

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF T. ROWE PRICE)	
ASSOCIATES, INC. FOR A DECLARATORY)	CASE NO. 2020-00256
ORDER REGARDING THE ACQUISITION OF)	
COMMON STOCK)	

**VERIFIED APPLICATION FOR A DECLARATORY
ORDER REGARDING ACQUISITION OF COMMON STOCK**

Pursuant to 807 KAR 5:001, Section 19, T. Rowe Price Associates, Inc. and its investment advisor affiliates (together “TRP Associates”)¹ hereby requests an order from the Kentucky Public Service Commission (“Commission”) declaring that under KRS 278.020(7) TRP Associates will not be presumed to control Atmos Energy Corporation (“Atmos”) should TRP Associates increase its beneficial ownership² to no more than 20% of the voting securities of Atmos (the acquisition hereafter referred to as the “Proposed Transaction”). In support of this application, TRP Associates states as follows:

1. **T. Rowe Price Associates, Inc.** TRP Associates, a Maryland corporation, is registered with the U.S. Securities and Exchange Commission (“SEC”) as an investment adviser under the Investment Advisers Act of 1940, as amended. TRP Associates serves as investment

¹ T. Rowe Price Associates, Inc. is a wholly-owned subsidiary of T. Rowe Price Group, Inc. (“TRPG”). TRPG is a holding company with no physical assets and no independent operations of its own. TRPG has officers and directors, but no independent employees; all TRPG employees are employees of operating subsidiaries. TRPG common stock trades on the NASDAQ market under the ticker TROW. A list of TRP Associates’ investment advisor affiliates is attached as Attachment 1.

² “Beneficial ownership” is defined under Rule 13d-3 of the Securities Exchange Act of 1934 as: “(a) For the purposes of sections 13(d) and 13(g) of the Act a beneficial owner of a security includes any person who, directly or indirectly, through any contract, arrangement, understanding, relationship, or otherwise has or shares: (1) Voting power which includes the power to vote, or to direct the voting of, such security; and/or, (2) Investment power which includes the power to dispose, or to direct the disposition of, such security.” 17 C.F.R. § 240.13d-3.

adviser to various entities including mutual funds, sub-advised funds, offshore funds, separate account clients, and common trust funds (collectively “Advisory Clients”). Advisory Clients of TRP Associates own shares of the common stock of Atmos, which provides natural gas services and is publicly traded on the New York Stock Exchange under the ticker ATO. Neither TRP Associates nor its affiliates directly own or hold any shares of Atmos.

2. Pursuant to investment management contracts with its Advisory Clients, TRP Associates has trading authority and/or voting power over the Atmos shares held by its Advisory Clients. For purposes of the reporting requirements of the Securities Exchange Act of 1934, as amended (“1934 Act”), TRP Associates is deemed to be a beneficial owner of such securities. However, TRP Associates is permitted to and does expressly disclaim such beneficial ownership.³

3. These securities of Atmos are held by the Advisory Clients of TRP Associates in the ordinary course of business for investment purposes only without the purpose of changing or influencing the control of Atmos; provided however, that TRP Associates does have the power to exercise the voting rights attached to such securities, on behalf of certain of its Advisory Clients, on matters put to the vote of the outstanding equity holders of Atmos. Accordingly, TRP Associates is eligible to file, and accordingly has filed a Schedule 13G⁴ with the SEC pursuant to SEC rules under the 1934 Act, regarding the acquisition and holding of more than five percent (5%) of any class of equity securities of Atmos.⁵

³ Rule 13d-4. Disclaimer of Beneficial Ownership. “Any person may expressly declare in any statement filed that the filing of such statement shall not be construed as an admission that such person is, for the purposes of sections 13(d) or 13(g) of the Act, the beneficial owner of any securities covered by the statement.” 17 C.F.R. § 240.13d-4.

⁴ See Attachment 2 for the most recent Schedule 13G filed by TRP Associates for its beneficial ownership of Atmos.

⁵ According to SEC rules, a Schedule 13G filer must “acquire[] such securities in the ordinary course of his business and not with the purpose nor with the effect of changing or influencing the control of the issuer, nor in connection with or as a participant in any transaction having such purpose or effect,” and is required to file a notification with the SEC of any acquisition of beneficial ownership of five percent or more of a class of equity securities. 17 C.F.R. § 240.13d-1. Under the 1934 Act, a person acquiring more than five percent (5%) of any class of equity security with the intention or purpose of controlling or influencing the conduct of the target company’s business is not eligible to file a Schedule 13G, but must file a Schedule 13D.

4. No single Advisory Client of TRP Associates currently owns more than five percent (5%) of the total issued and outstanding shares of the common stock of Atmos. TRP Associates, on behalf of its Advisory Clients, in the aggregate currently beneficially owns under ten percent (10%) of the total issued and outstanding shares of the common stock of Atmos.⁶ The Atmos voting shares are held by approximately 250 Advisory Clients. These Advisory Clients are managed by 14 different portfolio managers who make independent decisions whether to acquire or dispose of voting shares, consistent with such Advisory Client's investment objectives, the economy and market, and other related factors. In addition, each portfolio manager generally has the authority to vote the Atmos shares held by the Advisory Clients in accordance with the TRP Associates proxy voting guidelines or to take a position contrary to the voting guidelines.

5. TRP Associates does not own or operate any "utility" nor does it have control or influence over the operation or management of any "utility" in Kentucky. Accordingly, TRP Associates is not a "utility" as defined in KRS 278.010(3).

6. TRP Associates, on behalf of its Advisory Clients, has beneficial ownership interests in several other state regulated power generation and utility companies other than Atmos. The securities of these companies are held by the Advisory Clients of TRP Associates in the ordinary course of business for investment purposes only without the purpose of changing or influencing the control of such companies.

7. **Atmos Energy Corporation.** Atmos, a Texas and Virginia corporation, delivers natural gas to approximately three million customers across eight states: Colorado, Kansas, Kentucky, Louisiana, Mississippi, Tennessee, Texas, and Virginia. Atmos has six gas utility operating divisions. The Kentucky/Mid-States Division is located in Franklin, Tennessee.

⁶ TRP Associates also holds Atmos fixed income securities. TRP Associates has no voting power associated with these assets.

8. In Kentucky, Atmos serves more than 175,000 customers in central and western Kentucky. Atmos does not operate under an assumed name in Kentucky.

9. **The Proposed Transaction.** TRP Associates seeks to acquire beneficial ownership, on behalf of its Advisory Clients, in excess of ten percent (10%) of the total issued and outstanding shares of the voting securities of Atmos, subject to the following conditions and limitations:

(a) TRP Associates, on behalf of its Advisory Clients, in the aggregate, will not acquire beneficial ownership of more than 20 percent (20%) of the outstanding voting securities of Atmos.

(b) TRP Associates, on behalf of any single Advisory Client, will not acquire beneficial ownership of more than ten percent (10%) of the outstanding voting securities of Atmos.

(c) TRP Associates will continue to have beneficial ownership of the outstanding voting securities of Atmos in the ordinary course of business for investment purposes only, without the purpose of changing or influencing the control of Atmos; provided however, that TRP Associates will continue to exercise voting rights, where permitted under its investment advisory contracts on behalf of its Advisory Clients, on matters put to the vote of the outstanding equity holders of Atmos. Accordingly, TRP Associates will maintain its status as a beneficial owner eligible to file Schedule 13G pursuant to SEC rules under the 1934 Act, regarding the acquisition and holding of more than five percent (5%) of any class of equity securities of Atmos.

