143 FERC ¶ 61,013
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Jon Wellinghoff, Chairman;
Philip D. Moeller, John R. Norris,
Cheryl A. LaFleur, and Tony Clark.

Puget Sound Energy, Inc.

v. Docket No. EL01-10-111

All Jurisdictional Sellers of Energy and/or Capacity at Wholesale into Electric Energy and/or Capacity Markets in the Pacific Northwest, Including Parties to the Western System Power Pool Agreement

ORDER APPROVING CONTESTED SETTLEMENT

(Issued April 3, 2013)

1. On October 15, 2012, in accordance with Rule 602 of the Commission's Rules of Practice and Procedure,[1] TransCanada Energy Ltd. (TransCanada) and the City of Seattle, Washington (Seattle) (together, the Settling Parties) filed an Offer of Settlement (Settlement) disposing of disputes between the Settling Parties in the above-referenced proceeding. On November 30, 2012, the Presiding Judge reported to the Commission that, while certain comments were filed in opposition to the Settlement, they did not raise any issues of material fact, and Presiding Judge certified the Settlement as a contested settlement.[2] In this order, we approve the Settlement effective the date of this order.

I. Background

2. On October 26, 2000, Puget Sound Energy, Inc. (Puget) filed a complaint petitioning the Commission to cap the prices at which sellers subject to Commission

[1] 18 C.F.R. § 385.602 (2012).

[2] *Puget Sound Energy, Inc. v. All Jurisdictional Sellers, et al.*, Certification of Contested Settlement, Docket No. EL01-10-111 (Nov. 30, 2012) (Certification). On November 30, 2012, the Chief Judge terminated settlement judge procedures. *Puget Sound Energy, Inc.*, 141 FERC ¶ 63,016 (2012).

jurisdiction could sell energy or capacity into the Pacific Northwest's wholesale power markets.[3] On December 15, 2000, the Commission dismissed the complaint,[4] but subsequently it ordered a preliminary evidentiary hearing to develop a factual record on whether there may have been unjust and unreasonable charges for spot market bilateral sales in the Pacific Northwest for the period of December 25, 2000 through June 20, 2001.[5]

3. Based upon the Administrative Law Judge's (ALJ) findings, the Commission denied requests for refunds.[6] Governmental entities from the Pacific Northwest and various California state entities appealed the Commission's orders in the United States Court of Appeals for the Ninth Circuit (Ninth Circuit).

4. In 2007, the Ninth Circuit issued an opinion, remanding to the Commission the orders that declined to require refunds. The Ninth Circuit instructed the Commission to consider whether evidence of market manipulation would have altered the Commission's conclusions about refunds, and it also directed the Commission to include sales to the California Department of Water Resources in the scope of proceeding.[7]

5. On October 3, 2011, the Commission issued an Order on Remand establishing an evidentiary hearing to address the issues remanded by the Ninth Circuit. The hearing was held in abeyance to allow parties to attempt to settle the case with the assistance of a Settlement Judge.[8]

6. On November 23, 2011, the Chief Administrative Law Judge issued an order confirming settlement procedures designed, among other things, to elicit any claims that parties to the proceedings might have.[9] On May 25, 2012, the Chief Judge assigned a

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[3] *San Diego Gas & Elec. Co. v. Sellers of Energy and Ancillary Servs.*, 93 FERC ¶ 61,294 (2000).

[4] *Id.* at 62,019.

[5] *San Diego Gas & Elec. Co.*, 96 FERC ¶ 61,120 (2001).

[6] *Puget Sound Energy, Inc.*, 103 FERC ¶ 61,348, at PP 47-50 (2003), *reh'g denied*, 105 FERC ¶ 61,183 (2003).

[7] *Port of Seattle Wash. v. FERC*, 499 F.3d 1016 (9th Cir. 2007).

[8] *Puget Sound Energy, Inc.*, 137 FERC ¶ 61,001 (2011) (Order on Remand).

[9] *Puget Sound Energy, Inc.*, Order of the Chief Judge Confirming Settlement Procedures, Docket No. EL01-10-026 (Nov. 23, 2011).

Track II procedural schedule to this case and designated a presiding judge to oversee the hearing.[10]

7. On October 15, 2012, TransCanada and Seattle filed a Settlement to dispose of disputes between the parties in this proceeding. Initial Comments were filed by Commission Trial Staff (Trial Staff) and California Parties[11] on November 5, 2012. Reply Comments were filed by TransCanada on November 14, 2012.

