

REPORT OF THE FERC PRACTICE & ADMINISTRATIVE LAW JUDGES COMMITTEE

Synopsis: This report of the FERC Practice and Administrative Law Judges Committee summarizes certain aspects of the operations of the Federal Energy Regulatory Commission (FERC or Commission). The time frame covered by this report spans from July 1, 2013 through July 28, 2014.

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I. FERC OPERATIONS

A. FERC Fiscal Year 2015 Budget Request

The FERC published its Fiscal Year (FY) 2015 Congressional Performance Budget Request in April 2014.¹

	FY 2013 Actual	FY 2014 Estimate	FY 2015 Request
Appropriation	\$304,600,000	\$304,600,000	\$327,277,000
Full-Time Equivalent Employees (FTEs)	1,450	1,480	1,480

The Commission's Budget Request notes "[t]hat this funding request is an increase of \$22,677,000, or about 7.4 percent, over the FY 2014 Congressional budget request. However, when adjusted for costs associated with a multi-year building consolidation effort, it is only 0.8 percent over FERC's FY 2014 request."² In addition, "[o]ther nominal increases in FY 2015 reflect the necessary resources to support mandatory increases in salaries and benefits associated with a 1.0 percent pay raise in both FY 2014 and FY 2015 as well as to support program cost increases in statutorily required hydropower environmental work."³

The Commission also explains that it

[r]ecovers the full cost of its operations through annual charges and filing fees assessed on the industries it regulates as authorized by the Federal Power Act (FPA) and the Omnibus Budget Reconciliation Act of 1986. The Commission deposits this revenue into the Treasury as a direct offset to its appropriation, resulting in no net appropriation.⁴

1. Fed. Energy Regulatory Comm'n, Dep't of Energy, FY 2015 Cong. Performance Budget Request 3 (2014), available at <https://www.ferc.gov/about/strat-docs/fy15-budg.pdf>.

2. *Id.*

3. *Id.*

4. *Id.* at 2.

B. FERC Fiscal Year 2014 - 2018 Strategic Plan

In March of 2014, the FERC adopted its Strategic Plan for fiscal years 2014-2018.⁵ The Strategic Plan includes a message from FERC Chairman Cheryl LaFleur, in which she states that the Strategic Plan is focused on the “underlying and enduring responsibilities of the Commission under [its] enabling statutes. It is intended to be flexible and adaptable as energy challenges evolve, while providing clear and measurable targets.”⁶

In order for the FERC “[t]o achieve the mission of Reliable, Efficient, and Sustainable Energy for Consumers, [the Strategic Plan] establishe[s] three strategic goals. Each goal is in turn broken down into multiple objectives that represent key components of the Commission’s approach to achieving the goal.”⁷ The Commission has identified core functions that will guide its pursuit of individual objectives. The Commission will implement specific strategies to complement those core functions. Finally, the Commission will use performance measures to track its progress toward achieving its stated objectives.⁸

Goal 1 of the Strategic Plan is to ensure just and reasonable rates, terms, and conditions.⁹ The Commission sets forth two objectives requisite to achieving this goal. Objective 1.1 is to “[e]stablish Commission rules and policy that will result in just, reasonable, and not unduly discriminatory or preferential rates, terms, and conditions of jurisdictional service.”¹⁰ Objective 1.2 is to “[i]ncrease compliance with FERC rules, [and] detect and deter market manipulation.”¹¹

Goal 2 of the Strategic Plan is to “promote safe, reliable, secure, and efficient infrastructure.”¹² The Commission’s approach to achieving this goal is governed by two objectives. Objective 2.1 is to “[f]oster economic and environmental benefits for the nation through approval of natural gas and hydropower projects.”¹³ Objective 2.2 is to “[m]inimize risks to the public associated with FERC jurisdictional energy infrastructure.”¹⁴

Goal 3 of the Strategic Plan is to promote “mission support through organizational excellence.”¹⁵ The Commission establishes three objectives intended to achieve this goal. Objective 3.1 is to “[m]anage Commission resources effectively and efficiently.”¹⁶ Objective 3.2 is to “[e]mpower Commission employees to drive success.”¹⁷ Objective 3.3 is to “[f]acilitate public

5. Fed. Energy Regulatory Comm’n, Dep’t of Energy, FY 2014-2018 STRATEGIC PLAN (2014) [hereinafter FY 2014-2015 Strategic Plan], available at <http://www.ferc.gov/about/strat-docs/FY-2014-FY-2018-strat-plan.pdf>.

6. *Id.* at V.

7. *Id.* at 4.

8. *Id.* at 5.

9. *Id.* at 7.

10. *Id.*

11. *Id.* at 12.

12. FY 2014-2018 Strategic Plan, *supra* note 5, at 17.

13. *Id.*

14. *Id.* at 19.

15. *Id.* at 25.

16. *Id.*

17. *Id.* at 28.

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trust and understanding of Commission activities by promoting transparency, open communication, and a high standard of ethics.”¹⁸

II. NOTICE CONCERNING SUBMITTALS MADE DURING ADVERSE WEATHER-RELATED CLOSURES

On March 4, 2014, the Commission issued a notice announcing that:

Effective March 7, 2014, when the Commission is closed due to adverse weather that has resulted in the Office of Personnel Management closing Federal government offices in Washington, DC, the Commission will not accept submittals—either in hardcopy format or in electronic format through “FERC Online” (including through eFiling and eTariff). At such time as the Commission reopens, it will again accept [such] submittals¹⁹

18. *Id.* at 31.

19. Notice Concerning Submittals Made During Adverse Weather-Related Government Closures, 79 Fed. Reg. 13,297 (Mar. 4, 2014).

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