10. **Federal Energy Regulatory Commission Order.** On December 20, 2006, TRP Associates and its affiliates filed an application pursuant to Section 203 of the Federal Power Act with the Federal Energy Regulatory Commission (“FERC”). In their application, TRP Associates requested blanket authorization for certain acquisitions of the voting securities of publicly traded

utilities and utility holding companies (“Utilities”). In its April 17, 2007 Order Authorizing Acquisition of Securities (“FERC Order”), attached as Attachment 3, FERC authorized these acquisitions upon a finding that they were consistent with the public interest. FERC issued three-year extensions of the original FERC Order in 2010, 2013, 2016, and 2019. Copies of the extension orders are provided as Attachments 4, 5, 6, and 7, respectively.

11. The terms and conditions of these acquisitions are identical to the terms and conditions described in this request before the Commission; specifically, no Applicant, individually, will own or hold ten percent (10%) or more of the voting securities of any Utility, and collectively, the Applicants will not own or hold more than 20 percent (20%) of the voting securities of any Utility.

12. **Applicable Kentucky Law.** KRS 278.020(7) is relevant to this Application and it states the following in relevant part:

No individual, group, syndicate, general or limited partnership, association, corporation, joint stock company, trust, or other entity (an “acquirer”), whether or not organized under the laws of this state, shall acquire control, either directly or indirectly, of any utility furnishing utility service in this state, without having first obtained the approval of the commission. Any acquisition of control without prior authorization shall be void and of no effect. As used in this subsection, the term “control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a utility, whether through the ownership of voting securities, by effecting a change in the composition of the board of directors, by contract or otherwise. Control shall be presumed to exist if any individual or entity, directly or indirectly, owns ten percent (10%) or more of the voting securities of the utility. This presumption may be rebutted by a showing that ownership does not in fact confer control.

13. TRP Associates requests the Commission to issue a declaratory order finding that TRP Associates has rebutted the presumption of control as outlined in KRS 278.020(7). TRP Associates should not be deemed to have acquired control, or the power to exercise substantial

influence, over Atmos as a result of the Proposed Transaction. As noted above, and in accordance with the conditions of the FERC Order, TRP Associates cannot acquire the capital stock of Atmos with the purpose or effect of exercising control or substantial influence over Atmos. Any acquisition of Atmos securities by TRP Associates on behalf of its Advisory Clients is for investment purposes only. In addition, the rules of the Securities and Exchange Commission (see footnote 5, *infra*) effectively prevent TRP Associates from investing for purposes of exercising management or control over Atmos without adequate disclosure to the public.

14. In Case No. 2015-00389, the Commission considered a nearly identical issue when TRP Associates requested a declaratory order that prior Commission approval was not required for an increase in ownership of NiSource, Inc from less than 10 percent (10%) to less than 20 percent (20%). The Commission granted TRP Associates the requested declaratory order, subject to TRP Associates' written acknowledgement "accepting and agreeing to be bound by T. Rowe Price's commitment that, if its investment policy changes and it seeks to acquire control or influence control of NiSource or Columbia Gas, T. Rowe Price will provide notice to the Commission before taking action and will file an application for approval of the acquisition."⁷

15. Regarding the Proposed Transaction, and as certified by Ms. York's verification, TRP Associates hereby agrees that if its investment policy changes and it seeks to acquire control or influence control of Atmos, TRP Associates will provide notice to the Commission before taking action and will file an application for approval of the acquisition under KRS 278.020(7).

16. In further support, the courts have interpreted whether a purchase of shares of stock reflects an intention to substantially influence the operations of a business. Under these fact-intensive rulings, the Proposed Transaction, marked by the mere acquisition of voting securities

⁷ *Application of T. Rowe Price Associates, Inc. for a Declaratory Order Regarding the Acquisition of Common Stock*, Case No. 2015-00389, Order at 8 (Ky. PSC Mar. 14, 2016).

by mutual funds, with no policy or attempt to seek control, qualifies as an investment purpose, and not as a purpose of control or exercise of substantial influence over the issuer of the capital stock.⁸

17. TRP Associates should not be construed to have acquired control of a Kentucky utility by the acquisition of 10% or more of the stock of Atmos. Because the purpose of the Proposed Transaction is investment, and not control, TRP Associates has rebutted the presumption in KRS 278.020(7) that acquisition of 10% percent of the stock of Atmos constitutes the acquisition of control of the utility subsidiary of Atmos. The absence of control under KRS 278.020(7) also means that TRP Associates is not acquiring control under KRS 278.020(6).

18. **Public Interest Considerations.** TRP Associates notes that several public interest considerations apply to the Proposed Transaction. The Proposed Transaction is consistent with the public interest and will not adversely affect competition, rates, or regulation and will not result in cross-subsidization.

⁸ Specifically, the courts found a “control” purpose in *General Aircraft Corp. v. Lampert*, 556 F.2d 90, 96 (1st Cir. 1977) (the court found a “control” purpose where stock purchasers forced the management to agree to enlarge the board of directors; then elected two of their own nominees to the board; proposed drastic changes regarding the business and corporate structure; and enlisted prospective nominees for a dissident slate of directors); in *Chromalloy American Corp. v. Sun Chemical Corp.*, 611 F.2d 240, 246 (8th Cir. 1979) (the court found a “control” purpose where the purchaser had disclosed its plans to acquire a 20% stake in the company; attempted to gain board representation; prepared an “acquisition model” based on the company; and where an investment banker opined that the purchaser’s 20% investment would only be wise if it attempted to gain control); and in *Dan River, Inc. v. Unitex, Ltd.*, 624 F.2d 1212, 126 (4th Cir. 1980) (the court found a “control” purpose where the purchaser consulted with an international financial firm with a recognized expertise in corporate mergers and acquisition, instead of merely a broker to purchase stock).

In contrast, the courts found an “investment” purpose in *Kammerman v. Steinberg*, 744 F.Supp. 59, 61 (S.D.N.Y. 1990) (the court found an “investment” purpose because of the purchaser’s prior conduct as an investor with respect to other companies, its conduct regarding the company at issue and the purchaser’s eventual sale of its stock back to the company at a premium. The court concluded that the purchaser sufficiently disclosed its purpose by expressly reserving the option to sell its stock should it become financially desirable to do so); and in *SEC v. Amster & Co.*, 762 F.Supp. 604, 617 (S.D.N.Y. 1991) (the court found an “investment purpose” because the purchasers: (1) engaged in meetings with attorneys concerning investment options regarding their stake in the company; (2) stated on several occasions that they did not have a policy of seeking control, waging proxy contests or entering into hostile situations (and others confirmed that the purchasers advised them of these policies); and (3) engaged in preliminary discussions about the possibility of waging a proxy fight. The court concluded that the purchasers had no duty to report preliminary considerations of a proxy contest, nor other options they were considering, until the time when they actually decided to embark upon a strategy and held that the purchasers’ plans were too indefinite to trigger the Section 13(d) filing requirements).

19. With respect to competition, the Proposed Transaction will not adversely affect competition because, under the internal and external controls discussed below, TRP Associates will not be able to exert any control over public service companies of which they acquire voting securities. The following internal and external controls protect against exercising control: (1) the terms and conditions of the FERC Order; (2) the eligibility requirements for the SEC's Schedule 13G; and (3) outside securities regulation and enforcement.

20. The Proposed Transaction will have no adverse effect on rates. TRP Associates will not acquire control over Atmos and thus will have no role in setting rates.

21. The Proposed Transaction will have no effect on regulation. Neither state nor federal regulation will be impaired by the Proposed Transaction because the jurisdictional status of Atmos, from which TRP Associates will acquire securities on behalf of its Advisory Clients, or its gas company operating in Kentucky, will remain unchanged by the Proposed Transaction.

22. The Proposed Transaction will not result in, at the time of the Proposed Transaction or in the future, cross-subsidization or the pledge or encumbrance of utility assets for the benefit of an affiliate company. No aspect of the Proposed Transaction involves: (1) transfers of facilities between a traditional public service company that has captive customers and an affiliate company; (2) new issuances of securities by a traditional public service company that has captive customers for the benefit of an affiliate company; (3) new pledges or encumbrances of assets of a traditional public service company that has captive customers for the benefit of an affiliate company; or (4) new affiliate contracts between a non-utility company and a traditional public service company that has captive customers.