II. The Settlement

8. The Settlement consists of a Recitals section and six articles. The Recitals section describes the positions of the Settling Parties and briefly discusses the relevant procedural history. Article I sets forth definitions of terms used through the Settlement Agreement. Article II governs when the Settlement becomes effective, how it may terminate, and the standard of review for modifications to the Settlement.

9. Article II also contains provisions (Withdrawal Provisions) requiring that evidence adverse to TransCanada be withdrawn from the record in this proceeding. Specifically, Article II states that a final order approving the Settlement constitutes a determination that any evidence submitted by Seattle in these proceedings that adversely affects TransCanada shall be withdrawn from the record solely as to TransCanada, and any allegation, statement, claim, pleading, exhibit, or the like submitted by Seattle in the underlying proceeding, including but not limited to, Docket No. EL01-10-085, that may be deemed to apply to TransCanada neither applies to, nor may be used against, TransCanada in any way. Article II also requires Seattle to file a conditional motion withdrawing any portion of its prefiled testimony, exhibits, or other pleadings referencing TransCanada and requesting that the Commission withdraw from the record any evidence it has submitted that may be deemed to adversely affect TransCanada.[12]

10. Article III provides the amount TransCanada will pay Seattle, $50,000, and the terms under which Seattle must return the payment if the Settlement is ultimately rejected by the Commission or a court.

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[10] *Puget Sound Energy, Inc*., Order of the Chief Judge Terminating Settlement Judge Procedures as to Some Parties; Continuing Settlement Judge Procedures as to Other Parties; Designating Presiding Administrative Law Judge; and Delaying Track II Procedures for 45 Days, Docket No. EL01-10-085, *et al*. (May 25, 2012).

[11] California Parties are the People of the State of California *ex rel*. Kamala D. Harris, Attorney General, the Public Utilities Commission of the State of California, and Southern California Edison Company.

[12] Seattle filed the required motion on November 6, 2012.

11. Article IV defines the scope and terms of the releases granted by the Settlement to the parties. Article V states that the Settlement is subject to approval by the Commission. Lastly, Article VI contains miscellaneous provisions of the type usually found in settlement agreements.

III. Initial and Reply Comments

A. Trial Staff's Comments

12. Although not opposing the Settlement, Trial Staff expresses certain reservations with respect to the Withdrawal Provisions. Trial Staff states that the Settling Parties rely on *Enron Power*[13] to support the provisions. However, Trial Staff argues that it is unclear if the Withdrawal Provisions completely track those in *Enron Power*. First, Trial Staff notes that every settlement is unique and the Commission's action on one settlement does not constitute precedent for another. Moreover, Trial Staff contends that the Settlement in this case does not indicate which portions of Seattle's filing would be withdrawn from the record because they either are "deemed to apply" to TransCanada or "adversely impact" TransCanada's interests. Trial Staff asserts that ambiguity makes it difficult to evaluate the effect of the Withdrawal Provisions on non-settling parties. Trial Staff further notes that section 2.4.5, which calls for the withdrawal of evidence that might be adverse to TransCanada, fails state that the evidence is being withdrawn "solely" as to TransCanada.

13. Next, Trial Staff notes that because the Settlement provides that a final order approving the Settlement "shall constitute a determination" that none of Seattle's evidence applies to TransCanada "in any way," the effect on non-settling parties' ability to assert and litigate "ripple claims" remains unclear.[14]

14. Trial Staff does not oppose the instant Settlement to the extent that the Withdrawal Provisions do not adversely affect the rights of other parties to this litigation. However, to the extent that the Withdrawal Provisions may negatively affect parties other than Seattle and TransCanada, Trial Staff argues that the Commission should weigh the value

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[13] *Enron Power Mktg., Inc. & Enron Energy Servs. Inc.*, 122 FERC ¶ 61,015, at P 65 (2008) (*Enron Power*) (approving a settlement that required one of the settling parties to withdraw "all of its pleadings, testimony and exhibits" from the proceedings).

[14] In 2001, the ALJ in the underlying docket defined "ripple claims" as "sequential claims against a succession of sellers in a chain of purchasers that are triggered if the last wholesale purchase in the chain is entitled to a refund." *Puget Sound Energy, Inc.*, 96 FERC ¶ 63,044, at 65,300 (2001).

of the instant Settlement against any potential prejudice to the rights of non-settling parties.

