

**STATUS OF KEY FERC POLICY INITIATIVES  
(as of 10/17/07)**

<b>Initiative</b>	<b>Forum</b>	<b>Issue</b>	<b>Policy Motivation</b>	<b>Status</b>	<b>Next Steps</b>
<b>Electricity – Transmission Issues</b>					
Revisions to Open Access Transmission Tariff	FERC RM05-25 RM05-17	FERC has revised the open access transmission tariff (OATT) to facilitate non-discriminatory access to the transmission grid	Attempt to address allegations of undue discrimination in transmission markets without triggering political resistance SMD faced	<b>RM05-25, RM05-17:</b> Notice of Proposed Rulemaking issued 5/19/06 proposes revisions to existing open access rules, provides for greater consistency and transparency in the calculation of Available Transfer Capability (ATC), but does not propose to implement “FERC lite” provisions of EPAct/05; technical conference on OATT reform held 10/12/06; comments on redispatch and conditional firm service issues filed in 12/06; Final Rule (Order No. 890) issued 2/16/07 revises OATT provisions related to ATC calculation, transmission planning, imbalance pricing, capacity reassignment, and adopts a new conditional firm service option to facilitate access by wind generators; requests for rehearing filed in 3/07; order extending certain compliance deadlines by 60 days issued 4/11/07; technical conferences on transmission planning “strawman” proposals held in 6/07; order establishing a technical conference and providing guidance on designation of network resources issued 6/26/07; conference held 7/30/07; section 206 compliance filings submitted by utilities in non-RTO/ISO regions in 7/07; staff white paper on transmission planning processes issued 8/2/07; compliance filings on ATC calculation methodology filed in 9/07; notice issued 9/7/07 extends until further notice Order No. 890 requirements for undesignating network resources; technical conferences on transmission planning proposals held in Atlanta (10/1/07-10/2/07) and Boston (10/15/07-10/16/07); section 206 compliance filings submitted by utilities in RTO/ISO regions in 10/07.	Technical conference on transmission planning proposals scheduled in Denver (10/23/07-10/24/07); compliance filings incorporating transmission planning principles are due 12/7/07.

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National Interest Electric Transmission Corridors	FERC/DOE RM06-12	DOE is considering designation of national interest electric transmission corridors that would be subject to FERC backstop siting authority; FERC has adopted rules on implementation of backstop authority	Implementation of § 1221 of EPAAct/05	<p><b>FERC:</b> Notice of Proposed Rulemaking issued 6/16/06 (RM06-12) proposes guidelines FERC will use for siting electric transmission lines; comments filed in 8/06; Final Rule (Order No. 689) issued 11/16/06; notice issued 1/26/07 announcing a series of workshops on implementation of new siting regulations; workshops held in Boston (3/6/07), Atlanta (3/7/07), Portland, OR (3/20/07) and Phoenix (3/21/07); order denying rehearing issued 5/17/07; petitions for review have been filed at courts of appeals.</p> <p><b>DOE:</b> Notice of Inquiry issued 2/2/06 seeks comments on preparation of the DOE study on congestion; comments filed in 3/06; technical conference held in Chicago on 3/29/06; DOE congestion study submitted to Congress on 8/8/06; comments filed in 10/06; DOE draft designations of national interest electric transmission corridors issued 4/26/07; public meetings on draft designations held in Arlington, VA (5/15/07), San Diego (5/17/07), Rochester, NY (6/12/07), Pittsburgh (6/13/07), Las Vegas (6/20/07) and Phoenix (6/21/07); comments on DOE's draft designations filed in 7/07; order issued 10/2/07 designates the Mid-Atlantic and Southwest Areas as national interest electric transmission corridors.</p>	Requests for rehearing of 10/2/07 order are due 11/5/07.