23. In addition, customers served by Atmos indirectly benefit from the Proposed Transaction to the extent that Atmos' cost of capital and access to capital markets may be enhanced by the Proposed Transaction.

WHEREFORE, TRP Associates respectfully requests that the Commission: (a) determine that the Proposed Transaction does not present the potential for the exercise of market power, will not have any other adverse impact on competition, and will not harm the interests of Atmos ratepayers; and, (b) that TRP Associates will not be presumed to control Atmos Inc. should TRP Associates increase its beneficial ownership to no more than twenty percent (20%) of the voting securities of Atmos Inc.

Dated: July 30, 2020

Respectfully submitted,



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Attorneys for T. Rowe Price Associates, Inc.

CERTIFICATE

In accordance with 807 KAR 5:001 Section 8(7) and the Commission's March 16, 2020 Order in Case No. 2020-00085, this is to certify that T. Rowe Price Associates, Inc.'s electronic filing was transmitted to the Commission on July 30, 2020; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that a physical copy of the filing will be submitted to the Commission once the State of Emergency has ceased.



Attorneys for T. Rowe Price Associates, Inc.

Attachment 1: T. Rowe Price Associates, Inc.'s ("Price Associates") Investment Advisor Affiliates

T. Rowe Price International Ltd ("Price International"), a wholly owned subsidiary of Price Associates, was originally organized in 2000 as a United Kingdom limited company. Price International sponsors and serves as adviser and distributor to foreign collective investment schemes and is responsible for marketing and client servicing for Europe and the Middle East (EMEA) (ex-European Union (EU) and European Economic Area (EEA)) clients. Price International provides investment management services to registered investment companies and other institutional investors. Price International may delegate investment management responsibilities to Price Associates, T. Rowe Price Hong Kong Limited, T. Rowe Price Singapore Private Ltd, T. Rowe Price Japan, Inc., and/or T. Rowe Price Australia Limited (each a "Price Investment Adviser"), and a Price Investment Adviser may delegate investment management responsibilities to Price International. Price International is registered with the SEC as an investment adviser under the Investment Advisers Act of 1940 and is also authorized and regulated by the United Kingdom Financial Conduct Authority and licensed by other global regulators.

T. Rowe Price Hong Kong Limited ("Price Hong Kong"), a wholly owned subsidiary of Price International, was organized as a Hong Kong limited company in 2010. Price Hong Kong is responsible for marketing and client servicing of clients based in Hong Kong and certain Asian countries. Price Hong Kong serves as adviser to T. Rowe Price Trust Company, as trustee, of several Maryland-registered domestic common trust funds, and serves as a sub-distributor of collective investment schemes domiciled in Luxembourg. Price Hong Kong may also serve as an adviser and subadviser to registered investment companies, institutional clients, and certain commingled products. Price Hong Kong may delegate investment management responsibilities to a Price Investment Adviser, and a Price Investment Adviser may delegate investment management responsibilities to Price Hong Kong. Price Hong Kong is licensed with the Securities and Futures Commission and is registered with the SEC as an investment adviser under the Investment Advisers Act of 1940.

T. Rowe Price Singapore Private Ltd. ("Price Singapore"), a wholly owned subsidiary of Price International, was organized as a Singapore limited private company in 2010. Price Singapore is responsible for marketing and client servicing of clients based in Singapore and certain other Asian countries. Price Singapore serves as adviser to T. Rowe Price Trust Company, as trustee, of several Maryland-registered domestic common trust funds, and serves as a sub-distributor of collective investment schemes domiciled in Luxembourg. Price Singapore may also serve as an adviser and subadviser to registered investment companies, institutional clients, and certain commingled products. Price Singapore may delegate investment management responsibilities to a Price Investment Adviser, and a Price Investment Adviser may delegate investment management responsibilities to Price Singapore. Price Singapore holds a Capital Markets Service License in Fund Management with the Monetary Authority of Singapore and is registered with the SEC as an investment adviser under the Investment Advisers Act of 1940.

T. Rowe Price Japan, Inc. ("Price Japan"), a wholly owned subsidiary of Price International, was organized as a Japanese private company in 2017. Price Japan is responsible for marketing and client servicing of clients based in Japan. Price Japan may serve as adviser to the

Trust Company as trustee of several Maryland-registered domestic common trust funds and may also serve as an adviser and subadviser to registered investment companies, institutional clients, and certain commingled products. Price Japan may delegate investment management responsibilities to a Price Investment Adviser, and a Price Investment Adviser may delegate investment management responsibilities to Price Japan. Price Japan is registered with the Japan Financial Services Agency to carry out investment management business, and with the SEC as an investment adviser under the Investment Advisers Act of 1940.

T. Rowe Price Australia Limited (“Price Australia”), a wholly owned subsidiary of Price International, was organized as an Australian public company limited by shares in 2017. Price Australia is responsible for marketing and client servicing of clients based in Australia and New Zealand. Price Australia may serve as adviser to Trust Company as trustee of several Maryland-registered domestic common trust funds and may also serve as an adviser and subadviser to registered investment companies, institutional clients, and certain commingled products. Price Australia may delegate investment management responsibilities to a Price Investment Adviser, and a Price Investment Adviser may delegate investment management responsibilities to Price Australia. Price Australia holds an Australian Financial Services License with the Australian Securities and Investments Commission and is registered with the SEC as an investment adviser under the Investment Advisers Act of 1940.

T. Rowe Price (Canada), Inc. (“Price Canada”), a wholly owned subsidiary of Price Associates, was incorporated in Maryland in 1988. Price Canada provides advisory services to institutional clients residing in Canada and delegates investment management services to other Price Investment Advisers. Price Canada is registered with the SEC as an investment adviser under the Investment Advisers Act of 1940, as well as Ontario, Manitoba, British Columbia, Alberta, Nova Scotia, Newfoundland and Labrador, and New Brunswick Securities Commissions, the Saskatchewan Financial Services Commission, the Autorite des Marches Financiers in Quebec, and the Office of the Superintendent of Securities in Prince Edward Island.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 13G

Under the Securities Exchange Act of 1934

(Amendment No. 1)

ATMOS ENERGY CORP
(Name of Issuer)

COMMON STOCK
(Title of Class of Securities)

049560105
(CUSIP NUMBER)

December 31, 2019
(Date of Event which Requires Filing of Statement)

Check the appropriate box to designate the Rule pursuant to which this
Schedule is filed:

- Rule 13d - 1(b)
Rule 13d - 1(c)
Rule 13d - 1(d)

1. Name of Reporting Person
T. ROWE PRICE ASSOCIATES, INC.
52-0556948

2. Check the Appropriate Box if a Member of a Group
NOT APPLICABLE

3. SEC Use Only

4. Citizenship or Place of Organization
Maryland

Number of Shares Beneficially Owned by Each Reporting Person With

5. Sole Voting Power* 1,713,626

6. Shared Voting Power* 0

7. Sole Dispositive Power* 5,422,629

8. Shared Dispositive Power 0

9. Aggregate Amount Beneficially Owned by Each Reporting Person
5,422,629

10. Check Box if the Aggregate Amount in Row (9) Excludes Certain Shares
NOT APPLICABLE

11. Percent of Class Represented by Amount in Row 9
4.4%

12. Type of Reporting Person
IA

*Any shares reported in Items 5 and 6 are also reported in Item 7.

Item 1(a) Name of Issuer:
ATMOS ENERGY CORP

Item 1(b) Address of Issuer's Principal Executive Offices:
1800 THREE LINCOLN CTR, 5430 LBJ FREEWAY, DALLAS, TEXAS 75240

Item 2(a) Name of Person(s) Filing:
(1) T. ROWE PRICE ASSOCIATES, INC. ("Price Associates")

Item 2(b) Address of Principal Business Office:
100 E. Pratt Street, Baltimore, MD 21202

Item 2(c) Citizenship or Place of Organization:
(1) Maryland

Item 2(d) Title of Class of Securities: COMMON STOCK

Item 2(e) Cusip Number: 049560105

Item 3: The person filing this Schedule 13G is an:
 Investment Adviser registered under Section 203 of the Investment Advisers Act of 1940

Item 4: Reference is made to Items 5-11 on the preceding pages of this Schedule 13G.