15. Additionally, Trial Staff contends that the scope of releases in this Settlement differs from others filed in this proceeding. Trial Staff notes that by including the phrase "to the extent permitted by law" in sections 4.1 and 4.2, the Settlement is meant to release the Parties from any future ripple claims should the Commission ultimately decide that a settlement may extinguish ripple claims against non-settling third parties.[15] Trial Staff questions the need for including such language in the instant Settlement, but it does not oppose the Settlement on this basis.

16. Trial Staff also notes that the definition of "transaction" is broadly defined. Trial Staff questions whether the language describing the claims resolved by the Settlement is meant to extinguish rights against TransCanada for actions completely unrelated to these proceedings.

17. Lastly, aside from the Withdrawal Provisions and the scope of releases, Trial Staff states that this Settlement is much like the others that have preceded it; i.e., one party (TransCanada) pays, and another (Seattle) receives a monetary amount, and both parties put to rest forever all claims relating to their transactions during the Settlement Period. Trial Staff notes that the Settlement is a pragmatic business decision made by sophisticated entities who weighed their options before deciding to compromise their claims, and the Settlement allows TransCanada and Seattle to put their ancient dispute behind them, thereby minimizing their litigation costs and providing them with increased certainty in planning their future affairs.

B. California Parties' Comments

18. California Parties do not oppose the Settlement, subject to clarification of the Withdrawal Provisions. Specifically, California Parties state that the phrase "that may be deemed to adversely impact TransCanada" could be interpreted to mean that evidence submitted by Seattle that describes general market conditions applicable to all market participants is withdrawn as to TransCanada, if TransCanada deems the evidence to be adverse to it. California Parties argue that such an interpretation could result in outcomes that are "unworkable, unfair, and absurd."[16] For example, California Parties state that

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[15] Trial Staff notes that the Commission recently conditioned its approval of the Idaho Power settlement in this proceeding upon the parties' removal of language that extinguished ripple claims. Trial Staff Comments at 11-12 & n.18 (citing *Puget Sound Energy, Inc*., 139 FERC ¶ 61,209, at P 6, *order on reh'g and compliance*, 141 FERC ¶ 61,148 (2012), *petition for review pending* (D.C. Cir.)).

[16] California Parties Initial Comments at 2.

Seattle witness Phillip Q. Hanser's initial testimony and exhibits presented a statistical analysis that demonstrates that prices in California and the Pacific Northwest were cointegrated during the Relevant Period; i.e., contract prices in the Pacific Northwest were driven by the prices and market dysfunction that existed in the organized California markets. California Parties express concern that TransCanada may deem this evidence to "adversely impact" it, even though it does not reference TransCanada specifically and applies to all market participants. California Parties contend that the Settlement should not insulate TransCanada from relevant market facts that Seattle's testimony proves when both Seattle and TransCanada remain in the proceeding. California Parties assert that the Settlement cannot require the Commission to ignore generally applicable facts with respect to a particular Respondent.

19. California Parties argue that for this reason, the Settlement's reliance upon *Enron Power* is misplaced. California Parties note that in that proceeding, Enron was dismissed altogether as a party by virtue of the settlement. By contrast, in this case, TransCanada will remain as a party to this proceeding because of the pending claim against TransCanada by the California Parties. Moreover, California Parties state that Seattle also remains in the proceeding to litigate claims against other Respondents. Therefore, California Parties assert that Seattle may rightly withdraw evidence related specifically to its contracts with TransCanada, but Seattle's testimony on general market issues cannot be limited by the Settlement, because they do not apply to TransCanada.

C. <u>TransCanada's Reply Comments</u>

20. TransCanada first states that the Commission generally supports settlements and works to encourage parties to engage in settlement discussions, noting that the Order on Remand specifically encouraged parties to settle their disputes.[17] TransCanada further avers that the Settlement represents a fair and reasonable resolution of issues relating to transactions between TransCanada and Seattle during the Relevant Period.

21. Next, TransCanada states that the clarification sought by the California Parties should be denied. TransCanada argues that California Parties improperly seek to rely upon Seattle's testimony in order to pursue their own claims against TransCanada. TransCanada contends that complainants are obligated to put into contention each basis or theory underlying their complaints against each respective respondent.[18] Further,

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[17] TransCanada Reply Comments at 2 & n. 2 (citing *Puget Sound Energy, Inc.*, 137 FERC ¶ 61,001 at P 30).