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Reliability Standards	FERC RR06-1 RR06-3 RM06-16 RM06-22 RM07-3 RR07-1, et al. RR07-9 RM07-11 RR07-10 RR07-11 RR07-12 RR07-13 RR07-14 RR07-16 AD07-12 RR08-1 RC07-4, et al.	FERC is implementing new reliability authorities under EPCRA/05, under which the Electric Reliability Organization (ERO) develops and enforces mandatory reliability standards with regulatory oversight of the Commission	Implementing new reliability authorities under EPCRA/05	<p><b>RR06-1:</b> NERC application for certification as the ERO filed 4/4/06; order certifying NERC as the ERO issued 7/20/06; order on rehearing of 7/20/06 order, and addressing governance compliance filing, issued 10/30/06; order on NERC's 10/18/06 compliance filing on non-governance matters issued 1/18/07; order accepting uniform compliance monitoring and enforcement program and <i>pro forma</i> delegation agreement issued 4/19/07; order approving sector representation on ERO committees issued 6/7/07; order issued 9/20/07 requires NERC to indicate the seriousness of "Required Action" alerts and to submit such alerts to FERC prior to their release to the industry.</p> <p><b>RR06-3:</b> Initial business plan and '07 budget filed by NERC on 8/23/06; order approving business plan/budget issued 10/24/06, but denying request to fund WECC reliability coordinator activities through the ERO; order on rehearing and establishing technical conference on WECC funding issued 2/15/07; order on rehearing issued 4/19/07 would permit WECC to fund up to \$5.7 million of reliability coordinator activities through the ERO; compliance filing on budget issues, current Compliance Registry and 2007 audit schedule submitted by NERC on 6/14/07.</p> <p><b>RM06-16:</b> Notice of Proposed Rulemaking issued 10/20/06 proposes to approve 83 of 107 mandatory reliability standards submitted by NERC, while 24 others will remain pending at FERC; 21 revised standards filed by NERC on 11/15/06; comments on the NOPR filed in 1/07; Final Rule (Order No. 693) issued 3/16/07 approves 83 standards—with 24 to remain pending at FERC—and directs NERC to submit significant improvements to 56 of the 83 approved standards; compliance filing regarding regional differences in WECC reliability standards filed by NERC on 6/14/07; Final Rule became effective 6/18/07; order on rehearing of Final Rule issued 7/19/07; order accepting NERC's procedures for joint registration organizations issued 7/19/07; revised standards development work plan filed by NERC on 10/5/07.</p> <p><b>RM06-22:</b> Proposed cyber security standards filed by NERC on 8/28/06; FERC staff's preliminary assessment of proposed standards issued in 12/06; comments filed in 2/07; Notice of Proposed Rulemaking issued 7/20/07 seeks comment on eight proposed critical infrastructure protection standards; comments filed in early October.</p>	

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Reliability Standards (cont'd)				<p><b>RM07-3:</b> Proposed facilities design, construction and maintenance standards filed by NERC on 11/15/06; Notice of Proposed Rulemaking issued 8/13/07; comments filed in 9/07.</p> <p><b>RR07-1, et al.:</b> Proposed delegation agreements between NERC and eight Regional Entities filed 11/29/06; comments filed in 1/07; order accepting delegation agreements with Regional Entities issued 4/19/07; executed delegation agreements with Regional Entities filed by NERC on 5/18/07; order accepting executed delegation agreements issued 6/5/07; order denying rehearing and granting/denying clarification of 4/19/07 order issued 9/21/07.</p> <p><b>RR07-9:</b> NERC's proposed violation risk factors for 89 Version 0 reliability standards filed 2/23/07; comments filed in 3/07; order on violation risk factors issued 5/18/07; compliance filing submitted 6/1/07; order on rehearing of 5/18/07 order issued 8/9/07.</p> <p><b>RM07-11:</b> Notice of Proposed Rulemaking issued 3/16/07 proposes to eliminate qualifying facilities' exemption from mandatory reliability standards; comments filed in 4/07; Final Rule eliminating QF exemption from mandatory reliability standards issued 5/18/07; order denying motion for stay issued 6/25/07; Final Rule became effective 6/25/07.</p> <p><b>RR07-10:</b> NERC's proposed violation risk factors for Version 1 reliability standards filed 3/23/07; comments filed in 4/07; supplemental filing submitted by NERC on 5/4/07; order on violation risk factors issued 5/18/07; compliance filing submitted 6/1/07; order on rehearing of 5/18/07 order issued 8/9/07.</p> <p><b>RR07-11:</b> NERC request for approval of eight regional reliability standards proposed by WECC for the Western Interconnection filed 3/26/07; comments filed in 4/07; order approving regional reliability standards and directing modifications issued 6/8/07; NERC compliance filing submitted 7/9/07.</p> <p><b>RR07-12:</b> Supplemental violation risk factors for Version 1 reliability standards filed by NERC on 5/4/07; order on violation risk factors issued 6/26/07.</p>	Revised delegation agreements are due 10/30/07.