Item 5: Ownership of Five Percent or Less of a Class
This statement is being filed to report the fact that, as of the date of this report, the reporting person(s) has (have) ceased to be the beneficial owner of more than five percent of the class of securities.

Item 6: Ownership of More than Five Percent on Behalf of Another Person

- (1) Price Associates does not serve as custodian of the assets of any of its clients; accordingly, in each instance only the client or the client's custodian or trustee bank has the right to receive dividends paid with respect to, and proceeds from the sale of, such securities.

The ultimate power to direct the receipt of dividends paid with respect to, and the proceeds from the sale of, such securities, is vested in the individual and institutional clients which Price Associates serves as investment adviser. Any and all discretionary authority which has been delegated to Price Associates may be revoked in whole or in part at any time.

Except as may be indicated if this is a joint filing with one of the registered investment companies sponsored by Price Associates which it also serves as investment adviser ("T. Rowe Price Funds"), not more than 5% of the class of such securities is owned by any one client subject to the investment advice of Price Associates.

- (2) With respect to securities owned by any one of the T. Rowe Price Funds, only the custodian for each of such Funds, has the right to receive dividends paid with respect to, and proceeds from the sale of, such securities. No other person is known to have such right, except that the shareholders of each such Fund participate proportionately in any dividends and distributions so paid.

Item 7: Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on By the Parent Holding Company.
Not Applicable

Item 8: Identification and Classification of Members of the Group
Not Applicable

Item 9: Notice of Dissolution of Group
Not Applicable

Item 10: Certification

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were acquired in the ordinary course of business and were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect. T. Rowe Price Associates, Inc. hereby declares and affirms that the filing of Schedule 13G shall not be construed as an admission that Price Associates is the beneficial owner of the securities referred to, which beneficial ownership is expressly denied.

Signature.

After reasonable inquiry and to the best of my knowledge and belief,
I certify that the information set forth in this statement is true,
complete and correct.

T. ROWE PRICE ASSOCIATES, INC.

Date: February 14, 2020

Signature: /s/ David Oestreicher

Name & Title: David Oestreicher, Vice President

12/31/2019

119 FERC ¶ 62,048

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

T. Rowe Price Group, Inc.
T. Rowe Price Associates, Inc.
T. Rowe Price International, Inc.
T. Rowe Price Global Investment Services Limited
T. Rowe Price Global Asset Management Limited
T. Rowe Price (Canada), Inc.
T. Rowe Price Trust Company
T. Rowe Price (Luxembourg) Management S.ár.l.
T. Rowe Price Savings Bank

Docket No. EC07-40-000

ORDER AUTHORIZING ACQUISITION OF SECURITIES

(Issued April 17, 2007)

On December 20, 2006, as amended on January 22, 2007, and February 26, 2007, T. Rowe Price Group, Inc. (TRPG); T. Rowe Price Associates, Inc.(TRP Associates); T. Rowe Price International, Inc.; T. Rowe Price Global Investment Services Limited; T. Rowe Price Global Asset Management Limited (Global Asset Management); T. Rowe Price (Canada), Inc.; T. Rowe Price Trust Company; T. Rowe Price (Luxembourg) Management S.ár.l.; and T. Rowe Price Savings Bank (collectively, Primary Applicants), and each of the mutual funds, common trust funds, and offshore funds sponsored by TRPG's subsidiaries or affiliates (collectively, TRP Entities)¹ (collectively with Primary Applicants, Applicants) filed an application pursuant to section 203 of the Federal Power Act (FPA)² requesting blanket authorization for the acquisition of securities by their funds.

¹ The TRP Entities are individually identified in Attachment 1 to this order. Attachment 1 lists 108 T. Rowe Price Mutual Funds, 13 Variable Annuity Portfolios, 36 T. Rowe Price Common Trust Funds, and 21 T. Rowe Price Offshore Funds. TRP Entities are also applicants.

² 16 U.S.C. § 824b (2000), as amended by Energy Policy Act of 2005, Pub. L. No. 109-58, § 1289, 119 Stat. 594 (2005).

Docket No. EC07-40-000

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According to the Application, each Primary Applicant (other than TRPG) has been delegated the authority to vote such securities held by or on behalf of, one or more of the TRP Entities and other clients. Therefore, future acquisitions of such securities could potentially be attributed to both the acquirer and one or more of the other Applicants and one or more of them could be required to seek Commission authorization under FPA section 203 for each future purchase of such voting securities. Applicants therefore assert that this could severely limit the opportunity for Applicants to react to market opportunities for deploying investment capital in the energy industry.³

Applicants claim an interest in making greater investments in the utility industry and through this Application seek a blanket authorization they believe will give them the flexibility needed to do so. Applicants note that the Commission acknowledged in the Capital Research and Management Company (CRMC) order⁴ that acquisitions and dispositions of utilities securities must be made quickly in order to respond to market conditions and requiring transaction-specific section 203 approval before investing would make such investments impractical. Without an advance blanket authorization, Applicants assert that their ability to deploy capital in attractive utility investments will be severely limited, because the financial attributes of a particular utility investment would likely change during the time necessary to apply for and obtain transaction-specific approvals. In addition, the public notice of a section 203 application for a proposed acquisition would likely increase the market price of securities, thereby making them less attractive investments. Finally, according to Applicants, if advance blanket authorizations such as those requested in this Application are not approved by the Commission, the overall liquidity of the utility securities market likely will suffer.⁵

Applicants do not own or operate any physical electric utility assets or energy-related businesses; and none are a “public utility” as defined under the FPA. Applicants do not have energy-related subsidiaries or affiliates. Primary Applicants (other than TRPG), provide investment management services to various clients, including the TRP Entities and certain other mutual funds, common trust funds, and/or offshore funds through their investment management subsidiaries and affiliates.

In the ordinary course of business, the Primary Applicants (other than TRPG)

³ Application at 2.

⁴ *Capital Research and Management Company, Order on Request for Blanket Authorizations to Acquire Securities*, 116 FERC ¶ 61,267 (2006).

⁵ Application at 12-13.

Docket No. EC07-40-000

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each⁶ purchase the voting securities of publicly traded utilities and utility holding companies on behalf of one or more of the TRP Entities and other clients. Primary Applicants (other than TRPG) do not seek authorization to acquire and hold securities of public utilities for their own account or on a proprietary basis. Primary Applicants (other than TRPG) have been delegated the authority to vote such securities held by, or on behalf of, one or more of the TRP Entities and other clients.

TRPG is a global investment management firm and is the corporate parent of the Primary Applicants.⁷ TRPG is a holding company with no physical assets and no independent operations of its own. TRPG has officers and directors, but no independent employees; all TRPG employees are employees of operating subsidiaries.

TRP Associates is a Maryland corporation that is registered with the Securities and Exchange Commission (SEC) as an investment adviser under the Investment Advisers Act of 1940 (Advisers Act). TRP Associates is a wholly owned subsidiary of TRPG and serves as an investment adviser to individual and institutional investors.

T. Rowe Price International, Inc. is a Maryland corporation that is registered with the SEC as an investment adviser under the Advisers Act. It is also registered in the United Kingdom, Singapore, and Hong Kong. T. Rowe Price International, Inc. is a wholly owned subsidiary of TRP Finance, Inc. and provides investment advisory services with respect to foreign securities for institutional investors.