[18] TransCanada Reply Comments at 4 & n.9 (citing *Chevron Products Co. v. SFPP, L.P.*, 99 FERC ¶ 61,196, at P 26 (2002) (dismissing a complaint where the complainant, rather than provide documentation specifically relevant to its complaint, chose instead to incorporate by reference complaints and supporting documents filed by

(continued…)

TransCanada argues that "Commission practice . . . requires the complainant to present all proof intended to support the issues in which they have the burden of proof in their direct presentation."[19]

22. Specifically, TransCanada contends that California Parties failed to demonstrate in any of their filings that they placed any particular reliance upon the materials included in the direct testimony filed by Seattle or that they sought to introduce such material as evidence to support claims against TransCanada. TransCanada further notes that California Parties have had every opportunity to undertake their own statistical analysis assessing the same facts that are in Seattle's direct testimony, as well as to sponsor testimony on a timely basis making similar allegations. Moreover, TransCanada asserts that California Parties presented no good cause for their failure to advance their own similar analysis in their direct case, noting that Seattle's evidence was available to California Parties. To the extent the California Parties believe their evidence does support their claims against TransCanada, TransCanada states that Seattle's evidence would be cumulative; therefore, the withdrawal of Seattle's evidence would cause no harm to the California Parties with respect to its claims against TransCanada.

23. TransCanada further argues that if California Parties' clarification were granted, new controversies would be injected into the case. For example, TransCanada states that it would be entitled to question the competence of Seattle's witnesses and evidence even though no controversy exists between the parties as a result of the Settlement. TransCanada asserts that such a result would undermine the Settlement and lead to continued litigation regarding the evidence advanced by Seattle, and it would produce inefficient results given that both TransCanada and Seattle sought through their Settlement to avoid exactly this type of evidentiary dispute.

24. TransCanada disputes the California Parties' assertion that that *Enron Power* is not applicable because the settling party (Enron) was dismissed from the proceeding as a result of the settlement at issue in that proceeding. TransCanada argues that *Enron*

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other parties at earlier stages of the proceedings); *Chevron Products Co. v. SFPP, L.P.*, 100 FERC ¶ 61,329 (2002); *Texaco Refining and Marketing Inc.*, 99 FERC ¶ 63,009, at 65,035 (2002) (noting that untimely attempts to amend complaints to add additional claims would be rejected and that a defendant must have adequate notice of the complaints alleged); *Texaco Refining and Marketing Inc.*, 99 FERC ¶ 63,023, at 65,203 (2002) (rejecting movant's effort to "piggyback on the complainants' efforts so that [movant] can now jump into the case as a complainant")).

[19] *Id.* at 4 & n.10 (citing *State of Cal. ex rel. Bill Lockyer, Attorney General of the State of California v. British Columbia Power Exch.*, 130 FERC ¶ 63,017, at P 217 (2010)).

Power had a boarder impact than this Settlement because it completely dismissed the party from the proceeding and withdrew all of the evidence as it related to the complainant and the party that was dismissed.[20] Thus, TransCanada concludes that this Settlement is more limited than the one approved in *Enron Power*, because the evidence will remain on the record as to all parties other than TransCanada.

25. With respect to Trial Staff's comments about the scope of and nature of claims resolved by the Settlement, TransCanada first notes that the claims resolved by the Settlement are limited to the transactions defined in section 1.16 of the Settlement. TransCanada also states that the section 2.4.1 further limits the transactions by referencing the Settlement Period (December 25, 2000 through June 20, 2001). Thus, TransCanada asserts that Trial Staff's concerns are addressed by the terms of the Settlement.

26. TransCanada next argues that Trial Staff's concern that the Settlement does not indicate which portions of Seattle's evidence would be withdrawn is misplaced. TransCanada asserts that because of the voluminous nature of the evidence, it would be impractical to identify every portion to be withdrawn. TransCanada further notes that the Settlement preserves all generic evidence so that there is no disruption in the claims Seattle may pursue against other Respondents. However, TransCanada maintains that use of Seattle's evidence by another claimant, i.e. California Parties, would be improper.

27. In addition, TransCanada states that the language adopted in the Settlement (i.e., "to the extent permitted by law") parallels language that participants have repeatedly used with regard to the *Mobile-Sierra* standard in determining the appropriate standard of review. TransCanada states that the Settlement's effect on ripple claims is consistent with the law, and the Settlement does encompass more claims than allowed by law.[21]

D. <u>Motion for Action</u>

28. On March 4, 2013, the Settling Parties submitted a motion requesting Commission action on the Settlement by April 1, 2013 (motion). The motion states that the Settling Parties need a ruling by that date in order to avoid the needless expenditure of time and litigation costs or, alternatively, to properly prepare for the evidentiary hearing that is scheduled to commence in this proceeding on April 15, 2013.