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Reliability Standards (cont'd)				<p><b>RR07-13:</b> Order issued 6/13/07 clarifies procedures to be used by the ERO and Regional Entities when submitting mitigation plans to FERC related to self-reported violations or investigations of alleged violations; order issued 7/8/07 clarifies that mitigation plans prepared by Canadian or Mexican authorities are not required to be filed at FERC.</p> <p><b>RR07-14:</b> NERC compliance filing on implementation of reliability enhancement programs filed on 7/20/07.</p> <p><b>AD07-12:</b> Notice issued 6/15/07 announcing a technical conference on enforcement of reliability standards in RTOs and ISOs; conference held 9/18/07; post-technical conference comments filed in early October.</p> <p><b>RR07-16:</b> NERC's 2008 Business Plan and Budget, 2008 Business Plans and Budgets of Regional Entities, and 2008 funding request of Western Interconnection Regional Advisory Board filed on 8/24/07.</p> <p><b>RR08-1:</b> NERC filing on 10/12/07 requesting approval of a process for NERC or a regional entity to issue requests for data of information necessary for either organization to fulfill its obligations under § 215 of the FPA.</p> <p><b>RC07-4, et al:</b> Order issued 9/26/07 establishes a technical conference to discuss appeals of compliance registry determinations regarding Direct Energy, Sempra Energy Solutions and Strategic Energy; technical conference held 10/12/07.</p>	Comments are due 10/29/07.

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RTO Policy	FERC  ER06-615 (CAISO market redesign)  AD07-8 (market monitoring)  RM07-19 (ANOPR)	FERC is making RTO policy in its review of individual RTO applications and in discrete RTO-related policy initiatives	Promoting independently operated regional transmission organizations	<b>ER06-615:</b> Market redesign and technology upgrade (MRTU) proposal filed by CAISO on 2/9/06; order conditionally approving MRTU filing issued 9/21/06; technical conference on seams issues held in Phoenix 12/14-12/15; order on rehearing of 9/21/06 order issued 4/20/07; order on MRTU compliance filings issued 6/25/07; CAISO announced in 8/07 that MRTU implementation will be delayed until 3/31/08; orders on rehearing issued 9/24/07 and 10/15/07.  <b>AD07-8:</b> Technical conference on RTO market monitoring matters held 4/5/07; complaints filed in 4/07 by D.C. People's Counsel (EL07-56) and Organization of PJM States (EL07-58) alleging that PJM has interfered with the independence and operation of its market monitoring unit; order on complaints issued 9/20/07 directs the parties to engage in settlement discussions to work out the details of the relationship between PJM and its market monitor.  <b>RM07-19:</b> Advance Notice of Proposed Rulemaking (ANOPR) issued 6/22/07 proposes improvements in the operation of RTO/ISO markets, and addresses issues related to demand response, long-term contracting and market monitoring; comments filed in 9/07.	
