

131 FERC ¶ 61,294
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Jon Wellinghoff, Chairman;
Marc Spitzer, Philip D. Moeller,
and John R. Norris.

Central Maine Power Company

Docket No. ER10-199-000

ORDER APPROVING UNCONTESTED SETTLEMENT AGREEMENT

(Issued June 30, 2010)

1. On April 16, 2010, Central Maine Power Company (Central Maine), on behalf of itself and Kennebunk Light & Power District (Kennebunk) (collectively, the Parties), submitted an Uncontested Settlement Agreement (Settlement), revised local network service agreement (Service Agreement), and Explanatory Statement. The Parties proposed additional revisions to the Settlement on April 23, 2010 (April 23 Filing) and June 11, 2010 (June 11 Filing). The Settlement resolves all issues in this proceeding, which concerns Central Maine's proposed Service Agreement with Kennebunk for local network transmission service pursuant to ISO New England Inc.'s Transmission, Markets and Services Tariff (ISO-NE Tariff).

I. Background

2. On November 2, 2009, Central Maine filed an unexecuted Service Agreement with Kennebunk for local network transmission service. Central Maine's filing was intended to accommodate an additional interconnection point for Kennebunk's new 115 kV West Kennebunk substation, which is connected to Central Maine's Line Section 163A, a non-pool transmission facility radial tap. On November 23, 2009, Kennebunk filed a motion to intervene and protest, arguing that Central Maine's proposed Service Agreement failed to acknowledge that Kennebunk's load served from the West Kennebunk substation is directly connected to Central Maine's Pool Transmission Facilities (PTF) for the purpose of Section II.12.2(c) of the ISO-NE Tariff and is, therefore, exempt from charges for local network transmission service.¹ On

¹ Kennebunk November 23, 2009 Protest at 1.

December 30, 2009, the Commission issued an Order Accepting and Suspending Proposed Agreement and Initiating Hearing Proceedings.²

3. On March 16, 2010, the Chief Administrative Law Judge issued an order granting the Parties' motion to suspend the procedural schedule based on their having reached a settlement in principle that would resolve all issues set for hearing.

4. On April 16, 2010, the Parties submitted the current Settlement. The Commission's Trial Staff submitted comments in support of the Settlement on May 6, 2010. Kennebunk filed reply comments supporting the Settlement on May 13, 2010. On May 20, 2010 the Administrative Law Judge certified that Settlement as uncontested.

II. Terms of the Agreement

5. The Settlement consists of the Uncontested Settlement Agreement, proposed revisions to the Service Agreement, and an Explanatory Statement providing background information and explaining the principal terms of the Settlement. The Parties assert that the Settlement resolves all issues in dispute in this proceeding.³

6. The Settlement establishes that Kennebunk load served from the West Kennebunk substation is directly connected to PTF and therefore exempt from charges for local network transmission service pursuant to section II.12.2(c) of the ISO-NE Tariff. Pursuant to the Settlement, Kennebunk's use of the Central Maine's Line Section 163A, the 115 kV tap line connecting the West Kennebunk substation to Central Maine's Section 163 115 kV PTF transmission line, is subject to a direct assignment rate under Schedule 14 of Central Maine's Schedule 21-CMP of the ISO-NE Tariff. The Settlement also includes various adjustments to charges paid by Kennebunk since January 1, 2010.

7. Section 12 of the Settlement provides that proposed revisions to the Settlement are to be reviewed under the just and reasonable standard: "Except as provided above and notwithstanding any other agreement or rate schedule, Central Maine and Kennebunk hereby reserve all rights to which they are entitled under sections 205 and 206 of the Federal Power Act. The Settlement Agreement is subject to the just and reasonable standard of review."⁴

² *Central Maine Power Co.*, 129 FERC ¶ 61,302 (2009).

³ Settlement Agreement, Attachment C at 2.

⁴ Settlement Agreement, Attachment A, § 12 (as amended by the April 23 Filing at 3); *see also* 16 U.S.C. §§ 824d - 824e (2006).

III. Commission Determination

8. The Settlement appears to be fair and reasonable and in the public interest and is hereby approved, as amended by the Parties' June 11 Filing. The Commission's approval of this 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 standard of section 206 of the Federal Power Act.⁵ The Service Agreement submitted as part of the Settlement is properly designated, accepted for filing and made effective as specified in the Settlement.⁶

9. In light of the Parties' resolution of all issues in this proceeding, this order terminates Docket No. ER10-199-000.

The Commission orders:

The Settlement is hereby approved, as discussed in the body of this order.

By the Commission.

(S E A L)

Kimberly D. Bose,
Secretary.

⁵ 16 U.S.C. § 824e (2006).

⁶ See *Designation of Electric Rate Schedule Sheets*, Order No. 614, FERC Stats. & Regs. ¶ 31,096 (2000).