

157 FERC ¶ 61,200
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

December 15, 2016

In Reply Refer To:
Consumers Energy Company
Docket Nos. ER16-1058-000
EL16-56-000

Consumers Energy Company
One Energy Plaza
Jackson, MI 49201

Attention: James D. W. Roush, Esq.

Dear Mr. Roush:

1. On September 20, 2016, you filed, in the above-referenced proceedings, an Offer of Settlement on behalf of Consumers Energy Company (Consumers Energy). On October 11, 2016, Commission Trial Staff filed comments in support of the Settlement. No other comments were filed. On October 21, 2016, the Settlement Judge certified the Settlement as an uncontested settlement.¹

2. The Settlement concerns revisions to Consumers Energy's cost-based revenue requirement for the provision of Reactive Supply and Voltage Control from Generation Sources Service for specified units, as set in its Rate Schedule No. 116.

3. Paragraph 15 of the Settlement states that:

[a]ny future modification to Rate Schedule No. 116 proposed under either Section 205 or Section 206 of the [Federal Power Act] by Consumers Energy, the Commission acting *sua sponte*, or any third party, as appropriate, shall be the "ordinary" application of the just and reasonable standard of review and not the "public interest" application provided for in *United Gas Pipe Line Co. v. Mobile Gas Services Corp.*, 350 U.S. 332 (1956) and *Federal Power Commission v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956).

¹ *Consumers Energy Co.*, 157 FERC ¶ 63,012 (2016).

4. The Settlement resolves all issues in dispute in these proceedings. 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 these proceedings.
5. Consumers Energy is directed to file revised tariff records in eTariff format,² within 45 days of the date of this order, to reflect the Commission's actions in this order.
6. This letter order terminates Docket Nos. ER16-1058-000 and EL16-56-000.

By direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.

² See *Electronic Tariff Filings*, Order No. 714, FERC Stats. & Regs. ¶ 31,276 (2008).