T. Rowe Price Global Investment Services Limited (Global Investment Services) is a United Kingdom corporation and a wholly-owned subsidiary of TRPG. Global Investment Services is an investment manager whose primary responsibility is to provide marketing and client servicing for non-United States clients. Global Investment Services

⁶ Application at 2.

⁷ TRPG holds a non-controlling 10 percent interest in Daiwa SB Investments Ltd., a corporation organized and existing under the laws of Japan (“Daiwa SB”). Daiwa SB is a joint venture between Daiwa Securities Group, Inc., Sumitomo Mitsui Financial Group, Inc., and TRPG with respect to asset management services in Japan. Daiwa SB is not included as an Applicant herein because TRPG does not control Daiwa SB. Global Asset Management is both an Applicant and a sub-adviser to the Japanese funds managed by Daiwa SB. The utility securities owned, controlled, or held by Global Asset Management on behalf of the Japanese funds it manages will be included in calculating the 20 percent aggregate limit contemplated herein. Any other utility securities owned, controlled, or held by Daiwa SB, other than those owned, controlled, or held by Global Asset Management on behalf of Daiwa SB (if any), will not be included in calculating the 20 percent aggregate limit.

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delegates investment management responsibilities to TRP Associates or T. Rowe Price International, Inc. Global Investment Services is also registered with the Financial Services Agency, the Kanto Local Finance Bureau (KLFB) and the Financial Service Agency in Japan. Global Investment Services also acts as a sponsor, investment manager and primary distributor of the T. Rowe Price Funds SICAV.

Global Asset Management is a United Kingdom corporation and a wholly-owned subsidiary of TRPG. Global Asset Management is registered as an investment adviser under the Advisers Act. It also provides investment management services to investors in Japan and the United Kingdom.

T. Rowe Price (Canada), Inc. is a Maryland corporation and a wholly-owned subsidiary of TRP Associates. T. Rowe Price (Canada) is registered as an investment adviser under the Advisers Act. It provides advisory services to individual and institutional clients in Canada.

T. Rowe Price Trust Company is a Maryland-chartered limited-service trust company and a wholly-owned subsidiary of TRP Associates. T. Rowe Price Trust Company serves as trustee and/or custodian for the T. Rowe Price Common Trust Funds as well as for certain other qualified and non-qualified employee benefit plans and individual retirement accounts.

T. Rowe Price (Luxembourg) Management S.à.r.l. is a private limited liability company organized under the laws of Luxembourg. The purpose of T. Rowe Price (Luxembourg) Management S.à.r.l. is the creation, administration and management of collective investment funds and the issuance of certificates or statements of confirmation evidencing undivided co-proprietorship interests in such funds.

T. Rowe Price Savings Bank is a federally chartered savings bank and a wholly-owned subsidiary of TRP Associates. T. Rowe Price Savings Bank provides federally insured bank products to a national customer base.

The TRP Entities consist of T. Rowe Price Mutual Funds (TRP Funds), T. Rowe Price Common Trust Funds (Trust Funds), and T. Rowe Price Offshore Funds (TRP SICAV). Each of the TRP Funds is a separate legal entity organized under the laws of Massachusetts or Maryland and registered with the SEC under the Investment Company Act of 1940 (1940 Act). T. Rowe Price International, Inc. is the investment manager for the TRP Funds that invest primarily in non-United States securities. TRP Associates is the investment manager for all the other TRP Funds. Each TRP Fund has delegated responsibility for managing and directing investments. The Trust Funds are organized as collective trust funds under Maryland law. The Trust funds are pooled investment vehicles that are managed like mutual funds, but are not subject to regulation as investment companies under the 1940 Act. Trust investments are made mostly in common stock and are recommended by TRP Associates. The TRP SICAV is an

undertaking for collective investment in transferable securities and is organized under the laws of Luxembourg. The TRP SICAV is structured as an umbrella fund and is comprised of a number of sub-funds.⁸

Under the proposed transactions, Applicants seek blanket authorizations under sections 203(a)(1) and 203(a)(2) of the FPA for (1) each of the Primary Applicants to acquire, on behalf of one or more of the TRP Entities and other clients (or, in the case of TRPG, for its own account), the voting securities of any “public utility,” “electric utility company,” “transmitting utility,” or “holding company in a holding company system that includes an electric utility company or transmitting utility” as those terms are used in section 203 of the FPA (Utility); and (2) any Utility, or holders of Utility voting securities, to sell such securities to the Applicants, subject to the following conditions and limitations:

1. None of the TRP Entities, individually, will own, control, or hold 10 percent or more of the voting securities of any Utility. If TRPG invests in the voting securities of any individual Utility for its own account, it will not own, control, or hold more than one percent of the voting securities of such Utility.
2. The Applicants collectively will not own, control, or hold more than 20 percent of the voting securities of any one Utility.
3. Each Applicant will continue to maintain governing policies, and comply with applicable statutory requirements, that have the effect of prohibiting the Applicant from exercising any control over entities whose securities it owns or holds.
4. A Primary Applicant (other than TRPG) will only acquire the securities of publicly- traded Utilities on behalf of one or more of the TRP Entities and other clients for which it exercises investment discretion.⁹

⁸ The sub-funds include: US Large-Cap Growth Equity Fund; US Large Cap Value Equity Fund; US Smaller Companies Equity Fund; US Blue Chip Equity Fund; US Dollar Investment Grade Corporate Bond Fund; US Aggregate Bond Fund; US Structured Research Equity Fund; European Structured Research Equity Fund; EURO Corporate Bond Fund; Global Aggregate Bond Fund; Japanese Equity Fund; Asian ex-Japan Equity Fund; Global Equity Fund; Global Emerging Markets Equity Fund; Global Emerging Markets Bond Fund; Global High Yield Bond Fund; US Mid-Cap Equity Fund; and Global Natural Resources Equity Fund.

⁹ The Primary Applicants (other than TRPG) provide investment management services to clients outside the TRPG corporate structure. All securities transactions in

5. Each Applicant will maintain its status as a beneficial owner eligible to file Schedule 13G under SEC rules under the Securities Exchange Act of 1934, as amended (1934 Act), regarding the acquisition and holding of more than five percent of any class of equity securities of a Utility, and will file a copy of Schedule 13G with the Commission when it files the Schedule 13G with the SEC.¹⁰

The Primary Applicants (other than TRPG) also request authority to acquire Utility securities on behalf of T. Rowe Price mutual funds, common trust funds, offshore funds, and investment companies that are created in the future (Additional Applicants). Such Additional Applicants would be T. Rowe Price mutual funds and will be subject to the same conditions placed on the known Applicants.

Applicants state that the proposed transactions are consistent with the public interest and will not adversely affect competition, rates, or regulation and will not result in cross-subsidization. With respect to competition, Applicants state that the transactions will not adversely affect competition because, under the internal and external controls discussed below, Applicants will not be able to exert any control over public utilities of which they acquire voting securities. Applicants cite the Commission's decision in CRMC and argue that the following internal and external controls protect against exercising control: (1) T. Rowe Price General Investment Policy, (2) shareholder enforcement, (3) the SEC's Schedule 13G filing and (4) outside regulatory body enforcement.

Applicants state that the transactions will have no adverse effect on rates. In support of this claim, Applicants state that they will not acquire control over any Utility, nor will they have any role in setting rates. In addition, because Applicants will only

which an Applicant owns, controls, or holds Utility securities on behalf of such clients will be included in calculating the Applicants' compliance with the 20 percent aggregate limit contemplated herein.

¹⁰ According to SEC rules, a Schedule 13G filer must "acquire[] such securities in the ordinary course of his business and not with the purpose nor with the effect of changing or influencing the control of the issuer, nor in connection with or as a participant in any transaction having such purpose or effect," and is required to file a notification with the SEC of any acquisition of beneficial ownership of five percent or more of a class of equity securities. 17 C.F.R. § 240.13d-1 (2006). Under the 1934 Act, a person acquiring more than five percent of any class of equity security with the intention or purpose of controlling or influencing the conduct of the target company's business is not eligible to file a Schedule 13G but must file a Schedule 13D.

