

146 FERC ¶ 61,221
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

March 24, 2014

In Reply Refer To:
NV Energy, Inc.
Docket Nos. ER13-1605-000
ER13-1605-003
ER13-1607-000
(Consolidated)

Troutman Sanders LLP
Attn: Clifford S. Sikora, Esq.
401 9th Street, NW
Suite 1000
Washington, DC 20004-2134

Dear Mr. Sikora:

1. On January 17, 2014, NV Energy, Inc. submitted an Offer of Partial Settlement (Partial Settlement) on behalf of its public utility subsidiaries Nevada Power Company and Sierra Pacific Power Company (collectively, NV Energy), and on behalf of the other Settling Parties¹ in the above-captioned proceedings.² On February 6, 2014, Commission Trial Staff submitted comments in support of the Partial Settlement. The Colorado River Commission of Nevada and the Southern Nevada Water Authority also filed comments supporting the Partial Settlement. On February 21, 2014, the Settlement Judge certified the Partial Settlement to the Commission as uncontested.³

2. The Partial Settlement resolves certain issues set for hearing concerning Schedules 4 and 9 of the NV Energy Open Access Transmission Tariff (OATT).

¹The Settling Parties are NV Energy, Truckee Donner Public Utility District, the City of Fallon, Nevada, the Barrick Mines, and Deseret Power Electric Cooperative.

²The Partial Settlement was filed through eTariff and assigned Docket No. ER13-1605-003.

³*NV Energy, Inc.*, 146 FERC ¶ 63,016 (2014).

Pursuant to the Partial Settlement,

[t]he standard of review for any proposed changes sought by any party to the terms of this Partial Settlement 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), and 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 of review, see *Devon Power LLC*, 134 FERC ¶ 61,208 at P 10 (2011). Notwithstanding the public interest standard of review to the Partial Settlement, the Settling Parties acknowledge that, while they are agreeing to the use of the Powerdex index and the Mid-C and Mead hubs as sources for imbalance charges effective January 1, 2014, the Settling Parties may propose future changes to Schedules 4 and 9 (any such future changes to be effective prospectively under Section 205 or 206, as the case may be). Accordingly, nothing in this Partial Settlement shall affect the rights of NV Energy, any other Settling Party, the Commission, or any other entity to seek future changes to the rates, terms, and/or conditions of the OATT under Sections 205 or 206 of the Federal Power Act (including but not limited to changes to Schedules 4 and/or 9); nor is this Partial Settlement intended to create a standard of review other than the just and reasonable standard for any such future rate changes.⁴

3. The Partial Settlement appears to be fair and reasonable and in the public interest and is hereby approved. The Commission’s approval of this Partial Settlement does not constitute approval of, or precedent regarding, any principle or issue in this proceeding.

4. This letter order terminates Docket No. ER13-1605-003.⁵

By the direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.

⁴ Partial Settlement at section 3.5.

⁵ *See supra* n.2.