170 FERC ¶ 61,238 FEDERAL ENERGY REGULATORY COMMISSION WASHINGTON, DC 20426

March 19, 2020

In Reply Refer To: NRG Cottonwood Tenant LLC Docket No. ER19-1132-001

King & Spaulding 1700 Pennsylvania Ave., NW Washington, DC 20006-4706

Attention: Bruce L. Richardson

Dear Mr. Richardson:

- 1. On January 3, 2020, NRG Cottonwood Tenant LLC (Cottonwood Tenant), Cottonwood Energy Company LP, and Cleco Cajun LLC (together, the Settling Parties) filed an Offer of Settlement (Settlement), which resolves all issues set for hearing regarding the rate for Reactive Supply and Voltage Control Service (Reactive Service) under Schedule 2 of the Midcontinent Independent System Operator, Inc. Open Access Transmission, Energy and Operating Reserve Markets Tariff.
- 2. On January 23, 2020, the Commission's Trial Staff filed comments supporting the Settlement and its approval by the Commission. On February 14, 2020, the Settlement Judge certified the Settlement to the Commission as uncontested.¹
- 3. Paragraphs 20-22 of the Settlement establish a black box annual revenue requirement of \$4,300,000.08 (\$358,333.34 monthly) for Reactive Service from the Cottonwood Generating Facility, effective as follows for the two rate periods at issue: (1) throughout the "locked-in" period from December 18, 2018 through February 3, 2019 in Docket Nos. ER14-1619-004 and EL19-14-000; and (2) beginning February 4, 2019 in Docket No. ER19-1132-001.

¹ NRG Cottonwood Tenant LLC, 170 FERC ¶ 63,018 (2020).

- 4. Paragraph 30 of the Settlement establishes the following standard of review:
 - 30. <u>Standard of Review</u>. The standard of review the Commission shall apply when acting on proposed modifications to this Settlement under Section 205 or Section 206 of the F[ederal] P[ower] A[ct], including by the Commission acting *sua sponte*, shall be the ordinary "just and reasonable" standard of review.
- 5. The Settlement resolves all issues set for hearing in Docket Nos. ER14-1619-004, EL19-14-000, and ER19-1132-001.
- 6. The Settlement appears to be fair and reasonable and in the public interest, and is hereby approved, effective as requested. The Commission's approval of the Settlement does not constitute approval of, or precedent regarding, any principle or issue in this proceeding.
- 7. Cottonwood Tenant is directed to make a compliance filing in Docket No. ER19-1132-001, with revised tariff records in eTariff format, within 30 days of this order, to reflect the Commission's action in this order.

By direction of the Commission.

Kimberly D. Bose, Secretary.

 $^{^2}$ See Electronic Tariff Filings, Order No. 714, 124 FERC \P 61,270 (2008), order on reh'g, Order No. 714-A, 147 FERC \P 61,115 (2014).