

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Joseph T. Kelliher, Chairman;
Nora Mead Brownell, and Suedeen G. Kelly.

American Electric Power Service Corporation

Docket No. ER05-751-000

ORDER ON UNCONTESTED SETTLEMENT

(Issued December 20, 2005)

1. On November 8, 2005, a settlement in Docket No. ER05-751-000 was filed on behalf of American Electric Power Service Corporation (AEP) and certain parties to these proceedings, including: American Municipal Power-Ohio, Inc.; AEP Intervenor Group; Blue Ridge Power Agency; Buckeye Power, Inc.; the Cities of Dowagiac and Sturgis, Michigan; Indiana Municipal Power Agency; Old Dominion Electric Cooperative; Ormet Primary Aluminum Corporation; and Wabash Valley Power Association, Inc. The settlement resolves all issues set for hearing concerning AEP's transmission revenue requirement and related rates. Comments in support of the settlement were filed by Commission Trial Staff on November 28, 2005. No other comments were filed. On December 6, 2005, AEP filed a motion to put the tariff changes into effect on an expedited basis and a request for expedited consideration. On December 7, 2005, the Chief Judge certified the settlement to the Commission as an uncontested settlement.

2. The settlement is fair and reasonable and in the public interest and is hereby approved. The tariff revisions submitted as part of the settlement are hereby accepted for filing as designated and made effective as set forth in the settlement. The Commission's approval of the settlement does not constitute approval of, or precedent regarding, any principle or issue in this proceeding.

3. This order terminates Docket No. ER05-751-000.

By the Commission. Commissioner Kelly dissenting in part with a
separate statement attached.

(S E A L)

Magalie R. Salas,
Secretary.

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KELLY, Commissioner, *dissenting in part*:

For the reasons I have previously set forth in *Wisconsin Power & Light Co.*, 106 FERC ¶ 61,112 (2004), I do not believe that the Commission should depart from its precedent of not approving settlement provisions that preclude the Commission, acting *sua sponte* on behalf of a non-party, or pursuant to a complaint by a non-party, from investigating rates, terms and conditions under the “just and reasonable” standard of section 206 of the Federal Power Act at such times and under such circumstances as the Commission deems appropriate.

The order accepts for filing a statement that provides, in relevant part: “The standard of review for any modifications to this Settlement requested by a non-Party to the settlement and the Commission will be the most stringent standard permissible under applicable law.” Therefore, I disagree with this order, to the extent that this statement could be interpreted to mean that the *Mobile-Sierra* public interest standard applies to review of future revisions of the settlement requested by a non-Party to the settlement and the Commission.

Suedeem G. Kelly