

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

September 23, 2003

In Reply Refer To:
PJM Interconnection, L.L.C.
Docket No. ER03-324-000

Winston & Strawn
Attn: Leonard Belter, Esq.
Counsel for Allegheny Power
1400 L Street, N.W.
Washington, D.C. 20005

Dear Mr. Belter:

1. On April 30, 2003, Allegheny Power filed an Offer of Settlement (Settlement) in the above-referenced docket that would resolve all issues set for hearing and settlement judge procedures. On May 20, 2003, Commission Trial Staff submitted comments in support of the Settlement. No other comments were received. On June 4, 2003, the Settlement Judge certified the Settlement to the Commission as an uncontested settlement.
2. The Settlement is in the public interest and is hereby approved. The rate schedule revisions submitted with the Settlement are accepted for filing and are made effective December 1, 2002. The Commission's approval of the Settlement does not constitute approval of, or precedent regarding, any principle or issue in this proceeding. The Commission retains the right to investigate the rates, terms, and conditions under the just and reasonable and not unduly discriminatory or preferential standard of Section 206 of the Federal Power Act, 16 U.S.C. § 824e (2000).

3. Within ten (10) days of the date this letter Order issues, any amounts collected in excess of the settlement rate shall be refunded together with interest as specified in the Settlement. This letter Order terminates Docket No. ER03-324-000.

By direction of the Commission.

Magalie R. Salas,
Secretary.

cc: All Parties

Secretary
Pennsylvania Public Utility Commission
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