

157 FERC ¶ 61,148
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

November 22, 2016

In Reply Refer To:
Constellation Power Source
Generation, LLC
Docket Nos. ER16-746-001
EL16-57-000

King & Spalding LLP
1700 Pennsylvania Ave., NW
Washington, DC 20006

Attn: Neil L. Levy, Esq. and Bruce L. Richardson, Esq.
Attorneys for Constellation Power Source Generation, LLC

Dear Mr. Levy and Mr. Richardson:

1. On August 18, 2016, you filed on behalf of Constellation Power Source Generation, LLC (Constellation) an Offer of Settlement (Settlement) concerning Constellation's proposed annual revenue requirement for providing reactive service for generating units in the PJM Interconnection, LLC (PJM) region that resolves all issues in dispute in the above-captioned proceedings. On September 7, 2016, Commission Trial Staff filed comments supporting the Settlement. Monitoring Analytics, LLC, acting in its capacity as the Independent Market Monitor for PJM (Market Monitor), submitted a letter opposing the Settlement unless a number of specified terms and conditions are included.¹ On September 19, 2016, Constellation and Commission Trial Staff filed reply comments opposing the terms and conditions specified in the Market Monitor's September 7, 2016 letter. On September 21, 2016, the settlement judge forwarded the

¹ The Market Monitor did not participate in the settlement judge proceedings, except to file a motion for late intervention with the Chief Judge on June 24, 2016—after the active participants had reached the agreement in principle embodied in the Settlement—and to submit the September 7, 2016 letter.

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Settlement to the Commission in lieu of certification.² On October 4, 2016, the Market Monitor withdrew its September 7, 2016 opposition to the Settlement.

2. Section B of the Settlement provides that “[w]ith respect to the Settlement, it is intended that the applicable standard of review shall be the ‘just and reasonable’ standard of review.”³
3. 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 this proceeding.
4. This letter order terminates Docket Nos. ER16-746-001 and EL16-57-000.

By direction of the Commission.

Kimberly D. Bose,
Secretary.

² *Constellation Power Source Generation, LLC*, 156 FERC ¶ 63,050 (2016).

³ Settlement, § B.