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invest in publicly-traded public utilities, they claim there will be no effect on the cost structures of the issuer that might affect cost-based rates.

Applicants state that the transactions will have no effect on regulation. They claim that neither state nor federal regulation will be impaired by the proposed transactions because the jurisdictional status of the Utilities for which the Applicants acquire securities will remain unchanged by the transactions.

Applicants further state that the proposed transactions will not result in, at the time of the transactions or in the future, cross-subsidization or the pledge or encumbrance of utility assets for the benefit of an associate company. Applicants state that the proposed transactions will not result in any: (1) transfers of facilities between a traditional public utility associate company that has captive customers or that owns or provides transmission service over jurisdictional transmission facilities, and an associate company; (2) new issuances of securities by a traditional public utility associate company that has captive customers or that owns or provides transmission service over jurisdictional transmission facilities, for the benefit of an associate company; (3) new pledges or encumbrances of assets of a traditional public utility associate company that has captive customers or that owns or provides transmission service over jurisdictional transmission facilities, for the benefit of an associate company; or (4) any new affiliate contract between a non-utility associate company and a traditional public utility associate company that has captive customers or that owns or provides transmission service over jurisdictional transmission facilities, other than non-power goods and services agreements subject to review under sections 205 and 206 of the FPA.

This filing was noticed on December 27, 2006, January 25, 2007, and March 1, 2007, with comments, protests or interventions due on or before March 12, 2007. None were received. Notices of intervention and unopposed timely filed motions to intervene are granted pursuant to the operation of Rule 214 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.214). Any opposed or untimely filed motion to intervene is governed by the provisions of Rule 214.

After consideration, it is concluded that the proposed transactions are consistent with the public interest and are authorized, subject to the following conditions:

- (1) The proposed transactions are authorized upon the terms and conditions and for the purposes set forth in the application as described in this Order;
- (2) No Applicant, individually, will own, control or hold 10 percent or more of the voting securities of any Utility. Collectively, Applicants will not own, control or hold more than 20 percent of the voting securities of any one Utility. If TRPG invests in the voting securities of any individual Utility for its own account, it will not own, control or hold more than one percent of the voting securities of such Utility;

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- (3) A Primary Applicant will only acquire the securities of publicly-traded Utilities, as set forth above, and each Applicant will maintain governing policies as set forth above;
- (4) The authorization, which includes authorization for Additional Applicants, expires three years from the date of this order, without prejudice to requests to extend the authorization;
- (5) The foregoing authorization is without prejudice to the authority of the Commission or any other regulatory body with respect to rates, service, accounts, valuation, estimates, or determinations of cost, or any other matter whatsoever now pending or which may become before the Commission;
- (6) Nothing in this order shall be construed to imply acquiescence in any estimate or determination of cost or any valuation of property claimed or asserted;
- (7) The Commission retains authority under sections 203(b) and 309 of the FPA to issue supplemental orders as appropriate;
- (8) Applicants shall file with the Commission, contemporaneous with filing at the SEC, the Schedule 13G and 13D filings made with the SEC that are relevant to the authorizations granted in this order. Any changes in the information provided on the initial Schedule 13G must be reflected in an annual amended filing due within 45 days of the end of each calendar year. Applicants shall file with the Commission any comment or deficiency letters received from the SEC that concern compliance audits conducted by the SEC regarding filings of Schedule 13G and/or 13D;
- (9) The Commission requires that when Additional Applicants (new mutual funds) are formed in the future for the purposes authorized in this order, that notice of such formation be filed with the Commission within 45 days from the date of formation; and
- (10) Applicants must inform the Commission of any change in circumstances that would reflect a departure from the facts the Commission relied upon in granting the application.

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This action is taken pursuant to the authority delegated to the Director, Division of Tariffs and Market Development – West, under 18 C.F.R. § 375.307. This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order, pursuant to 18 C.F.R. § 385.713.

Steve P. Rodgers
Director
Division of Tariffs and Market Development - West

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Attachment 1
Collective list of TRP Entities**Funds**

T. Rowe Price Balanced Fund, Inc.
T. Rowe Price Blue Chip Growth Fund, Inc.
T. Rowe Price California Tax-Free Income Trust
California Tax-Free Bond Fund
California Tax-Free Money Fund
T. Rowe Price Capital Appreciation Fund
T. Rowe Price Capital Opportunity Fund, Inc.
T. Rowe Price Corporate Income Fund, Inc.
T. Rowe Price Developing Technologies Fund, Inc.
T. Rowe Price Diversified Mid-Cap Growth Fund, Inc.
T. Rowe Price Diversified Small-Cap Growth Fund, Inc.
T. Rowe Price Dividend Growth Fund, Inc.
T. Rowe Price Equity Income Fund
T. Rowe Price Financial Services Fund, Inc.
T. Rowe Price Global Technology Fund, Inc.
T. Rowe Price GNMA Fund
T. Rowe Price Growth & Income Fund, Inc.
T. Rowe Price Growth Stock Fund, Inc.
T. Rowe Price Health Sciences Fund, Inc.
T. Rowe Price High Yield Fund, Inc.
T. Rowe Price Index Trust, Inc.
T. Rowe Price Equity Index 500 Fund
T. Rowe Price Extended Equity Market Index Fund
T. Rowe Price Total Equity Market Index Fund
T. Rowe Price Inflation Protected Bond Fund, Inc.
T. Rowe Price Institutional Equity Funds, Inc.
T. Rowe Price Institutional Concentrated Large-Cap Value Fund
T. Rowe Price Institutional Large-Cap Core Growth Fund
T. Rowe Price Institutional Large-Cap Growth Fund
T. Rowe Price Institutional Large-Cap Value Fund
T. Rowe Price Institutional Mid-Cap Equity Growth Fund
T. Rowe Price Institutional Small-Cap Stock Fund
T. Rowe Price Institutional Income Funds, Inc.
T. Rowe Price Institutional Core Plus Fund
T. Rowe Price Institutional High Yield Fund
T. Rowe Price Institutional International Funds, Inc.
T. Rowe Price Institutional Emerging Markets Equity Fund
T. Rowe Price Institutional Foreign Equity Fund
T. Rowe Price Institutional Global Equity Fund
T. Rowe Price International Funds, Inc.
T. Rowe Price Emerging Europe & Mediterranean Fund

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T. Rowe Price Emerging Markets Bond Fund
T. Rowe Price Emerging Markets Stock Fund
T. Rowe Price European Stock Fund
T. Rowe Price Global Stock Fund
T. Rowe Price International Bond Fund®
T. Rowe Price International Discovery Fund
T. Rowe Price International Growth & Income Fund
T. Rowe Price International Stock Fund
T. Rowe Price Japan Fund
T. Rowe Price Latin America Fund
T. Rowe Price New Asia Fund
T. Rowe Price International Index Fund, Inc.
T. Rowe Price International Equity Index Fund
T. Rowe Price Media & Telecommunications Fund, Inc.
T. Rowe Price Mid-Cap Growth Fund, Inc.
T. Rowe Price Mid-Cap Value Fund, Inc.
T. Rowe Price New America Growth Fund
T. Rowe Price New Era Fund, Inc.
T. Rowe Price New Horizons Fund, Inc.
T. Rowe Price New Income Fund, Inc.
T. Rowe Price Personal Strategy Funds, Inc.
T. Rowe Price Personal Strategy Balanced Fund
T. Rowe Price Personal Strategy Growth Fund
T. Rowe Price Personal Strategy Income Fund
T. Rowe Price Prime Reserve Fund, Inc.
T. Rowe Price Real Estate Fund, Inc.
T. Rowe Price Reserve Investment Funds, Inc.
T. Rowe Price Government Reserve Investment Fund
T. Rowe Price Reserve Investment Fund
T. Rowe Price Science & Technology Fund, Inc.
T. Rowe Price Short-Term Bond Fund, Inc.
T. Rowe Price Short-Term Income Fund, Inc.
T. Rowe Price Small-Cap Stock Fund, Inc.
T. Rowe Price Small-Cap Value Fund, Inc.
T. Rowe Price Spectrum Fund, Inc.
T. Rowe Price State Tax-Free Income Trust
Georgia Tax-Free Bond Fund
Maryland Short-Term Tax-Free Bond Fund
Maryland Tax-Free Bond Fund
Maryland Tax-Free Money Fund
New Jersey Tax-Free Bond Fund
New York Tax-Free Bond Fund
New York Tax-Free Money Fund
Virginia Tax-Free Bond Fund
T. Rowe Price Summit Funds, Inc.
T. Rowe Price Summit Cash Reserves Fund

