

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

June 12, 2006

In Reply Refer To:
Docket Nos. ER05-6-053
EL04-135-055
EL02-111-073
EL03-212-069

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Dear Messrs. Weiler, Ben-Yoseph, and Straus, and Ms. McNaul:

1. On March 31, 2006, you filed a Stipulation and Agreement (Settlement) on behalf of Dayton Power and Light Company (Dayton) and American Municipal Power-Ohio, Inc. (AMP-Ohio) in the above-referenced dockets. The Settlement resolves AMP-Ohio's "shift-to-shipper" claim against AMP-Ohio in these dockets, which would have transferred seams elimination cost adjustment (SECA) charges. Specifically, the Settlement requires AMP-Ohio to pay Dayton \$3,000,000 in full and complete settlement of all SECA-related claims between the two parties.

2. On April 6, 2006, Commission Trial Staff filed comments supporting the Settlement, and on April 7, 2006, FirstEnergy Service Company (FirstEnergy) filed comments asking for clarification regarding implementation of the Settlement.

On April 12, 2006, Dayton filed reply comments representing that FirstEnergy has authorized Dayton to state that FirstEnergy's concerns have been sufficiently addressed, and that FirstEnergy does not oppose the Settlement. No further comments were filed. On April 25, 2006, the Presiding Administrative Law Judge certified the Settlement to the Commission as an uncontested partial settlement.

3. The Settlement is in the public interest and is hereby approved. The Commission's approval of the Settlement does not constitute approval of, or precedent regarding, any principle or issue in this proceeding. The Commission retains the right to investigate the rates, terms, and conditions under the just and reasonable and not unduly discriminatory or preferential standard of section 206 of the Federal Power Act, 16 U.S.C. § 824e (2000).

4. This letter order terminates Docket Nos. ER05-6-053, EL04-135-055, EL02-111-073 and EL03-212-069.

By direction of the Commission.

Magalie R. Salas,
Secretary.