

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.

Dearborn Industrial Generation, L.L.C.

Docket Nos. ER05-1497-000
ER05-1497-001

ORDER APPROVING UNCONTESTED SETTLEMENT

(Issued October 25, 2006)

1. On March 16, 2006, Dearborn Industrial Generation, L.L.C. (Dearborn) filed an unopposed Offer of Settlement (Settlement) resolving all issues set for hearing in the above-captioned dockets, concerning Dearborn's requests to: (1) implement a cost-based tariff for its combined cycle unit and steam turbine; (2) update its cost-based tariff for its peaking unit; and (3) implement a tariff to recover its annual revenue requirement for providing reactive power supply. On March 29, 2006, Dearborn filed an erratum to the Settlement that corrects certain references on one of its original tariff sheets.
2. On April 12, 2006, Commission Trial Staff filed initial comments supporting the Settlement with provisos that are related to the informal agreement discussed below and Dearborn's tariff designations. No other comments were filed. The presiding judge certified the Settlement to the Commission as uncontested on May 3, 2006.¹
3. Dearborn currently has on file both a market-based tariff and a cost-based tariff for its peaking unit. Dearborn has informally agreed to file to terminate the cost-based tariff for this peaking unit within thirty (30) days of the Settlement being accepted by the Commission, and agreed to be bound by this informal agreement as if it were included in the express terms of the Settlement.²
4. The subject Settlement is in the public interest and is hereby approved. The Commission's approval of this Settlement does not constitute approval of, or precedent

¹ *Dearborn Industrial Generation, L.L.C.*, 115 FERC ¶ 63,026 (2006).

² *Id.* at P 21.

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. § 824(e) (2000).

5. Dearborn is directed to file to terminate its cost-based tariff for its peaking unit within thirty (30) days from this order.

6. The tariff designations submitted with the Settlement are not in compliance with *Designation of Electric Rate Schedule Sheets*, Order No. 614, FERC Stats. & Regs. ¶ 31,096 (2000). Accordingly, Dearborn's revised Service Schedule B is conditionally accepted for filing and made effective on January 1, 2006, as requested, subject to Dearborn filing corrected designations in compliance with Order No. 614 within thirty (30) days from this order.

7. This order terminates Docket Nos. ER05-1497-000 and ER05-1497-001. A new subdocket will be assigned upon the receipt of the required compliance filing.

By the Commission.

(S E A L)

Magalie R. Salas,
Secretary.