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T. Rowe Price Summit GNMA Fund
T. Rowe Price Summit Municipal Funds, Inc.
T. Rowe Price Summit Municipal Money Market Fund
T. Rowe Price Summit Municipal Intermediate Fund
T. Rowe Price Summit Municipal Income Fund
T. Rowe Price Tax-Efficient Funds, Inc.
T. Rowe Price Tax-Efficient Balanced Fund
T. Rowe Price Tax-Efficient Growth Fund
T. Rowe Price Tax-Efficient Multi-Cap Growth Fund
T. Rowe Price Tax-Exempt Money Fund, Inc.
T. Rowe Price Tax-Free High Yield Fund, Inc.
T. Rowe Price Tax-Free Income Fund, Inc.
T. Rowe Price Tax-Free Short-Intermediate Fund, Inc.
T. Rowe Price U.S. Bond Index Fund, Inc.
T. Rowe Price U.S. Treasury Funds, Inc.
U.S. Treasury Intermediate Fund
U.S. Treasury Long-Term Fund
U.S. Treasury Money Fund
T. Rowe Price Value Fund, Inc.
T. Rowe Price Institutional Emerging Markets Bond Fund
T. Rowe Price Overseas Stock Fund

Variable Annuity Portfolios

T. Rowe Price Equity Series, Inc.
T. Rowe Price Blue Chip Growth Portfolio
T. Rowe Price Equity Income Portfolio
T. Rowe Price Equity Index 500 Portfolio
T. Rowe Price Health Sciences Portfolio
T. Rowe Price Mid-Cap Growth Portfolio
T. Rowe Price New America Growth Portfolio
T. Rowe Price Personal Strategy Balanced Portfolio
T. Rowe Price Fixed Income Series, Inc.
T. Rowe Price Limited-Term Bond Portfolio
T. Rowe Price Prime Reserve Portfolio
T. Rowe Price International Series, Inc.
T. Rowe Price International Stock Portfolio

T. Rowe Price Common Trust Funds

Institutional Common Trust Fund
U.S. Treasury Money Market Trust
Equity Index Trust
Retirement Strategy Trust-Balanced

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Retirement Strategy Trust-Conservative Growth
Retirement Strategy Trust-Income Plus
Bond Index Trust
Short-Term Bond Index Trust
Blue Chip Growth Trust (currently unfunded)
Capital Appreciation Trust
Growth & Income Trust
Growth Stock Trust
Equity Income Trust
New Horizons Trust
Total Market Index Trust (currently unfunded)
International Common Trust Fund
Emerging Markets Equity Trust
Foreign Discovery Trust
Foreign Discovery Trust-B
Japan Discovery Trust (currently unfunded)
International Small-Cap Trust (currently unfunded)
Structured Research Common Trust Fund
Stable Value Common Trust Fund
Managed Bond Common Trust Fund
Small-Cap Stock Trust
Alaska Common Trust Fund
Alaska GNMA Trust
Alaska Corporate/Government Trust
Alaska Large-Cap Trust
Alaska Small-Cap Trust
Alaska International Trust
Alaska Money Market Trust
Alaska Money Market Master Trust
Alaska Balanced Trust
Alaska Long-Term Balanced Trust
Alaska Target 2025 Trust

T. Rowe Price Offshore Funds

T. Rowe Price Funds SICAV
US Large-Cap Growth Equity Fund
US Large Cap Value Equity Fund
US Smaller Companies Equity Fund
US Blue Chip Equity Fund
US Dollar Investment Grade Corporate Bond Fund
US Aggregate Bond Fund
US Structured Research Equity Fund
European Structured Research Equity Fund
EURO Corporate Bond Fund

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Global Aggregate Bond Fund
Japanese Equity Fund
Asian ex-Japan Equity Fund
Global Equity Fund
Global Emerging Markets Equity Fund
Global Emerging Markets Bond Fund
Global High Yield Bond Fund
US Mid-Cap Equity Fund
Global Natural Resources Equity Fund
T. Rowe Price Life Plan Income Fund
T. Rowe Price Institutional Funds FCP

UNITED STATES OF AMERICA 131 FERC ¶ 62,040
FEDERAL ENERGY REGULATORY COMMISSION

T. Rowe Price Group, Inc. Docket No. EC10-51-000
T. Rowe Price Associates, Inc.
T. Rowe Price International, Inc.
T. Rowe Price Global Investment Services Limited
T. Rowe Price (Canada), Inc.
T. Rowe Price Trust Company
T. Rowe Price (Luxembourg) Management S.ár.l.
T. Rowe Price Savings Bank

ORDER EXTENDING BLANKET AUTHORIZATIONS TO
ACQUIRE SECURITIES

(Issued April 13, 2010)

On March 15, 2010, as supplemented on March 26, 2010, T. Rowe Price Group, Inc. (TRPG); T. Rowe Price Associates, Inc. (TRP Associates); T. Rowe Price International, Inc.; T. Rowe Price Global Investment Services Limited (Global Investment Services); T. Rowe Price (Canada), Inc.; T. Rowe Price Trust Company; T. Rowe Price (Luxembourg) Management S.ár.l.; and T. Rowe Price Savings Bank (collectively, Primary Applicants), and each of the mutual funds, common trust funds, and offshore funds sponsored by TRPG's subsidiaries or affiliates (collectively, TRP Entities)¹ (collectively with Primary Applicants, Applicants) filed under sections 203(a)(1) and 203(a)(2) of the Federal Power Act (FPA)² a request to extend their existing blanket authorizations to acquire securities previously filed and approved by the Commission for Applicants. Previously, the Commission granted the request for blanket authorization subject to certain conditions.³ In the instant application, Applicants request a reauthorization and a three year extension of their blanket authorizations. The previous blanket authorizations expire on April 17, 2010.

Applicants state that on December 31, 2008, TRPG contributed all of its shares in T. Rowe Price Global Asset Management Limited (Global Asset Management) to the

¹ The TRP Entities are individually identified in Attachment 1 to this order. Attachment 1 lists 131 T. Rowe Price Mutual Funds, 13 Variable Annuity Portfolios, 65 T. Rowe Price Common Trust Funds, and 31 T. Rowe Price Offshore Funds.

² 16 U.S.C. § 824b (2006).

³ *T. Rowe Price Group, Inc.*, 119 FERC ¶ 62,048 (2007). (Prior Order).

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capital of Global Investment Services. Global Asset Management also transferred all of its investment management contracts to Global Investment Services. Accordingly, Global Asset Management is no longer named as an Applicant.

Applicants state that, except for the changes described above, none of the material facts relied upon by the Commission in the Prior Order has changed, and the facts stated in the Applicants' prior filed application are incorporated herein by reference. As a result, the findings made in the Prior Order regarding competition, rates and regulation apply equally to this application. Furthermore, Applicants commit to continue to meet the terms of the Prior Order not otherwise discussed in this application.