Incentive Transmission Rates	FERC  RM06-4	FERC established rules for incentive-based rate treatments for transmission investments	Implementation of § 1241 of EPCRA/05	Notice of Proposed Rulemaking on incentive-based rate treatments issued 11/17/05; comments filed in 1/06; Final Rule (Order No. 679) issued 7/20/06; orders on rehearing issued 12/22/06 and 4/19/07; petition for review dismissed by the D.C. Circuit on 5/14/07; order rejecting Commonwealth Edison's incentive rates filing issued 6/5/07 (EL07-41); order accepting, in part, Baltimore Gas and Electric's incentive rates filing issued 7/24/07 (ER07-576).	
Business Practice Standards for Electric Utilities	FERC  RM05-5  RM96-1	FERC is considering adopting business practice standards developed by the North American Energy Standards Board's (NAESB) Wholesale Electric Quadrant	Attempt to replace ad-hoc process of developing standards related to OASIS and other communication protocols	<b>RM05-5, RM96-1:</b> Notice of Proposed Rulemaking issued 10/25/06 would adopt NAESB business standards establishing communication protocols between interstate pipelines and power plant operators and transmission owners and operators; comments filed in 12/06; Final Rule (Order No. 698) issued 6/25/07 incorporates by reference the NAESB standards .	Utilities and pipelines are required to incorporate the standards by reference and file a statement by 11/1/07 as to whether they have established the required procedures.

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<b>Electricity – Wholesale Sales</b>					
Market Power Tests for Market-Based Rates	FERC RM04-7	FERC is reviewing the tests for getting and maintaining market-based rate (MBR) authorization	Arose from criticism of the prior supply margin assessment test and new pivotal supplier and market share screens	Notice of Proposed Rulemaking issued 5/19/06 proposes that FERC continue to use its existing generation market power screens, combine into one analysis vertical market power issues (transmission market power and barriers to entry), and codify certain regulations related to affiliate sales; initial comments filed in 8/06; reply comments filed in 9/06; Final Rule (Order No. 697) issued 6/21/07 codifies the existing market power analysis for MBR authorization, clarifies the scope of the mitigation applicable to sellers that lose MBR authority, codifies and clarifies the affiliate restrictions contained in the model code of conduct and modifies the current requirements for triennial updates; requests for rehearing filed in 7/07; Final Rule became effective 9/18/07.	
Demand Response	FERC/DOE AD06-2 AD07-11	FERC is considering means to promote demand response	Section 1252 of EPAct/05 requires FERC to report on demand response resources on a regional basis	Notice of proposed voluntary survey on demand response and technical conference issued 11/3/05; conference on demand response held 1/25/06; DOE report on demand response submitted to Congress in 2/06; FERC report to Congress submitted on 8/7/06; FERC/state collaborative dialogue on demand response issues initiated in 11/06; first meeting held at NARUC annual convention on 11/12/06; conference on demand response issues held 4/23/07; in 9/07, FERC created a new Energy Innovations Section, which will promote and manage the Commission's activities with regard to demand response, energy efficiency, distributed generation, renewable energy issues, greenhouse gas emissions policies and advanced technologies.	
Competition Policy Issues	FERC AD05-17 AD07-7	The Electric Energy Market Competition Task Force (FERC, DOJ, FTC, DOE and RUS) conducted a study of competition in wholesale and retail electric markets	Section 1815 of EPAct/05 requires the Task Force to make recommendations to address impediments to competition; FERC conferences a response to industrial customer and public power criticism of FERC competition policy	<b>AD05-17:</b> Notice requesting comments issued 10/13/05; comments filed in 11/05; draft Task Force report released on 6/5/06; comments on the draft report filed in 6/06; report to Congress issued 4/6/07.  <b>AD07-7:</b> Notice issued 1/9/07 announcing a series of FERC conferences to examine the state of competition in wholesale markets; conferences held 2/27/07 and 5/8/07.	