29. Notice shortening the period to file answers to the motion (unpublished) was issued on March 5, 2013, with answers due on or before March 11, 2013. None were filed.

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[20] *Id.* at 6 & n.15 (citing *Enron Power*, 122 FERC ¶ 61,015 at P 65).

[21] TransCanada Reply Comments at 9.

IV. Discussion

30. As noted by the Presiding Judge, the Settlement, although contested, may be approved by the Commission under one of the following four approaches set out in *Trailblazer*: (1) a merits decision on each contested issue; (2) a finding that the settlement provides an overall just and reasonable result; (3) a finding that the benefits of the settlement outweigh the nature of the objections; and (4) severance of contesting parties.[22] Where there is an adequate record, the first prong of *Trailblazer* states that the Commission may examine the merits of each contested issue.[23] In addition, if each of the contesting party's protest lacks merit, the Commission can approve the Settlement.[24]

A. Withdrawal Provisions

31. Preliminarily, Rule 602(f)(4) of the Commission's Rules of Practice and Procedure requires a commenter alleging a dispute as to a genuine issue of material fact to include an affidavit detailing the issue by specific reference to documents, testimony, or other items that are relevant to support the claim.[25] Here, California Parties submitted no such affidavit with their comments. Thus, California Parties' do not dispute any material facts related to the Settlement.

32. While not opposing the Settlement *per se*, California Parties do seek "clarification" of certain of the Withdrawal Provisions. Specifically, under Section 2.4.5 of the Settlement, Seattle agreed to file a conditional motion[26] to withdraw any portion of Seattle's prefiled testimony, exhibits, or other pleadings referencing TransCanada filed in

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[22] Certification at P 45 & n.29 (citing *Trailblazer Pipeline Co.*, 85 FERC ¶ 61,345 (1998), *order on reh'g*, 87 FERC ¶ 61,110 (1999), *order on reh'g*, 88 FERC ¶ 61,168 (1999) (*Trailblazer*)).

[23] *Trailblazer*, 85 FERC ¶ 61,345 at P 24. *See also Mobil v. FERC*, 417 U.S. 283, 314 (1974).

[24] *Trailblazer*, 85 FERC ¶ 61,345 at P 24. *See also* Rule 602(h)(l)(i) of the Commission's Rules of Practice and Procedure, which provides that the Commission may decide the merits of contested settlement issues if the record contains substantial evidence upon which to base a reasoned decision or the Commission finds that there is no genuine issue of material fact. 18 C.F.R § 385.602(h)(l)(i) (2012).

[25] 18 C.F.R. § 385.602(f)(4) (2012).

[26] The motion is contingent upon the Commission's approval of the Settlement Agreement without any modifications or conditions, unless those modifications and conditions were acceptable to both Seattle and TransCanada.

Docket EL01-10-85. In addition, Seattle agreed to request that the Commission withdraw from the record in this case any evidence submitted by Seattle that may be deemed to adversely affect TransCanada.[27]

33. While the California Parties recognize that, under the terms of the Settlement, Seattle "rightly withdraws evidence related specifically to its contracts with TransCanada,"[28] the California Parties seek to rely upon Seattle's "testimony on general market issues" in order to pursue their own claims against TransCanada.[29] To this end, the California Parties "clarify" that the phrase "that may be deemed to adversely impact TransCanada" should not be interpreted to mean that evidence submitted by Seattle that describes general market conditions applicable to all market participants may be withdrawn as to TransCanada, even if TransCanada deems the evidence to be adverse to it.

34. The Commission understands that the California Parties would like to continue to pursue their own claims against TransCanada by relying on evidence submitted by Seattle; however, to permit the California Parties to do so would undermine a key provision of the Settlement between Seattle and TransCanada while providing a potential litigation benefit to the California Parties, which they have not earned through their own discovery efforts. Even if that "testimony on general market issues" is relevant to the issues that the Commission has set for hearing in this proceeding,[30] the California Parties, in pursuing their claims against TransCanada, should not be permitted to dictate to Seattle how it must handle its sponsored witness and accompanying exhibits.

