

157 FERC ¶ 61,005
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

October 4, 2016

In Reply Refer To:
City of West Memphis, Arkansas
Docket No. EL16-17-000
Conway Corporation
Docket No. EL16-18-000
(consolidated)

Spiegel & McDiarmid LLP
1875 Eye Street, NW
Suite 700
Washington, DC 20006

Attn: Rebecca J. Baldwin, Esq.
Attorney for City of West Memphis, Arkansas and Conway Corporation

Dear Ms. Baldwin:

1. On July 27, 2016, you submitted an Offer of Settlement (Settlement) on behalf of City of West Memphis, Arkansas and Conway Corporation (collectively, the Settling Parties) in the above-captioned proceeding. On August 16, 2016, Trial Staff filed comments supporting the Settlement. No other comments were filed. On September 2, 2016, the Settlement Judge certified the Settlement to the Commission as uncontested.¹

2. The Settlement addresses the Settling Parties' filings to recover a revenue requirement for reactive power supply from their respective ownership interests in Independence Units 1 and 2 and White Bluff Units 1 and 2. On May 19, 2016, the Commission issued separate orders accepting the revenue requirements of the Settling Parties effective June 1, 2016, subject to the condition that each submit a compliance filing and provide refunds to Midcontinent Independent System Operator, Inc., to the extent that revenues exceed the amount found to be just and reasonable.² The

¹ *City of W. Memphis, Ark.*, 156 FERC ¶ 63,037 (2016).

² *City of W. Memphis, Ark.*, 155 FERC ¶ 61,170 (2016); *Conway Corp.*, 155 FERC ¶ 61,171 (2016).

Commission also established evidentiary hearing and settlement judge procedures. On May 26, 2016, the Acting Chief Administrative Law Judge granted the Settling Parties' request to consolidate the above-captioned proceeding.³

3. With respect to the standard of review, Article IV of the Settlement provides that:

[a]ny modifications to this Offer of Settlement, whether proposed by one of the Settling Parties, a third party or non-settling party, or the Commission acting *sua sponte*, after the Commission has accepted or approved this Offer of Settlement, are subject to the ordinary just and reasonable standard of review.

4. The Settlement resolves all issues set for hearing in this proceeding. 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 this proceeding.

5. This letter terminates Docket Nos. EL16-17-000 and EL16-18-000.

By direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.

cc: All Parties

³ *City of W. Memphis, Ark.*, 155 FERC ¶ 63,020 (2016).