

145 FERC ¶ 61,272
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

December 24, 2013

In Reply Refer To:
NV Energy Operating Companies
Docket Nos. ER13-684-000
ER13-684-001

City of Fallon, Nevada
Truckee Donner Public Utility
District

v.

NV Energy Operating Companies
Docket No. EL13-44-000
(Consolidated)

Troutman Sanders LLP
Attn: Amie V. Colby
Counsel to the NV Energy Operating Companies
401 9th Street NW
Washington, DC 20005

Dear Ms. Colby:

1. On October 1, 2013, Nevada Power Company and Sierra Pacific Power Company, both doing business as NV Energy, Inc. (collectively, NV Energy) submitted on behalf of the Settling Parties¹ an Offer of Settlement (Settlement) in the above captioned proceedings. On October 21, 2013, the Commission's Trial Staff filed comments seeking a clarification and conditionally supporting the Settlement, and Powerex Corporation filed comments supporting the Settlement. NV Energy submitted reply comments on

¹ The Settling Parties include NV Energy; the City of Fallon, Nevada; Truckee Donner Public Utility District; and Deseret Generation & Transmission d/b/a Deseret Power.

October 31, 2013, and provided the clarification sought by Trial Staff.² On November 4, 2013, the Settlement Judge certified the Settlement to the Commission as uncontested.³

2. The Settlement resolves all the issues set for hearing in the above captioned proceedings, concerning the terms of Energy Imbalance Service under Schedule 4 of the NV Energy Operating Companies Open Access Transmission Tariff (OATT). The Settlement appears to be fair and reasonable and in the public interest and is hereby approved. The Commission's approval of this Settlement does not constitute approval of, or precedent regarding, any principle or issue in this proceeding.

3. Insofar as NV Energy has complied with *Electronic Tariff Filings*, Order No. 714, FERC Stats. & Regs. ¶ 31,276 (2008), the OATT provisions that implement the Settlement are hereby accepted, effective January 22, 2013. Refunds and adjustments shall be made pursuant to the Settlement.

4. As provided in Section 3.7 of the Settlement, the applicable standard of review for proposed changes to the Settlement sought by a Settling Party shall be the public interest standard of review set forth in *United Gas Pipe Line Co. v. Mobile Gas Services Corp.*, 350 U.S. 332 (1956), *Federal Power Commission v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956), and *Morgan Stanley Capital Group, Inc. v. Pub. Util. Dist. No. 1*, 554 U.S. 527 (2008). The standard of review for any changes proposed by a non-party or the Commission acting *sua sponte* shall be the ordinary just and reasonable standard of review, not the public interest standard. 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, 16 U.S.C. § 824e (2012).

² Per Commission Trial Staff's request, NV Energy has clarified that it will not rebill its customers any amounts arising from recalculating charges between January 22, 2013 and March 1, 2013, should any such amounts arise as a result of implementing the Settlement rates. NV Energy states it considers Trial Staff's concerns moot, but confirms it will not seek "surcharges" from any customers that might owe such amounts for the January 22, 2013 through March 1, 2013 period. NV Energy October 31, 2013 Reply Comments at 6.

³ *NV Energy Operating Companies*, 145 FERC ¶ 63,009 (2013).

5. This letter order terminates Docket Nos. ER13-684-000, ER13-684-001, and EL13-44-000.

By direction of the Commission.

Kimberly D. Bose,
Secretary.