

169 FERC ¶ 61,193
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

December 9, 2019

In Reply Refer To:
Russell City Energy Company, LLC
Docket No. ER19-2800-001

Covington and Burling LLP
One City Center
850 Tenth Street, NW
Washington, DC 20001

Attention: Mark L. Perlis, Esq.

Dear Mr. Perlis:

1. On November 21, 2019, Russell City Energy Company, LLC (Russell City) filed an Offer of Settlement (Settlement) with the Commission in this proceeding. Russell City explains that the California Independent System Operator Corporation (CAISO), and Pacific Gas and Electric Company (PG&E) are signatories to the Settlement (together, Signatory Parties). Russell City also represents that the staff of the California Public Utilities Commission (CPUC) authorized the Signatory Parties to state that they do not oppose the Settlement.¹ On November 25, 2019, CAISO and PG&E filed joint comments in support of the Settlement. On November 26, 2016, Commission Trial Staff filed comments explaining that they do not oppose the Settlement. On November 29, 2019, the Settlement Judge certified the Settlement to the Commission as an uncontested settlement.²

2. Paragraph 18 of the Settlement sets forth the following standard of review:

Review of any modifications to the Settlement Agreement, once it is approved by the Commission, whether offered by the Signatory Parties or other Parties to this Proceeding, will be subject to the *Mobile Sierra* public interest presumption and it is acknowledged that the Settlement and the underlying rates, terms and conditions of black start service set forth in the Agreement have been agreed to by

¹ Settlement, Transmittal Letter at 1.

² *Russell City Energy Co., LLC*, 169 FERC ¶ 63,027 (2019).

sophisticated parties and negotiated by them freely at arm's length. The ordinary just and reasonable standard of review shall apply to the modifications to the Settlement Agreement, once it is approved by the Commission, proposed by non-parties or the Commission acting *sua sponte*.

3. The Settlement addresses the issues set for hearing in Docket No. ER19-2800-000 regarding an executed agreement for black start service (Agreement) between Russell City and CAISO. The Agreement sets out the terms and conditions of service and rates under which Russell City will provide black start service to CAISO from a new battery energy storage system.³

4. 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.

5. The revised Agreement submitted with the Settlement is hereby accepted. We direct Russell City to file the revised Agreement as a revised tariff record in eTariff format⁴ within 30 days of the date of this order.

By direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.

³ *Russell City Energy Co., LLC*, 169 FERC ¶ 61,097, at PP 6-11 (2019).

⁴ *See Electronic Tariff Filings*, Order No. 714, FERC Stats & Regs ¶ 31,276 (cross-reference 124 FERC ¶ 61,270) (2008), *order on reh'g*, Order No. 714-A, 147 FERC ¶ 61,115 (2014).