Code chapter 478 (2011).
2. Notice of the petition was published as required by Iowa Code chapter 478 (2011).
3. ITC has filed an agreement to pay all costs and expenses of this franchise proceeding pursuant to Iowa Code § 478.4 (2011).

4. The transmission line is necessary to serve a public use. This conclusion is based on information provided pursuant to Iowa Code chapter 478 (2011).

5. The transmission line represents a reasonable relationship to an overall plan of transmitting electric energy in the public interest. This conclusion is based on information provided pursuant to Iowa Code chapter 478 (2011).

6. The transmission line will meet or exceed the minimum engineering requirements of the rules of the Board and will conform to the requirements of Iowa Code chapter 478 (2011).

7. ITC has not requested it be vested with the right of eminent domain.

8. The transmission line is near and parallel to roads, to railroad rights of way or along division lines of land, wherever practicable and reasonable, and so as not to unnecessarily interfere with the use of land by the occupants consistent with Iowa Code § 478.18 (2011).

CONCLUSIONS OF LAW

1. The Utilities Board has jurisdiction of the parties and subject matter pursuant to Iowa Code chapter 478 (2011).

2. The Utilities Board has authority pursuant to Iowa Code chapter 478 (2011) to grant franchises for the construction, erection, maintenance, and operation of certain electric transmission lines outside cities in the state for the transmission, distribution, or sale of electric current within the state. Iowa Code § 478.1 (2011).

DOCKET NO. E-22033

PAGE 3

IT IS THEREFORE ORDERED:

1. The petition is granted and a franchise will be issued to (company name) to construct, erect, operate, and maintain an electric transmission line as specifically described in Franchise No. 17952, issued concurrently with this order.
2. The Utilities Board retains jurisdiction of the subject matter in this docket pursuant to Iowa Code chapter 478 (2011), and may at any time during the period of the franchise make such further orders as may be necessary.

UTILITIES BOARD

/s/ Robert B. Berntsen

/s/ Krista K. Tanner

ATTEST:

/s/ Joan Conrad /s/ Darrell Hanson

Executive Secretary

Dated at Des Moines, Iowa, this 10th day of March 2011.

<https://efs.iowa.gov/efiling/groups/external/documents/docket/060629.pdf>

FERC Certificate for Gas Pipeline

- Central New York Oil and Gas Company, LLC
- Expansion of existing facilities
- Applied April 27, 2010
- Approval January 20, 2011
- Order at
<http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=12539206>