

130 FERC ¶ 61,225
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

March 18, 2010

In Reply Refer To:
E.ON U.S. LLC
Docket Nos. ER10-43-000 and
ER10-43-001

Foley & Lardner LLP
3000 K Street NW, Sixth Floor
Washington, DC 20007

Attention: Andrea J. Chambers
Attorney for E.ON U.S. LLC

Dear Ms. Chambers:

1. On October 9, 2009, as amended on November 16, 2009, and as supplemented January 20, 2010, you submitted on behalf of E.ON U.S., LLC (E.ON) proposed revisions to a Network Integration Transmission Service Agreement (NITSA) and a Network Operating Agreement (NOA) for service to the Kentucky Municipal Power Agency (Kentucky Municipal). The parties to the NITSA and NOA include E.ON's public utility subsidiaries, Louisville Gas and Electric Company and Kentucky Utilities Company, as well as Kentucky Municipal. E.ON proposes revisions to the NITSA that will incorporate an additional delivery point, clarify that E.ON will not seek direct recovery from Kentucky Municipal of the costs of Network Upgrades identified in Appendices 1 and 2, and that will provide, in a new Appendix 3, certain operating procedures with respect to Kentucky Municipal's load. E.ON also proposes revisions to the NOA that will clarify language regarding the payment of penalties and fines and that will clarify when Kentucky Municipal may connect a generator to E.ON's transmission system. E.ON also proposes minor formatting changes to both the NITSA and NOA. E.ON requests that the proposed revisions to the NITSA and NOA become effective December 1, 2009.

2. Notices of the filings were published in the *Federal Register*, 74 FR 54985 (2009), 74 FR 61669 (2009), 75 FR 5308 (2010) with interventions or protests due on or before October 30, 2009, December 7, 2009, and February 1, 2010, respectively. American Municipal Power, Inc. and Kentucky Municipal filed timely motions to intervene. Tennessee Valley Authority (TVA) filed a timely motion to intervene and comments.

3. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2009), the timely, unopposed motions to intervene serve to make the entities that filed them parties to this proceeding.
4. TVA did not raise any objections to the proposed revisions set forth in the filings; however, it expressed concern with discrepancies between the description of the two generating plants to be constructed provided in Appendix 3 of the NITSA and the description of the same generating plants provided in Kentucky Municipal's July 16, 2009 interconnection request to TVA, which is not before the Commission.
5. On January 8, 2010, staff issued a deficiency letter to E.ON requesting that it clarify the discrepancy between Appendix 3 of the NITSA and the interconnection request submitted to TVA and to provide any necessary revisions to ensure accuracy between the two documents.
6. On January 20, 2010, E.ON submitted a supplement to its filing in response to the deficiency letter. E.ON states that it conferred with Kentucky Municipal and TVA and the parties have agreed that there is no actual discrepancy between Appendix 3 of the NITSA and Kentucky Municipal's interconnection request to TVA. Kentucky Municipal plans to install two 60 MW plants and each plant will consist of two 30 MW combustion turbines that work together because they are attached to a common shaft (for a total of four 30 MW units). Therefore, E.ON states that the parties have all agreed to the following description of the facilities:

KMPA will install two Pratt & Whitney FT-8 Swift Pacs Generator units rated at 60 MW each. Each Swift Pac will consist of two nominal 30 MW combustion turbine units on a common shaft.¹
7. We will accept the proposed revisions to the NITSA and NOA, to be effective December 1, 2009, as requested.

By direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.

¹ E.ON January 20, 2010 Supplement to Filing in Response to Deficiency Notice at 2.