

126 FERC ¶ 61,023
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Joseph T. Kelliher, Chairman;
Sudeen G. Kelly, Marc Spitzer,
Philip D. Moeller, and Jon Wellinghoff.

E.ON U.S., LLC

Docket Nos. ER06-1458-000
ER06-1458-001
ER06-1458-002

ORDER APPROVING UNCONTESTED SETTLEMENT

(Issued January 15, 2009)

1. On September 23, 2008, as supplemented on December 22, 2008, E.ON U.S., LLC filed a Settlement Agreement on behalf of its public utility subsidiaries, Louisville Gas and Electric Company and Kentucky Utilities Company (collectively, E.ON) and East Kentucky Power Cooperative. E.ON states that the proposed Settlement Agreement resolves all issues pending in this proceeding that arises from a Network Integration Transmission Service Agreement and a Network Operating Agreement between E.ON and East Kentucky Power Cooperative.¹
2. On October 14, 2008, Commission Trial Staff filed comments supporting the Settlement Agreement. No other comments were filed. On October 30, 2008, the substitute Settlement Judge certified the Settlement Agreement to the Commission as an uncontested settlement.
3. The Settlement Agreement provides that:

The standard of review for changes to this Settlement proposed by a Settling Party shall be the *Mobile-Sierra* “public interest” standard of review, set forth in *United Gas Pipe Line Co. v. Mobile Gas Service Corp.*, 350 U.S. 332 (1956) and *Federal Power Commission v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956) (the “*Mobile-Sierra*” standard). The

¹ *E.ON U.S., LLC*, 117 FERC ¶ 61,231 (2006).

Settlement Agreement is not intended to subject the Commission to the “public interest” standard of review in acting on its own motion with respect to this proceeding. The standard of review for changes to this Settlement proposed by a non-Party shall be the most stringent standard permissible under applicable law.²

4. The Commission finds that the proposed settlement is fair, reasonable, and in the public interest and is hereby approved. The Commission's approval of this 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 (2006).

5. This order terminates Docket Nos. ER06-1458-000, ER06-1458-001, and ER06-1458-002.

By the Commission.

(S E A L)

Kimberly D. Bose,
Secretary.

² E.ON Settlement Agreement at 8.