



# FELLER ENERGY LAW GROUP, PLLC

Regulatory Compliance · Energy Policy · Business Law

159 20th St., Suite 2B  
Brooklyn, NY 11232

P. 212 590 0145

info@fellerenergylaw.com  
www.fellerenergylaw.com

## New To FERC?

### • What is FERC?

The Federal Energy Regulatory Commission (“FERC”). FERC is in charge of the wholesale energy market; retail sales are regulated by the states.

### • Why is FERC relevant if my company only sells to retail customers?

To meet customer demand, many suppliers buy more power than their customer’s need, and then sell off the excess in the “real-time market”. Sales of excess power into the real-time market are considered wholesale sales, requiring FERC market-based rate authorization (“FERC Authority”).

### • What else do I need?

Depending where you are, in order to make use of your FERC Authority, you may need to become a member of the applicable ISO/RTO.

### • Are there benefits to having FERC Authority?

The biggest benefit of having the ability to make wholesale sales is the flexibility. With FERC Authority you will have the freedom to respond to market fluctuations and changing business conditions.

## Have FERC Authority? Here are the top five compliance obligations you need to know:

### 1. FILE FERC FORM 566 (20 LARGEST PURCHASERS LIST) ANNUALLY BY JANUARY 31

*Give FERC a list of an entity’s 20 largest retail purchasers of energy on an annual basis over the last three years. Parties on the largest purchaser list must be notified of their status.*

### 2. FILE ELECTRIC QUARTERLY REPORTS (EQRs) BEGINNING WITH THE QUARTER THAT FERC ISSUES AUTHORIZATION

*File an EQR every quarter even if an entity has no sales. It essentially is a summary of the contractual terms and conditions in every effective service agreement for wholesale sales; and provides transaction information on short term and long-term wholesale power sales over the last quarter.*

### 3. NOTIFY FERC OF ANY MATERIAL CHANGES WITHIN 30 DAYS

*Report any material changes to facts that FERC relied on when the entity applied for FERC Authority. Non-material changes are also customarily reported, like when an affiliate gets FERC Authority.*

### 4. BEFORE HOLDING MULTIPLE MANAGEMENT POSITIONS WITH FERC REGULATED ENTITIES, FILE INTERLOCK APPLICATIONS & REPORTS

*Individuals must receive FERC authorization prior to assuming an officer or director position with more than one FERC jurisdictional entity. Interlocking director/officers must file annual reports thereafter.*

### 5. GET FERC AUTHORIZATION BEFORE BUYING AND SELLING FERC JURISDICTIONAL ENTITIES AND ASSETS BY FILING THE 203 APPLICATION

*Entities with FERC Authority need FERC approval prior to: acquiring another entity with FERC Authority; acquiring other FERC jurisdictional assets; or selling an interest in the company that would result in a change in control.*

**Feller Energy Law Group, PLLC provides high quality guidance on all FERC compliance matters; monitors and reports on on-going regulatory, governmental and legislative activity affecting the deregulated competitive retail natural gas and electricity markets; and represents Suppliers in regulatory proceedings before FERC as well as state commissions.**

The information contained in this handout is for informational purposes only, and does not constitute legal advice or create an attorney-client relationship between you and Feller Energy Law Group, PLLC. You should not act or rely upon any information contained in this handout without first seeking the advice of an attorney.