




FERC ELECTRICITY REGULATION: COMPLIANCE & ENFORCEMENT BEST PRACTICES

September 20, 2017
Millennium Knickerbocker Hotel
Chicago, IL

RELATED EVENT:

**MODERN FERC ELECTRICITY 101:
WHAT DO I NEED TO KNOW?**
September 19, 2017 | Chicago, IL

   **TAG US #EUCIEvents**
FOLLOW US @EUCIEvents



EUCI is authorized
by IACET to offer
0.8 CEUs for the
course

OVERVIEW

This course looks at many of the substantive requirements with which utilities – and in some cases, other participants in the electricity markets – must comply. In addition, it addresses steps that can be taken before FERC initiates an investigation or audit, describes what happens if FERC decides to act and when and what an organization should do in that case, and reviews the array of penalties that could be imposed when a violation occurs.

LEARNING OUTCOMES

- Define corporate compliance
- Discuss what is a “violation” of the FPA, and what are the consequences
- Identify the FERC Office of Enforcement and what do they do
- Discuss reliability enforcement
- Explain FPA Sections 203, 204, and 205
- Identify NERC’s role and their regional entities
- Explain the standards of conduct

WHO SHOULD ATTEND

- Engineers
- Utility project managers
- Transmission and distribution personnel
- Members of the financial community
- Attorneys
- Regulators and regulatory affairs personnel for utilities
- Governmental agencies interested in FERC compliance rules

COURSE TIMING

WEDNESDAY, SEPTEMBER 20, 2017

8:00 – 8:30 am **Registration and Continental Breakfast**

8:30 am – 5:00 pm **Course Timing**

12:00 – 1:00 pm **Group Luncheon**

AGENDA

Background: What is Corporate Compliance?

- Objectives for regulated public utilities
- Sarbanes-Oxley
- Sentencing guidelines
- The role of corporate compliance programs for regulated public utilities
- Elements of an effective public utility compliance program
 - o Culture
 - o Reporting chains
 - o Training
 - o Risk assessments
 - o Monitoring
 - o Evaluation
 - o Violation response program & internal and external reporting protocols
 - o The role of subject matter experts

FPA and EAct 2005: Requirements and Enforcement Regime

- What is a “violation” of the FPA, and what are the consequences?
- Civil and criminal penalties under the FPA
 - o Penalty guidelines
- Overview: EAct 2005 amendments
 - o Added system reliability to scope of FERC authority
 - o Increased monetary penalties for violations
 - o FERC Enforcement
 - o NERC Enforcement

FERC FPA Enforcement Program

- Who is the FERC Office of Enforcement, and what do they do?
- Enforcement investigations
 - o What happens in a FERC Enforcement Investigation?
 - Notice of initiation of investigation
 - Non-public v. public investigations
 - Discovery format and investigation process
 - Due process issues and considerations
 - o Communications with the agency and Commissioners during an investigation
 - o Preliminary report
 - o Settlement of staff penalty/compliance recommendations
 - o Litigation
 - Show cause orders
 - Hearing before ALJ
 - Appeals

AGENDA

WEDNESDAY, SEPTEMBER 20, 2017 (CONTINUED)

FERC FPA Enforcement Program (continued)

- Audits
 - Accounting
 - Non-accounting

Reliability Enforcement

- What is electric system reliability?
- Who are NERC and the regional entities?
- What is the “Bulk Power System” (BPS)?
- Section 215 reliability standards
- Standards development and drafting
- Standards interpretations
- Section 215(d) FERC authority
- Entities subject to NERC compliance and registration
- Relationship between NERC, FERC and regional entities
- Reliability audits

FPA Section 205

- In general:
- Filing of rate schedules and contracts
 - FERC’s prior notice requirements and the timing for filings and processing
 - Waivers
 - Late-filing penalties
- Which contracts should be filed and when?
 - Market-based rates
 - Cost-based rates
 - Affiliate contracts
- Transmission & OATTs
 - Compliance issues and hot-spots
 - Transmission
 - Wholesale distribution
 - Interconnection
 - Standards of Conduct (see below)
 - OASIS
- Market manipulation
- FERC’s authority and post-EPAAct 2005 regulations
- Market behavior rules
- Prohibited conduct

FPA Section 203

- What entities are required to obtain pre-approval?
- What transactions are covered?
- Hot topics and close calls
- Implications of failing to seek pre-approval

FPA Section 204 (Securities Issuance Preapprovals)

- What entities are required to obtain pre-approval?
- What securities are covered?