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[27] As previously noted, Seattle filed the subject motion on November 6, 2012.

[28] California Parties Comments at 3.

[29] *Id*.

[30] On October 3, 2011, the Commission issued an Order on Remand establishing this evidentiary hearing. Specifically, the Commission directed the ALJ to (1) establish which parties engaged in unlawful market activity without a legitimate business reason during the relevant period, and whether the identified unlawful market activity directly affected the negotiation of specific bilateral contracts, resulting in unjust and unreasonable rates; (2) determine, if necessary, a refund methodology applicable to any such contracts and to calculate refunds; and (3) determine which of the California Energy Resources Scheduling (CERS) transactions, if any, include unjust and unreasonable rates that are the product of unlawful market activity by the seller, and to calculate refunds. Order on Remand, 137 FERC ¶ 61,001 at P 23.

35. California Parties have not shown that any evidence advanced by Seattle "that may be deemed to adversely impact TransCanada," cannot be pursued independently by the California Parties in their claim against TransCanada. Even with our approval of the Settlement here, TransCanada and Seattle remain active parties in this proceeding. Even as settling parties, the Commission has made clear that:

> the settled parties may be subpoenaed to testify as witnesses and may be subject to evidence production and data requests as any other entity that has first-hand knowledge of the events during the relevant period. *Each such request will be subject to the rules of discovery and evidence applicable to the ALJ proceedings*. In addition, the California Parties and other parties are not precluded from offering evidence involving the settled parties' market behavior, *provided such evidence submissions are relevant to the scope of the hearing and meet other applicable rules of evidence*.[31]

36. Consistent with *Enron Power*, even if Seattle elects to withdraw certain evidence with respect to TransCanada, the evidence will remain on the record as to all parties other than TransCanada. In *Enron Power*, the Commission specifically stated that the withdrawal of evidence "will not adversely affect other parties and non-parties because the pleadings, testimony and exhibits withdrawn . . . will remain on the record as to all parties other than [the settling parties]."[32] The fact that a settling party was dismissed from the case is irrelevant because like here, the evidence was withdrawn with respect to settling parties while still remaining on the record for other parties.

B. <u>Non-Settling Parties</u>

37. Trial Staff does not oppose the instant Settlement to the extent that the Withdrawal Provisions do not adversely affect the rights of other parties to this litigation. In response to Trial Staff's comments, TransCanada clarifies that the claims resolved by the Settlement are limited to the transactions defined in section 1.16 of the Settlement. TransCanada also states that the section 2.4.1 further limits the transactions by referencing the Settlement Period (December 25, 2000 through June 20, 2001). Accordingly, the settlement does not and cannot affect the rights of other parties to this litigation, as no other parties to this litigation were parties to those transactions as defined by the Settlement's terms.

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[31] *San Diego Gas & Electric Co.*, 135 FERC ¶ 61,183, at P 11 (2011), *affirmed*, 141 FERC ¶ 61,087, at P 13 (2012) (emphasis added).

[32] *Enron Power*, 122 FERC ¶ 61,015 at P 65.

38. With respect to Trial Staff's concerns regarding the Settlement's effect on potential ripple claims, the Commission has made clear that settling parties may not adversely affect non-settling parties' ability to assert and litigate ripple claims.[33] Thus, we find this concern to be without merit.

C. Commission Determination

39. The Parties have conducted extensive good faith negotiations to settle the issues in this proceeding, and the outcome of their efforts will save the time and expense of unnecessary litigation. Further, the Settlement presents no issues of first impression, affects no other Commission proceedings in a manner contrary to the public interest, and does not implicate any Commission policies. As discussed above, we find there are no disputed issues of material fact related to the Settlement. Furthermore, for the reasons herein discussed, we find that the concerns raised by Trial Staff and by the California Parties lack merit. Accordingly, we find the Settlement between TransCanada and Seattle is just and reasonable and in the public interest and the Commission hereby approves the Settlement as submitted.

The Commission orders:

The Settlement is hereby approved, as discussed in the body of this order.

By the Commission.

(S E A L)

Nathaniel J. Davis, Sr.,
Deputy Secretary.

[33] *Puget Sound Energy, Inc. v. All Jurisdictional Sellers of Energy*, 141 FERC ¶ 61,148, at P 4 (2012) ("Accordingly, we reaffirm that the Settlement between IDACORP and Tacoma cannot be used to extinguish potential claims of non-settling parties").