

UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Montana Power Company )

Project No. 2301-015

## ORDER AMENDING LICENSE

(Issued October 27, 1999)

On August 31, 1999, Montana Power Company (MPC), licensee of the Mystic Lake Project, and PP&L Montana, L.L.C. (PPLM), prospective licensee of this same project, filed an application to amend the license. MPC/PPLM supplemented the application with a filing on October 14, 1999. The Mystic Lake Project is located on West Rosebud Creek in Stillwater County, Montana.

## APPLICATION

The Commission approved the transfer of the Mystic Lake Project from MPC to PPLM by order dated July 7, 1999.<sup>1</sup> In its amendment application, MPC/PPLM requests Commission approval of its newly revised generation point of receipt (GPOR). The GPOR defines where the project's primary transmission line ends and where the distribution system or interconnected primary transmission system (non-project features) begins.<sup>2</sup> Project primary transmission lines must be a part of the hydroelectric project features and included within the project boundary.<sup>3</sup> As a result of the newly designated

<sup>1</sup> 88 FERC ¶ 62,018

<sup>2</sup> The Commission define a "primary transmission line" for FPA Part I purposes as:

...those necessary to ensure the "viability" of the project in the event of Federal takeover. If a line "is used solely to transmit power from [Commission] licensed projects to load centers," and if without it "there would be no way to market the full capacity of the project, "then that line is primary to the project"... [See "Identifying Transmission Facilities at FERC Hydroelectric Projects", FERC Office of Hydropower Licensing, Paper No. DPR-6 (January 1993)].

<sup>3</sup> Pursuant to Section 4(e) of the FPA (16 U.S.C. § 797(e)), the Commission licenses "dams, water conduits, power houses, transmission lines, or other project works necessary or convenient for . . . the development, transmission, and utilization of power." Project works are the physical structures of a project. FPA Section 3(11) defines a

(continued...)

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GPOR, MPC/PPLM also asks for Commission approval to add two 5.3-mile-long existing transmission lines and their appurtenant facilities (consisting of two circuit breakers and four air switches) as project features.

## CONSULTATION

MPC/PPLM submitted a draft copy of the application to the U.S. Bureau of Land Management, U.S. Forest Service, U.S. Fish and Wildlife Service, Montana Department of Fish, Wildlife and Parks, Montana Department of Natural Resources and Conservation, Montana State Historic Preservation Officer and Montana Department of Environmental Quality (MDEQ). Commission staff public noticed the application on September 20, 1999, soliciting comments by October 10, 1999.<sup>4</sup>

Only MDEQ filed comments on the application October 12, 1999. The MDEQ does not object to MPC/PPLM's amendment application.

## DISCUSSION

The Commission has already approved the transfer of the Mystic Lake Project from MPC to PPLM. MPC/PPLM now asks for Commission approval of its newly designated GPOR and the addition of two 5.3-mile-long existing transmission lines and their appurtenant facilities to the project description.

We have reviewed the transmission operating (single-line) diagram for the Mystic Project and all additional data in MPC/PPLM's filings. These documents indicate that the lines proposed to be added as project features are used solely to transmit power from the project to the load center, and if without it, there would be no way to market the full capacity of the project. Therefore, these lines are primary transmission lines and must be licensed as part of the project.

<sup>3</sup>(...continued)

"project" as including "the primary line or lines transmitting power therefrom to the point of junction with the distribution system or with the interconnected primary transmission system."

<sup>4</sup> See also the Commission's Errata Notice issued September 23, 1999, correcting this public notice to specify that comments are due within 20 days.

cc : Van Daveer  
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FERC-MYS-0930

No land-disturbing activities would be required as a result of MPC/PPLM's proposal. The transmission lines are existing facilities owned and operated by MPC, which it would operate until the transfer of the Mystic Lake Project is completed. Thereafter, PPLM would own and operate these lines as part of the project. This order approves MPC/PPLM's proposal to re-designate the GPOR to include the two 5.3-mile-long existing transmission lines and their appurtenant facilities as part of the project's primary transmission line system to be included within the project boundary. This order also requires MPC/PPLM to file revised exhibits to show and identify the approved changes.

The Director orders:

(A) Montana Power Company's August 31, 1999 application, supplemented October 14, 1999, to amend the Mystic Lake Project, is approved.

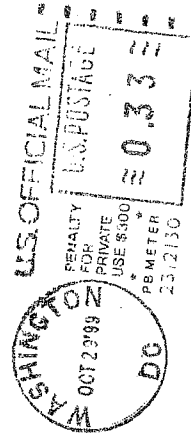
(B) Within 60 days of the date the amendment becomes effective for the named project, the licensee shall file revised exhibits A, J, K, and L, showing the new project description, features, and boundary to include the two 5.3-mile-long existing transmission lines and their appurtenant facilities as being part of the project primary transmission line system.

(C) This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order, pursuant to 18 C.F.R. § 385.713.

Hossein Ildari  
Chief  
Engineering Compliance Branch

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