

156 FERC ¶ 61,018
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

July 7, 2016

In Reply Refer To:
Transource Kansas, LLC
Docket No. ER15-958-000

Van Ness Feldman, LLP
1050 Thomas Jefferson Street, NW
Seventh Floor
Washington, DC 20007

Attn: Douglas W. Smith, Esq.
Attorney for Transource Kansas, LLC

Dear Mr. Smith:

1. On April 7, 2016, you filed a settlement agreement (Settlement) between Transource Kansas, LLC (Transource Kansas), and the Kansas Corporation Commission, resolving all issues set for hearing and settlement judge procedures in the above-referenced proceeding.¹ On April 27, 2016, Commission Trial Staff filed comments supporting the settlement. On May 9, 2016, Transource Kansas submitted reply comments. No other comments were filed. On May 18, 2016, the Settlement Judge certified the Settlement to the Commission as an uncontested settlement.²

2. The Settlement addresses the base rate of return on equity associated with investment in transmission facilities in the Southwest Power Pool, Inc., by Transource Kansas and its affiliated entities. The Settlement appears to be fair and reasonable and in the public interest, and is hereby approved. The Commission's approval of the Settlement does not constitute approval of, or precedent regarding, any principle or issue in these proceedings.

¹ *Transource Kansas, LLC*, 151 FERC ¶ 61,010 (2015).

² *Transource Kansas, LLC*, 155 FERC ¶ 63,015 (2016).

3. The Settlement provides that:

[t]he standard of review the Commission shall apply when acting on proposed modifications to this Settlement after the Settlement has become effective in accordance with Article IV shall be the just and reasonable standard of review (rather than the “public interest” standard) set forth in *United Gas Pipe Line Co. v. Mobile Gas Service Corp.*, 350 U.S. 332 (1956) and *Federal Power Commission v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956), as clarified in *Morgan Stanley Capital Group Inc. v. Public Utility District No. 1 of Snohomish County*, 554 U.S. 527 (2008), and refined in *NRG Power Marketing, LLC v. Maine Public Utilities Commission*, 558 U.S. 165, 174-75 (2010).³

4. Transource Kansas is directed to file revised tariff records in eTariff format, within 30 days of the date of this order, to reflect the Commission's action in this order.⁴

5. This letter terminates Docket No. ER15-958-000.

By direction of the Commission.

Kimberly D. Bose,
Secretary.

³ Settlement, Article VI.

⁴ See *Electronic Tariff Filings*, Order No. 714, FERC Stats & Regs. ¶ 31,276 (2008).