

171 FERC ¶ 61,164
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

May 26, 2020

In Reply Refer To:
Alcoa Power Generating Inc.
Docket No. ER20-6-001

Bracewell LLP
2001 M Street, NW
Suite 900
Washington, DC 20036

Attn: David R. Poe, Esq.
Attorney for Alcoa Power Generating Inc.

Dear Mr. Poe:

1. On February 13, 2020, in Docket No. ER20-6-001, you filed an Offer of Settlement (Settlement) on behalf of Alcoa Power Generating Inc. (Alcoa) addressing a rate schedule that sets forth its cost-based annual revenue requirement for the provision of Reactive Service and Voltage Control from Generation or Other Sources Service from the Warrick Unit 4 generating unit in the Midcontinent Independent System Operator, Inc. region. On March 4, 2020, Commission Trial Staff filed comments supporting the Settlement. No other comments were filed. On March 18, 2020, the Settlement Judge certified the Settlement to the Commission as an uncontested settlement.¹

2. Section 3.6 of the Settlement states that:

the Commission's review of any modification of the Settlement proposed by APGI [Alcoa], a party, or a third party, or considered by the Commission *sua sponte*, will be governed by the ordinary "just and reasonable" standard of review rather than the "public interest" application of the just and reasonable standard of review, as 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), as clarified in

¹ *Alcoa Power Generating Inc.*, 170 FERC ¶ 63,027 (2020).

Morgan Stanley Capital Group Inc. v. Public Utility District No. 1 of Snohomish County, 554 U.S. 527 (2008), and refined in *NRG Power Marketing, LLC v. Maine Public Utilities Commission*, 558 U.S. 165, 174-75 (2010).

3. The Settlement resolves all issues set for hearing in Docket No. ER20-6.² 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 this proceeding.

4. The Commission accepts the proposed tariff records, effective December 1, 2019, as requested.

By direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.

² *Alcoa Power Generating Inc.*, 169 FERC ¶ 61,167 (2019).