Lockyer	Ninth Circuit	Challenge to validity of FERC's MBR program	California AG complaint	On 9/9/04, the Ninth Circuit upheld FERC's authority to authorize sales of electric energy at market-based rates, but found the requirement that all sales at market-based rates be contained in quarterly reports filed with FERC to be integral to a market-based rate tariff; order denying rehearing issued 7/31/06; petitions for certiorari filed at the Supreme Court in 12/06 and 2/07; petitions for certiorari denied on 6/18/07; order issued 8/6/07 extends the stay of the Ninth Circuit's mandate to FERC until 11/16/07.	

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<b>Electricity – Corporate</b>					
Merger and Corporate Review Policies	FERC RM05-34 PL07-1 RM07-15 RM07-21	FERC promulgated new rules to expedite its consideration of merger applications and other filings under § 203 and to implement its new authority to review the transfer of generation facilities	Implementation of EPAct/05 changes to § 203	<p><b>RM05-34:</b> Notice of Proposed Rulemaking issued 10/3/05 to implement merger review provisions of energy legislation; Final Rule (Order No. 669) issued 12/23/05; orders on rehearing issued 4/24/06 and 7/20/06; technical conferences on PUHCA and § 203 issues held 12/7/06 and 3/8/07 (AD07-2).</p> <p><b>PL07-1:</b> Supplemental Policy Statement issued 7/20/07 provides guidance on FERC's review of applications submitted under § 203 of the FPA and clarifies the types of transactions that might be subject to cross-subsidization protections imposed by the Commission.</p> <p><b>RM07-15:</b> Notice of Proposed Rulemaking issued 7/20/07 proposes to codify cross-subsidy pricing restrictions on certain affiliate transactions; comments filed in 9/07.</p> <p><b>RM07-21:</b> Notice of Proposed Rulemaking issued 7/20/07 proposes to codify a limited blanket authorization under FPA § 203(a)(1) and requests comments on whether other blanket authorizations should be granted; comments filed in 9/07.</p>	
<b>Electric/Natural Gas</b>					
Standards of Conduct	FERC RM01-10 RM07-6 RM07-1	Standards of conduct regulating relationship between transmission provider and affiliates	Current rulemaking motivated by D.C. Circuit remand, which vacated expansion of standard of conduct rules for gas industry	<p><b>RM01-10:</b> Order No. 2004 issued 11/25/03; rehearing orders issued 4/16/04, 8/2/04, 12/21/04 and 3/23/05; D.C. Circuit opinion, issued 11/17/06, in <i>National Fuel Gas Supply Corp. v. FERC</i>, vacated Order No. 2004 standards of conduct rules as applied to natural gas pipelines and remands to FERC for further consideration.</p> <p><b>RM07-6:</b> Interim rule adopting standards of conduct applicable to natural gas pipelines issued 1/9/07; order on clarification and rehearing issued 3/21/07.</p> <p><b>RM07-1:</b> Notice of Proposed Rulemaking issued 1/18/07 proposes to narrow standards of conduct with respect to natural gas pipelines' relationships with their marketing affiliates, seeks comments on similarly narrowing electricity sector standards, and proposes to modify the standards of conduct to facilitate integrated resource planning and competitive procurement of power for a utility's bundled retail load; initial comments filed in 3/07; reply comments filed in 4/07.</p>	

