

154 FERC ¶ 61,164
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

March 3, 2016

In Reply Refer To:
Public Service Company of Colorado
Docket Nos. ER14-1969-000
ER14-1969-001
ER14-1969-002
ER14-1969-003

Morgan, Lewis & Bockius LLP
1111 Pennsylvania Avenue, NW
Washington, DC 20004

Attn: Joseph W. Lowell, Esq.
Attorney for Xcel Energy Services Inc.

Dear Mr. Lowell:

1. On October 19, 2015, you filed a settlement agreement (Settlement) between Xcel Energy Services Inc. (Xcel), on behalf of its public utility affiliate Public Service Company of Colorado (PSCo), and Iberdrola Renewables, LLC (Iberdrola). On November 9, 2015, Commission Trial Staff filed comments supporting the Settlement. On November 18, 2015, Xcel filed reply comments supporting the Settlement. No other comments were filed. On December 3, 2015, the Settlement Judge certified the Settlement to the Commission as uncontested.¹

2. With respect to standard of review, section 3.6 of the Settlement provides that:

The standard of review for any proposed changes sought by any party in this proceeding to the terms of this Settlement shall be the “public interest” application of the “just and reasonable” 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.*,

¹ *Pub. Serv. Co. of Colo.*, 153 FERC ¶ 63,018 (2015).

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 to this proceeding 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); provided, however, that nothing in this Settlement shall affect the rights of any Settling Party, the Commission, or any other entity to seek future changes to the rates, terms, and/or conditions of the Xcel Energy Operating Companies Joint OATT under Sections 205 or 206 of the Federal Power Act; nor is this Settlement intended to apply anything other than the just and reasonable standard of review to such future, or pending, changes.

3. The Settlement resolves all issues in dispute in this proceeding. Under the Settlement, Xcel shall make certain revisions to the Xcel Energy Operating Companies Joint Open Access Transmission Tariff relating to the provision of certain ancillary services by PSCo, effective January 1, 2015, with refunds and adjustments made pursuant to the Settlement.

4. 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 these proceedings.

5. PSCo is directed to make a compliance filing within 30 days in eTariff format to reflect the Commission's action in this order.²

6. A request for clarification or, in the alternative, rehearing of the Commission's December 5, 2014 order in this proceeding was filed on January 5, 2015 by Iberdrola and is currently pending before the Commission. Consistent with section 3.3 of the Settlement, such pending clarification or rehearing requests are acknowledged to be moot, and are therefore deemed withdrawn and the associated sub-dockets will be terminated.

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

7. This letter order terminates Docket Nos. ER14-1969-000; ER14-1969-001; ER14-1969-002; and ER14-1969-003.

By direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.