AGENDA

WEDNESDAY, SEPTEMBER 20, 2017 (CONTINUED)

Standards of Conduct

- Independence
- Disclosure and physical access issues

Affiliate Rules

- Market information sharing
- Separation of functionality
- Power transactions between affiliates
- Non-power goods and services (intra-corporate transfer pricing)

INSTRUCTOR



Clifford S. Sikora
Partner, Troutman Sanders

Cliff Sikora is a partner in the Washington, D.C. office of Troutman Sanders. Over his 20-year career with the firm, Cliff has solely worked with clients in the energy industry, concentrating in electricity industry matters. He has represented a wide array of business interests within the electricity sector, including vertically-integrated utilities, energy project development companies (fossil generation, renewable generation, hydropower, transmission and storage), banks, private equity investors, energy technology companies, and EPC contractors. Cliff has acted as first-chair in high-profile regulatory litigation and filings before the FERC, and has lead deal teams in the energy space (most notably, in transactions economically dependent on regulated rates and/or managed-market commodity pricing). Mr. Sikora has also developed a unique specialization in strategic business counseling for entities in the electric industry, based on a wide array of experience representing clients in the context of various combinations of state/ federal regulatory and market climates. He works with clients to develop unique solutions and concrete plans for overcoming their most challenging competitive and regulatory obstacles.

REQUIREMENTS FOR SUCCESSFUL COMPLETION

Participants must sign in/out each day and be in attendance for the entirety of the course to be eligible for continuing education credit.

INSTRUCTIONAL METHODS

Power Point presentations and open discussion will be used in the program.

PROCEEDINGS

The proceedings of the course will be published, and one copy will be distributed to each registrant at the course.

EVENT LOCATION

A room block has been reserved at the Millennium Knickerbocker Hotel, 163 E Walton Place, Chicago, IL 60611, for the nights of September 18 – 19, 2017. Room rates are \$229 plus applicable tax. Call **1-312-751-8100** for reservations and mention the EUCI event to get the group rate. The cutoff date to receive the group rate is August 28, 2017 but as there are a limited number of rooms available at this rate, the room block may close sooner. ***Please make your reservations early.***

IACET CREDITS



EUCI has been accredited as an Authorized Provider by the International Association for Continuing Education and Training (IACET). In obtaining this accreditation, EUCI has demonstrated that it complies with the ANSI/IACET Standard which is recognized internationally as a standard of good practice. As a result of their Authorized Provider status, EUCI is authorized to offer IACET CEUs for its programs that qualify under the ANSI/IACET Standard.

EUCI is authorized by IACET to offer 0.8 CEUs for this course.

REGISTRATION
to register [CLICK HERE](#) or

Call: 201 871 0474
fax: 253 663 7224
email: register@pmaconference.com
web: <http://pmaconference.com/>
Mail: POB 2303 Falls Church Va 22042

REGISTRATION
to register [CLICK HERE](#) or

Call: 201 871 0474
fax: 253 663 7224
email: register@pmaconference.com
web: <http://pmaconference.com/>
Mail: POB 2303 Falls Church Va 22042

Please make checks payable to: "PMA"

EVENT LOCATION

A room block has been reserved at the Millennium Knickerbocker Hotel, 163 E Walton Place, Chicago, IL 60611, for the nights of September 18 – 19, 2017. Room rates are \$229 plus applicable tax. Call **1-312-751-8100** for reservations and mention the EUCI event to get the group rate. The cutoff date to receive the group rate is August 28, 2017 but as there are a limited number of rooms available at this rate, the room block may close sooner. ***Please make your reservations early.***

PLEASE REGISTER

BOTH MODERN FERC ELECTRICITY 101 AND FERC ELECTRICITY REGULATION COURSES:
 SEPTEMBER 19-20, 2017: US \$1895,
 Early bird on or before September 1, 2017: US \$1695

FERC ELECTRICITY REGULATION COURSE ONLY:
 SEPTEMBER 20, 2017: US \$995,
 Early bird on or before September 1, 2017: US \$895

How did you hear about this event? (direct e-mail, colleague, speaker(s), etc.)

Print Name Job Title

Company

What name do you prefer on your name badge?

Address

City State/Province Zip/Postal Code Country

Phone Email

List any dietary or accessibility needs here

CREDIT CARD INFORMATION

Name on Card Billing Address

Account Number Billing City Billing State

Exp. Date Security Code (last 3 digits on the back of Visa and MC or 4 digits on front of AmEx) Billing Zip Code/Postal Code

OR Enclosed is a check for \$ _____ to cover _____ registrations.

Substitutions & Cancellations

Your registration may be transferred to a member of your organization up to 24 hours in advance of the event. Cancellations must be received on or before August 18, 2017 in order to be refunded and will be subject to a US \$195.00 processing fee per registrant. No refunds will be made after this date. Cancellations received after this date will create a credit of the tuition (less processing fee) good toward any other EUCI event. This credit will be good for six months from the cancellation date. In the event of non-attendance, all registration fees will be forfeited. In case of course cancellation, EUCI's liability is limited to refund of the event registration fee only. For more information regarding administrative policies, such as complaints and refunds, please contact our offices at (201) 871-0474.