

147 FERC ¶ 61,164
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

May 29, 2014

In Reply Refer To:
Midcontinent Independent System
Operator, Inc.
Docket Nos. EL13-83-000
EL13-83-001
ER14-44-000
EL13-69-001

Brickfield Burchette Ritts & Stone, PC
Counsel for Prairie Power, Inc.
1025 Thomas Jefferson Street, NW
Washington, DC 20007

Attn: Christopher G. Mackaronis

Dear Mr. Mackaronis:

1. On March 14, 2014, you filed a Settlement Agreement in the above-referenced proceeding on behalf of Prairie Power, Inc. (Prairie Power), Ameren Services Company and Ameren Illinois Company (Ameren), and the Midcontinent Independent System Operator, Inc. (MISO) (collectively, Settling Parties). The Settlement Agreement resolves all issues in dispute in this proceeding. On April 3, 2014, Commission Trial Staff filed comments in support of the Settlement Agreement. No other comments were filed. On April 15, 2014, the Settlement Judge certified the Settlement Agreement to the Commission as uncontested.¹

2. The Settlement Agreement resolves all issues between the Settling Parties concerning the rate treatment and cost recovery for certain 138 kV and 69 kV facilities owned by Prairie Power and determined by MISO to be transmission facilities. The Settlement Agreement also provides in section 3.4 that within five business days after Commission approval of the Settlement Agreement, Ameren will move to withdraw certain pleadings in various interrelated dockets: specifically, its protest in Docket No. ER14-44-000 (MISO's compliance filing to amend its tariff to reflect that Prairie Power will recover its annual transmission revenue requirement (ATRR) as a

¹ *Midcontinent Indep. Sys. Operator, Inc.*, 147 FERC ¶ 63,004 (2014).

transmission owning member of MISO through the rates in a joint pricing zone with Ameren) and its rehearing requests in Docket Nos. EL13-69-001 (Prairie Power's complaint) and EL13-83-001 (order instituting section 206 proceeding), rendering the various comments in the withdrawn filings moot. The Settlement Agreement provides at section 5.1 that changes to its provisions shall be governed by the following standards of review:

[T]he standard of review for changes unilaterally proposed by a Settling Party shall be the public interest standard of review set forth in *United Gas Pipe Line Co. v. Mobile Gas Service Corp.*, 350 U.S. 332 (1956); *Federal Power Commission v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956); *Morgan Stanley Capital Group, Inc. v. Public Utility District No. 1 of Snohomish County*, 554 U.S. 527 (2008); and *NRG Power Marketing, LLC v. Maine Public Utilities Commission*, 558 U.S. 165 (2010). The standard of review for third parties proposing changes to the Settlement Agreement and for the Commission acting *sua sponte* to alter the Settlement Agreement will be the just and reasonable standard. After December 31, 2019, the standard of review for any Settling Party filing under either Section 205 or Section 206 of the [Federal Power Act] for a change in any rate, term, condition, charge, classification, rule or regulation relating to Prairie Power's cost recovery under the Tariff will be the just and reasonable standard.

3. The Settlement Agreement appears to be fair and reasonable and in the public interest, and is hereby approved.
4. Refunds and adjustments are to be made pursuant to the Settlement Agreement if necessary. Section 3.5 of the Settlement Agreement provides that the effective date for recovery of Prairie Power's ATRR in Docket No. ER14-44-000 will be the effective date granted by the Commission in that docket. Upon consideration of the Settlement Agreement, and the record in these interrelated proceedings, the Commission hereby grants a June 1, 2013 ATRR effective date in Docket No. ER14-44-000, MISO's requested effective date and the effective date of Prairie Power becoming a transmission-owning member of MISO. The Commission's approval of this Settlement Agreement does not constitute approval of, or precedent regarding, any principle or issue in this proceeding.
5. The Settling Parties must within 30 days make a compliance filing in eTariff format, to ensure that the requisite electronic tariff data bases reflect the Commission's actions in these proceedings.²

² See *Electronic Tariff Filings*, Order No. 714, FERC Stats. & Regs. ¶ 31,276 (2008).

6. This letter order terminates Docket No. EL13-83-000. The other captioned dockets shall be terminated as appropriate upon withdrawal of the pleadings therein pursuant to the Settlement Agreement.

By direction of the Commission.

Kimberly D. Bose,
Secretary.