

155 FERC ¶ 61,098
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

April 26, 2016

In Reply Refer To:
Kanstar Transmission, LLC
Docket No. ER15-2237-000

Steptoe & Johnson LLP
1330 Connecticut Avenue, NW
Washington, DC 20036

Attention: Steven J. Ross, Esq.

Dear Mr. Ross:

1. On January 8, 2016, you filed, in the above-referenced proceeding, a partial settlement agreement (Partial Settlement) between Kanstar Transmission, LLC (Kanstar) and the State Corporation Commission of the State of Kansas (Kansas Commission).¹ On January 28, 2016, Commission Trial Staff submitted comments in support of the Partial Settlement. No other comments were filed. On March 7, 2016, the Settlement Judge certified the Partial Settlement to the Commission as an uncontested settlement.²
2. The Partial Settlement addresses the issue set for hearing in this proceeding: Kanstar's base return on common equity as part of Kanstar's transmission formula rate to be included in Southwest Power Pool, Inc.'s (SPP) Open Access Transmission Tariff.³

¹ The Partial Settlement explains that, although Kansas Electric Power Cooperative, Inc., the Missouri Public Service Commission, and South Central MCN, LLC are not signatories to the Partial Settlement, they have authorized Kanstar and the Kansas Commission to state that they do not oppose the Partial Settlement. Settlement at 1. Each of these parties is considered a Settling Party for purposes of the Partial Settlement. *Id.*

² *Kanstar Transmission, LLC*, 154 FERC ¶ 63,020 (2016).

³ *Kanstar Transmission, LLC*, 152 FERC ¶ 61,209 (2015).

The Partial Settlement does not address the Commission determination regarding new, yet-to-be-formed Midwest Power SPP Entities,⁴ the Kansas Commission's request for rehearing of that determination in Docket No. ER15-2237-002 and Kanstar's pending compliance filing in Docket No. ER15-2237-001.

3. Section 7.3 of the Partial Settlement provides that

the standard of review for changes to this [Partial] Settlement 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), and *Morgan Stanley Capital Group, Inc. v. Public Utility District No. 1 of Snohomish County*, 554 U.S. 527 (2008). The standard of review for any modification to this [Partial] Settlement requested by a non-Settling Party or the Commission acting *sua sponte* shall be the just and reasonable standard.

4. The Partial Settlement resolves all issues set for hearing in Docket No. ER15-2237-000. 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.

5. Kanstar is directed to file revised tariff records in eTariff format,⁵ within 30 days of the date of this order, to reflect the Commission's action in this order.

6. This letter order terminates Docket No. ER15-2237-000.

By direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.

⁴ *Id.* PP 2, 83-86.

⁵ *Electronic Tariff Filings*, Order No. 714, FERC Stats. & Regs. ¶ 31,276 (2008).