

155 FERC ¶ 61,238  
FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, D.C. 20426

June 3, 2016

In Reply Refer To:  
Seward Generation, LLC  
Docket No. ER16-1344-000

Reed Smith LLP  
1301 K Street, NW  
Suite 1000 - East Tower  
Washington, DC 20005-3373

Attention: Michael Yuffee

Dear Mr. Yuffee:

1. On April 4, 2016, pursuant to section 205 of the Federal Power Act (FPA)<sup>1</sup> and Part 35 of the Commission's regulations,<sup>2</sup> Seward Generation, LLC (Seward) submitted a Notice of Succession<sup>3</sup> notifying the Commission of Seward's succession to NRG Wholesale Generation LP's (NRG) Reactive Supply and Voltage Control from Generation Sources Service tariff (Reactive Power Rate Schedule).<sup>4</sup>

2. Seward states that it is filing this Notice of Succession as a result of its acquisition of the Seward Generating Facility from NRG on February 2, 2016.<sup>5</sup> Seward states that it adopts, ratifies, and makes its own, in every respect, the Reactive Power Rate Schedule

---

<sup>1</sup> 16 U.S.C. § 824d (2012).

<sup>2</sup> 18 C.F.R. Part 35 (2015).

<sup>3</sup> Seward Generation, LLC, Seward Generation, LLC Market Based Rate Tariff, Rate Schedule, Rate Schedule, (1.0.0).

<sup>4</sup> NRG Wholesale Generation LP, Reactive Rate Schedule, Rate Schedule FERC No. 8, (1.0.0).

<sup>5</sup> The Commission authorized this disposition of jurisdictional facilities in *NRG Wholesale Generation LP*, 154 FERC ¶ 62,023 (2016).

for the Seward Generating Facility. Seward states that it is a Pennsylvania limited liability company that was formed for purposes of acquiring the Seward Generating Facility and that NRG is an exempt wholesale generator that owned and operated the Seward Generating Facility. According to Seward, the Seward Generating Facility is an approximately 525 MW (summer rating) coal-fired generating facility located in New Florence, Pennsylvania and is interconnected with the transmission grid controlled by PJM, Interconnection, L.L.C. (PJM).<sup>6</sup>

3. Seward seeks waiver, to the extent necessary, of the prior notice requirements under section 35.3(a)(1) of the Commission's Regulations<sup>7</sup> to permit this Notice of Succession and resulting revised Reactive Power Rate Schedule to become effective February 2, 2016, the date of acquisition. Seward states that good cause exists for granting the waiver because the changes described herein will have no substantive effect on the rates, terms, or conditions set forth in the Reactive Power Rate Schedule.<sup>8</sup>

4. The Commission accepted a related informational filing on January 14, 2016,<sup>9</sup> and established a proceeding under section 206 of the FPA.<sup>10</sup> In that case, NRG submitted a filing pursuant to Schedule 2 of the PJM Open Access Transmission Tariff (OATT) regarding the transfer of the Seward Generating Facility.<sup>11</sup> Specifically, NRG asserted that no revisions to the Reactive Power Rate Schedule were being proposed because the revenue requirement set forth therein was established solely for the Seward Generating Station and the entirety of that facility and the Reactive Power Rate Schedule were being transferred to Seward. The Commission instituted a proceeding under section 206 of the FPA to determine whether NRG's reactive power rates for the Seward Generating Facility remained just and reasonable, setting the proceeding for hearing and settlement judge procedures in Docket No. EL16-28-000.<sup>12</sup>

---

<sup>6</sup> Seward April 4, 2016 Transmittal Letter at 2-3.

<sup>7</sup> 18 C.F.R. § 35.3(a)(1) (2015).

<sup>8</sup> Seward April 4, 2016 Transmittal Letter at 3.

<sup>9</sup> *Reliant Energy Seward, LLC*, 154 FERC ¶ 61,017 (2016).

<sup>10</sup> 16 U.S.C. § 824d (2012).

<sup>11</sup> PJM, Intra-PJM Tariffs, OATT, Schedule 2 (3.1.0). Schedule 2 of the PJM OATT covers Reactive Service and requires that at least 90 days before deactivating or transferring a resource receiving compensation for reactive supply and voltage support, the resource owner must either submit a filing to terminate or adjust its cost-based rate schedule to account for the deactivated or transferred unit or must submit an informational filing explaining the basis for the decision not to terminate or revise its cost-based rate schedule.

<sup>12</sup> *Reliant Energy Seward, LLC*, 154 FERC ¶ 61,017 at PP 11, 14.

5. Notice of Seward's April 4, 2016 filing was published in the *Federal Register*, 81 Fed. Reg. 21,858 (2016), with interventions and protests due on or before April 25, 2016. PJM filed a timely motion to intervene.

6. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2015), the timely, unopposed motion to intervene serve to make PJM a party to this proceeding.

7. We accept Seward's Notice of Succession and related administrative revisions to the Reactive Power Rate Schedule that reflect the change in operating control of the Seward Generating Facility from NRG to Seward, suspend it for a nominal period to become effective February 2, 2016, subject to refund and subject to a further Commission order.<sup>13</sup> Because the justness and reasonableness of the Reactive Power Rate Schedule is currently unresolved, our acceptance here is subject to the outcome of the hearing and settlement judge procedures in Docket No. EL16-28-000.

By direction of the Commission.

Kimberly D. Bose,  
Secretary.

---

<sup>13</sup> *Central Hudson Gas & Electric Corp.*, 60 FERC ¶ 61,106, *order on reh'g*, 61 FERC ¶ 61,089 (1992) (permitting waiver of the 60-day prior notice requirement for uncontested filings that do not change rates).