

145 FERC ¶ 61,148  
UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

November 19, 2013

In Reply Refer To:  
Ameren Energy Generating Company  
AmerenEnergy Medina Valley Cogen,  
L.L.C.  
Main Line Generation, LLC  
Docket No. RP14-64-000

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Attention: Daniel L. Larcamp, Esquire  
Attorney for Ameren Energy Generating Company and  
AmerenEnergy Medina Valley Cogen, L.L.C.

D. Kirk Morgan II, Esquire  
Attorney for Main Line Generation, LLC

Dear Messrs. Larcamp and Morgan:

1. On October 21, 2013, Ameren Energy Generating Company (AEG), AmerenEnergy Medina Valley Cogen, L.L.C. (Medina Valley), and Main Line Generation, LLC (Main Line) (together, Petitioners) filed a request for temporary and limited waivers of the Commission's capacity release regulations, requirements, and policies, as well as related pipeline tariff provisions. Petitioners state that the waivers are

necessary to effectuate the permanent release and reassignment of firm natural gas transportation and storage agreements<sup>1</sup> as part of a two-step asset sale involving three gas-fired electric generation plants.<sup>2</sup> The first step involves the transfer of the three generation plants from AEG to its affiliate, Medina Valley; the second step involves the transfer of the plants from Medina Valley to Main Line (or one or more of its wholly-owned subsidiaries). As discussed below, the Commission grants the requested waivers.

2. In December 2012, Ameren announced that it would be exiting the merchant generation business. On April 16, 2013 in Docket No. EC13-93-000, AEG, Medina Valley and other parties made a filing under section 203 of the Federal Power Act (FPA) to effectuate Ameren's exiting of the merchant generation business in a multi-step process. On October 11, 2013, the Commission issued an order which, *inter alia*, authorized AEG to transfer the three generation plants to Medina Valley.<sup>3</sup> On October 21, 2013 in Docket No. EC14-10-000, contemporaneously with the instant filing, Median Valley and the owners of the generation plants made an FPA section 203 filing to transfer the generation plants to Main Line pursuant to an Asset Purchase Agreement executed on September 30, 2013.<sup>4</sup> Meanwhile, AEG and Medina Valley have entered into a temporary fuel supply agreement in which Medina Valley has the right to direct AEG (in its role as a shipper) to provide the three generation plants with natural gas so that they can continue to operate without interruption.

3. In the instant filing, Petitioners request temporary and limited waivers of the following: (1) the capacity release posting and bidding requirements; (2) the prohibition against tying; and (3) the shipper must have title policy. In addition, Petitioners request temporary and limited waiver of the applicable provisions of the FERC NGA Gas Tariffs of Horizon Pipeline Company LLC (Horizon) and Natural Gas Pipeline Company of America (Natural) for the service agreements listed in Appendix A of this letter order. Petitioners further request that the waivers remain in effect for two 90-day periods – the first period commencing on the date of this letter order (to allow the transition of the service agreements from AEG to Medina Valley) and the second period commencing on the closing date of the Asset Purchase Agreement.

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<sup>1</sup> A list of the service agreements is attached as Appendix A.

<sup>2</sup> The generation plants are Grand Tower Energy Center, Gibson City Energy Center, and Elgin Energy Center.

<sup>3</sup> *Ameren Energy Generating Co., et al.*, 145 FERC ¶ 61,034, at PP 6, 28, 97 (2013).

<sup>4</sup> Commission action on the filing in Docket No. EC14-10-000 is pending.

4. Public notice of the filing was issued on October 22, 2013. Interventions and protests were due as provided in section 154.210 of the Commission's regulations (18 C.F.R. § 154.210 (2013)). Pursuant to Rule 214 (18 C.F.R. § 385.214 (2013)), all timely filed motions to intervene and any unopposed motion to intervene out-of-time filed before the issuance date of this order are granted. Granting late intervention at this stage of the proceeding will not disrupt this proceeding or place additional burdens on existing parties. No protests or adverse comments were filed.

5. The Commission has reviewed Petitioners' request and finds that it is adequately supported and consistent with previous waivers that the Commission has granted under similar circumstances. Our actions here are consistent with those decisions where the Commission granted similar limited, temporary waivers in order to facilitate the transfer of interstate pipeline transportation capacity as part of various types of corporate restructurings, including transfers of entire business units.<sup>5</sup> Specifically, the Commission grants a limited, temporary waiver of section 284.8 of its regulations. The Commission also grants a limited, temporary waiver of the posting and bidding requirements for capacity release transactions, the prohibition on tying, the shipper-must-have-title policy, and the restrictions on capacity releases below the maximum rate, so that Petitioners can complete their transaction in an orderly and efficient manner within their time constraints. To the extent applicable, the Commission grants waiver of any provisions in the FERC Gas Tariffs of Natural and Horizon that enforce these Commission policies.

6. For good cause shown, the Commission grants the Petitioners' request for temporary limited waivers. The waiver for the transfer of the three generation plants from AEG to Medina Valley is granted from the date of this order and shall remain in effect for 90 days. The waiver for the transfer of the three generation plants from Medina

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<sup>5</sup> *E.g.*, *Duke Energy Ohio, Inc., et al.*, 134 FERC ¶ 61,230 (2011); *Conectiv Energy Supply, Inc.*, 132 FERC ¶ 61,247 (2010); *Macquarie Cook Energy, LLC and Constellation Energy Commodities Group, Inc.*, 126 FERC ¶ 61,160 (2009); and *Barclays Bank PLC and UBS AG*, 125 FERC ¶ 61,383 (2008).

Valley to Main Line (or one or more of its wholly-owned subsidiaries) is granted commencing on the closing date of the Asset Purchase Agreement and shall remain in effect for 90 days.

By direction of the Commission.

Kimberly D. Bose,  
Secretary.

**Appendix A**

Horizon Pipeline Company, L.L.C.

Contract No. 540754      Rate Schedule FTS

Natural Gas Pipeline Company of America LLC

Contract Nos.119255	Rate Schedule FTS
140597	Rate Schedule FTS
139847	Rate Schedule NSS
130516	Rate Schedule NSS
132421	Rate Schedule NSS