



NEWS RELEASE

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FERC Streamlines Processes for Market-Based Rate Sellers

The Federal Energy Regulatory Commission (FERC) today finalized two rules intended to ease the regulatory burden for electric power sellers with market-based rate authority, while ensuring the Commission continues to prevent the potential exercise of market power.

The first final rule concerns the horizontal market power analysis required for market-based rate sellers. FERC is eliminating the obligation to submit indicative screens in order to obtain or retain market-based rate authority in certain organized wholesale power markets. Those sellers no longer will be required to submit the pivotal supplier screen and the wholesale market share screen in any organized wholesale power market that administers energy, ancillary services, and capacity markets subject to Commission-approved monitoring and mitigation.

However, in organized markets that do not administer capacity markets with Commission-approved monitoring and mitigation, that is the Southwest Power Pool and California Independent System Operator, market-based rate sellers will be required to submit analyses if they wish to sell capacity there. All market-based rate sellers still would be required to file a vertical market power analysis as well as an asset appendix, which provides comprehensive information relevant to determine a seller's market power and ensure just and reasonable rates.

The rule takes effect 60 days after publication in the *Federal Register*.

Today's second final rule will improve FERC's monitoring of wholesale power markets by streamlining the way it collects certain data for market-based rate purposes, specifically collecting this information in a database. The approved changes will eliminate duplication, minimize compliance burdens, modernize data collections, and make information collected through its programs more usable and accessible for the Commission, its staff and the public.

Among other things, the final rule adopts changes to reduce and clarify the scope of ownership information that sellers must provide as part of their market-based rate filings, revises the information required in a seller's asset appendix as well as the format through which such information must be submitted, and eliminates the requirement that sellers submit corporate organizational charts.

In its July 2016 Notice of Proposed Rulemaking, the Commission had proposed to collect connected entity data from market-based rate sellers and entities that trade virtual products or hold financial transmission rights. But the final rule declines to adopt that proposal.

The rule takes effect October 1, 2020.

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