## UNITED STATES OF AMERICA BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

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Constellation Energy Commodities Group, Inc.	)	<b>Docket No. RC08-7-000</b>
	)	

## NORTH AMERICAN ELECTRIC RELIABILITY CORPORATION'S SETTLEMENT STATUS REPORT AND UNOPPOSED MOTION FOR EXTENSION OF TIME IN DOCKET No. RC08-7-000

Pursuant to the Federal Energy Regulatory Commission's ("FERC" or "Commission")

Notice of Extension of Time, dated January 16, 2009, (Docket No. RC08-7-000), <sup>1</sup> and Rules 212 and 2008 of the Commission's Rules of Practice and Procedure, 18 C.F.R. §§385.212 and 385.2008 (2008), the North American Electric Reliability Corporation ("NERC") hereby submits this status report regarding the settlement discussions between Texas Regional Entity and Constellation Energy Commodities Group, Inc. ("Constellation") (collectively, the "Parties") in Docket No. RC08-7-000. In addition, NERC submits an Unopposed Motion for Extension of Time for the submittal of the compliance filing in accordance with the November 20 Order. <sup>2</sup>

The Commission's November 20 Order remanded the appeal decision concerning

Constellation's inclusion on the NERC Compliance Registry to NERC for further consideration
and directed NERC to supplement the record with additional information. In addition, the

Commission directed NERC to submit a compliance filing identifying the specific requirements
of mandatory Reliability Standards applicable to Generator Operators that apply to

Constellation.<sup>3</sup> The Commission noted that while that matter was remanded, it would keep

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<sup>&</sup>lt;sup>1</sup> Constellation Energy Commodities Group, Inc., Notice of Extension of Time, Docket No. RC08-7-000, dated January 16, 2009 ("January 16 Notice").

<sup>&</sup>lt;sup>2</sup> Constellation Energy Commodities Group, Inc., 125 FERC ¶ 61,205 (2008) ("November 20 Order").

<sup>&</sup>lt;sup>3</sup> *Id.* at P 39.

Constellation on the NERC Compliance Registry as a Generator Operator; however, the Commission encouraged the Parties to seek a voluntary resolution of the matters at issue in this proceeding. The Commission ordered NERC to supplement the record in this proceeding within sixty (60) days from the date of the Order (January 19, 2009).

NERC filed an Unopposed Motion for an Extension of Time on January 15, 2009,<sup>6</sup> in which it notified the Commission that the Parties are actively engaged in settlement discussions. NERC requested an extension until March 20, 2009, to give the Parties time to fully address the issues. NERC also notified the Commission that it would submit a settlement discussion status report to the Commission on February 18, 2009. The Commission granted NERC's requested extension in its January 16 Notice.

NERC is submitting this informational filing to report on the status of the settlement discussions. The Parties have held several conference calls to discuss the issues and exchanged proposed settlement terms. Based on the progress to date, NERC is pleased to report that the Parties are very close to resolving the issues that would allow settlement of the matter. The Parties are continuing to work diligently to reach such a settlement.

For the foregoing reasons, NERC respectfully requests an additional thirty (30) day extension, until March 20, 2009, to submit a further report on the status of the settlement negotiations, and also seeks an additional extension of time to, and including, April 30, 2009, to submit the compliance filing in accordance with the November 20 Order. Constellation and Texas Regional Entity have authorized NERC to state that they do not oppose the additional status report or the request for the extension of time.

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<sup>&</sup>lt;sup>4</sup> *Id.* at P 32.

<sup>&</sup>lt;sup>5</sup> *Id*.

<sup>&</sup>lt;sup>6</sup> Constellation Energy Commodities Group, Inc., Unopposed Motion for an Extension of Time of the North American Electric Reliability Corporation, Docket No. RC08-7-000, dated January 15, 2009.

<sup>&</sup>lt;sup>7</sup> Currently the compliance filing is due March 20, 2009.

## Respectfully submitted,

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## **CERTIFICATE OF SERVICE**

I hereby certify that I have served a copy of the foregoing document upon all parties listed on the official service list compiled by the Secretary in this proceeding.

Dated at Washington, D.C. this 18th day of February, 2009.

/s/ Rebecca J. Michael Rebecca J. Michael

Attorney for North American Electric Reliability Corporation