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Civil Penalties	FERC PL06-1 AD07-4 IN07-1, et al. IN07-23 IN07-24 IN07-25 IN07-28 IN06-3 IN07-26 AD07-13 IN07-31	FERC is exercising new authority to impose civil penalties for violations of its regulations, orders and governing statutes	Implementation of provisions in EPAAct/05 enhancing FERC's authority to assess civil penalties under FPA, NGA and NGPA	<p><b>PL06-1:</b> Policy Statement on Enforcement, issued 10/20/05, discusses the factors FERC will take into account when assessing civil penalties.</p> <p><b>AD07-4:</b> Statement of Administrative Policy issued 12/21/06 provides guidance on the process by which FERC will assess civil penalties under the FPA, NGA and NGPA.</p> <p><b>IN07-1, et al.:</b> Orders issued 1/18/07 approve settlements imposing a total of \$22.5 million in civil penalties on four electric utilities (NorthWestern, SCANA, Entergy and PacifiCorp) and one generator (NRG) for various tariff and standards of conduct violations.</p> <p><b>IN07-23:</b> Order issued 3/7/07 approves a settlement requiring Bangor Gas Co. to pay a civil penalty of \$1 million for violating FERC's "shipper-must-have-title" requirements.</p> <p><b>IN07-24:</b> Order issued 5/9/07 approves a settlement requiring Calpine Energy Services to pay a civil penalty of \$4.5 million for violating FERC's "shipper-must-have-title" requirements.</p> <p><b>IN07-25:</b> Order issued 5/21/07 approves a settlement requiring Columbia Gulf to pay a civil penalty of \$2 million for failing to allow Tennessee Gas Pipeline Co. to construct a receipt point interconnection.</p> <p><b>IN07-28:</b> Order issued 6/12/07 approves a settlement requiring Cleco Power to pay a civil penalty of \$2 million for code of conduct violations.</p> <p><b>IN06-3, IN07-26:</b> Show cause orders issued 7/26/07 allege that Amaranth (IN07-26) and Energy Transfer Partners (IN06-3), respectively, engaged in market manipulation in natural gas markets and propose civil penalties totaling \$458 million; Energy Transfer Partners' response filed 10/9/07.</p> <p><b>AD07-13:</b> Notice issued 7/11/07 announcing a conference to examine implementation of FERC's enforcement authority.</p> <p><b>IN07-31:</b> Order issued 8/21/07 approves a settlement requiring Gexa Energy to pay a civil penalty of \$500,000 for failing to file for merger authorization and other violations related to its market-based rate authorization.</p>	<p>Amaranth's response is due 14 days after FERC acts on its request for expedited rehearing to terminate the show cause order for lack of subject matter jurisdiction.</p> <p>Conference scheduled on 11/16/07.</p>

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Price Reporting	FERC  PL03-3  AD06-11	FERC is working with industry and index publishers to ensure price indices are based on accurate and complete data	Response to false reporting by traders in electric and natural gas markets	Policy Statement issued 7/24/03 provides guidance for reporting and developing price indices for both electric and gas transactions; order issued 11/19/04 reports on progress in price reporting and price indices and directs FERC staff to continue to monitor voluntary price formation; energy legislation provides FERC with the authority to require price reporting if FERC determines that existing price publications are inadequate; technical conference on price transparency issues held 10/13/06.	No mandatory price reporting at this time.
Standard of Review for Modifications to Jurisdictional Agreements	FERC  RM05-35	FERC proposed a policy regarding specific language that must be included in contracts to trigger "just and reasonable" standard of review	Attempt to clarify ambiguities on standard of review highlighted by complaints on Western long-term contracts	Notice of Proposed Rulemaking issued 12/27/05 would require parties to include specific language in agreements if they wish subsequent modifications to be reviewed under the just and reasonable standard rather than the "public interest" standard; comments filed in 2/06; Ninth Circuit opinions issued 12/19/06 held that Mobile-Sierra doctrine will not apply to contracts executed in markets that are not sufficiently well-functioning; petitions for certiorari filed at the Supreme Court on 5/3/07; on 9/25/07, the Supreme Court granted certiorari on two of the petitions concerning the Ninth Circuit's opinions.	
Financial Form Reporting Requirements	FERC  RM07-9	FERC inquiry into the need for changes in financial reporting requirements for utilities, natural gas pipelines and oil pipelines	Response to complaints by pipeline and utility customers regarding the inadequacy of the current data used to review jurisdictional rates	Notice of Inquiry issued 2/15/07 seeks comments on whether the current annual and quarterly financial forms (Form Nos. 1, 1-F, 2, 2-A, 3-Q, 6, and 6-Q) permit an accurate evaluation of jurisdictional rates; initial comments filed in 3/07; reply comments filed in 4/07; Notice of Proposed Rulemaking issued 9/20/07 proposes revisions to the financial reporting requirements for natural gas pipelines, and would require pipelines to submit additional revenue information, identify the costs associated with affiliate transactions and provide additional information on incremental facilities and discounted and negotiated rates.	Comments on the NOPR are due 11/13/07.
Electronic Filing	FERC  RM07-16	FERC is proposing to expand the types of documents that may be filed electronically via the Internet		Notice of Proposed Rulemaking issued 7/23/07 would permit most documents filed with FERC to be submitted electronically, including most applications, large documents, maps and some confidential documents; technical conference on proposed changes to electronic filing held on 8/22/07; comments filed in early October.	
<b>Natural Gas</b>					
Fuel Retention Practices	FERC  RM07-20	FERC inquiry into the need for changes in its policy for in-kind recovery of fuel and lost and unaccounted-gas by natural gas pipeline companies	Response to concerns raised by shippers that pipelines are retaining excessive amounts of gas and earn substantial profits on the sale of such gas	Notice of Inquiry issued 9/20/07.	Comments are due 11/30/07.

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Capacity Release Regulations	FERC RM06-21 RM07-4	FERC is seeking comments on whether changes in its capacity release policies are needed to improve the efficiency of the natural gas market	Response to petitions for rulemaking filed by PG&E/Southwest Gas and a group of natural gas marketers	Petition for rulemaking filed by PG&E/Southwest Gas in 8/06; petition for rulemaking filed by Coral Energy and other marketers in 10/06; notice requesting comments on petitions issued on 1/3/07; comments filed in 4/07 and 5/07.	
Transparency Rules	FERC RM07-10	FERC is proposing daily posting requirements for intrastate pipelines and annual reporting requirements for buyers/sellers of natural gas	Implementation of EPAct/05 provisions providing FERC with the authority to facilitate transparency in natural gas markets	Notice of Proposed Rulemaking issued 4/19/07 would require intrastate pipelines to post daily volumes and capacities, and would require buyers/sellers of natural gas to report annual aggregate volumes of physical transactions; initial comments filed in 7/07; workshop on implementation and technical issues held 7/24/07; reply comments filed in 8/07.	
Proxy Groups for Determining Pipeline Return on Equity	FERC PL07-2	FERC is proposing to include master limited partnerships (MLPs) in the proxy groups used to decide the return on equity (ROE) of gas and oil pipelines	Response to increasing number of oil and gas pipelines organized as MLPs	Proposed Policy Statement issued 7/19/07 would allow the use of MLPs in the composition of proxy groups used to determine the returns on equity in rates charged by interstate natural gas and oil pipeline companies; initial comments filed in 8/07; reply comments filed in 9/07.	
<b>Hydropower</b>					
Ocean and Tidal Projects	FERC RM07-8 AD07-14	FERC is seeking comments on how it should process/monitor preliminary projects using wave and tidal technology	Response to surge in preliminary permit applications using new hydroelectric technologies	<b>RM07-14:</b> Notice of Inquiry and Interim Statement of Policy issued 2/15/07; comments filed in 4/07. <b>AD07-14:</b> Staff proposal to implement a new process for licensing pilot projects for new hydropower technologies announced on 7/19/07; technical conference held in Portland, OR on 10/2/07.	
<b>Congressional and Administration Initiatives Relating to FERC Policy</b>					
FERC Appointments	White House Congress			On 3/6/07, President Bush announced his intention to renominate Chairman Kelliher to another 5-year term and to redesignate him as Chairman; confirmation hearing held 5/10/07; Senate Energy Committee reported Kelliher nomination on 5/23/07; Kelliher's term expired 6/30/07, but he can continue to "hold over" until this Congress adjourns.	