Applicants reaffirm that the blanket authorizations will not result in cross-subsidization of a non-utility associate company or pledge or encumbrance of utility assets for the benefit of an associate company. Applicants will be non-controlling, passive investors. Additionally, Applicants contend that, based on the facts and circumstances known to Applicants or that are reasonably foreseeable, the transaction will not result in, now or in the future, any: (1) transfer of facilities between a traditional public utility associate company that has captive customers or that owns or provides transmission service over jurisdictional transmission facilities, and an associate company; (2) new issuance of securities by a traditional public utility associate company that has captive customers or that owns or provides transmission service over jurisdictional transmission facilities, for the benefit of an associate company; (3) new pledge or encumbrance of assets of a traditional public utility associate company that has captive customers or that owns or provides transmission service over jurisdictional transmission facilities, for the benefit of an associate company; or (4) new affiliate contract between a non-utility associate company and a traditional public utility associate company that has captive customers or that owns or provides transmission service over jurisdictional transmission facilities, other than non-power goods and services agreements subject to review under sections 205 and 206 of the FPA.

This filing was noticed on March 25, 2010, with comments, protests or interventions due on or before April 5, 2010. None was filed. Notices of intervention and unopposed timely filed motions to intervene are granted pursuant to the operation of Rule 214 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.214). Any opposed or untimely filed motion to intervene is governed by the provision of Rule 214.

Information and/or systems connected to the bulk power system involved in this transaction may be subject to reliability and cybersecurity standards approved by the Commission pursuant to FPA section 215. Compliance with these standards is mandatory and enforceable regardless of the physical location of the affiliates or investors, information databases, and operating systems. If affiliates, personnel or investors are not authorized for access to such information and/or systems connected to

the bulk power system, a public utility is obligated to take the appropriate measures to deny access to this information and/or the equipment/software connected to the bulk power system. The mechanisms that deny access to information, procedures, software, equipment, etc., must comply with all applicable reliability and cybersecurity standards. The Commission, NERC or the relevant regional entity may audit compliance with reliability and cybersecurity standards.

Order No. 652 requires that sellers with market-based rate authority timely report to the Commission any change in status that would reflect a departure from the characteristics the Commission relied upon in granting market-based rate authority.⁴ The foregoing authorization may result in a change in status. Accordingly, Applicants are advised that they must comply with the requirements of Order No. 652. In addition, Applicants shall make appropriate filings under section 205 of the FPA, to implement the transaction.

After consideration, it is concluded that the proposed transactions are consistent with the public interest and are hereby authorized, subject to the following conditions:

- (1) The proposed transactions are authorized upon the terms and conditions and for the purposes set forth in the application;
- (2) No Applicant, individually, will own, control or hold 10 percent or more of the voting securities of any Utility, as defined in the Prior Order. Collectively, Applicants will not own, control or hold more than 20 percent of the voting securities of any one Utility. If TRPG invests in the voting securities of any individual Utility for its own account, it will not own, control or hold more than one percent of the voting securities of such Utility;
- (3) A Primary Applicant (other than TRPG) will only acquire the securities of publicly-traded Utilities, as set forth in the Prior Order, and each Applicant will maintain governing policies as set forth in the Prior Order;
- (4) The authorization, which includes authorization for Additional Applicants (new mutual funds), expires three years from the date of this order, without prejudice to requests to extend the authorization;
- (5) The foregoing authorization is without prejudice to the authority of the Commission or any other regulatory body with respect to rates, service,

⁴ *Reporting Requirement for Changes in Status for Public Utilities with Market-Based Rate Authority*, Order No. 652, 70 Fed. Reg. 8,253 (Feb. 18, 2005), FERC Stats. & Regs. ¶ 31,175, order on reh'g, 111 FERC ¶ 61,413 (2005).

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accounts, valuation, estimates or determination of cost or any other matter whatsoever now pending or which may come before the Commission;

- (6) Nothing in this order shall be construed to imply acquiescence in any estimate or determination of cost or any valuation of property claimed or asserted;
- (7) The Commission retains authority under sections 203(b) and 309 of the FPA, to issue supplemental orders as appropriate;
- (8) Applicants shall file with the Commission contemporaneous with filing at the SEC the Schedule 13G filings made with the SEC that are relevant to the authorizations granted in this order. Any changes in the information provided on the initial Schedule 13G must be reflected in an annual amended filing due within 45 days of the end of each calendar year. Applicants shall file with the Commission any comment or deficiency letters received from the SEC that concern Schedule 13G-related compliance audits conducted by the SEC;
- (9) The Commission requires that when Additional Applicants are formed in the future for the purposes authorized in this order, that notice of such formation be filed with the Commission within 45 days from the date of formation; and
- (10) Applicants must inform the Commission within 30 days of any change in circumstances that would reflect a departure from the facts the Commission relied upon in authorizing the transaction.

This action is taken pursuant to the authority delegated to the Director, Division of Electric Power Regulation – West under 18 C.F.R. § 375.307. This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order pursuant to 18 C.F.R. § 385.713.

Steve P. Rodgers
Director
Division of Electric Power Regulation - West

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Attachment 1
Collective List of TRP Entities**Funds**

- T. Rowe Price Balanced Fund, Inc.
- T. Rowe Price Blue Chip Growth Fund, Inc.
- T. Rowe Price California Tax-Free Income Trust
 - California Tax-Free Bond Fund
 - California Tax-Free Money Fund
- T. Rowe Price Capital Appreciation Fund
- T. Rowe Price Capital Opportunity Fund, Inc.
- T. Rowe Price Corporate Income Fund, Inc.
- T. Rowe Price Diversified Mid-Cap Growth Fund, Inc.
- T. Rowe Price Diversified Small-Cap Growth Fund, Inc.
- T. Rowe Price Dividend Growth Fund, Inc.
- T. Rowe Price Equity Income Fund
- T. Rowe Price Financial Services Fund, Inc.
- T. Rowe Price Global Real Estate Fund, Inc.
- T. Rowe Price Global Technology Fund, Inc.
- T. Rowe Price GNMA Fund
- T. Rowe Price Growth & Income Fund, Inc.
- T. Rowe Price Growth Stock Fund, Inc.
- T. Rowe Price Health Sciences Fund, Inc.
- T. Rowe Price High Yield Fund, Inc.
- T. Rowe Price Index Trust, Inc.
 - T. Rowe Price Equity Index 500 Fund
 - T. Rowe Price Extended Equity Market Index Fund
 - T. Rowe Price Total Equity Market Index Fund
- T. Rowe Price Inflation Protected Bond Fund, Inc.
- T. Rowe Price Institutional Equity Funds, Inc.
 - T. Rowe Price Institutional Large-Cap Core Growth Fund
 - T. Rowe Price Institutional Large-Cap Growth Fund
 - T. Rowe Price Institutional Large-Cap Value Fund
 - T. Rowe Price Institutional Mid-Cap Equity Growth Fund
 - T. Rowe Price Institutional Small-Cap Stock Fund
 - T. Rowe Price Institutional U.S. Structured Research Fund
- T. Rowe Price Institutional Income Funds, Inc.
 - T. Rowe Price Institutional Core Plus Fund
 - T. Rowe Price Institutional Floating Rate Fund
 - T. Rowe Price Institutional High Yield Fund
- T. Rowe Price Institutional International Funds, Inc.
 - T. Rowe Price Institutional Africa & Middle East Fund

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- T. Rowe Price Institutional Emerging Markets Bond Fund
- T. Rowe Price Institutional Emerging Markets Equity Fund
- T. Rowe Price Institutional Foreign Equity Fund
- T. Rowe Price Institutional Global Equity Fund
- T. Rowe Price Institutional Global Large-Cap Equity Fund
- T. Rowe Price Institutional International Bond Fund
- T. Rowe Price International Funds, Inc.
 - T. Rowe Price Africa & Middle East Fund
 - T. Rowe Price Emerging Europe & Mediterranean Fund
 - T. Rowe Price Emerging Markets Bond Fund
 - T. Rowe Price Emerging Markets Stock Fund
 - T. Rowe Price European Stock Fund
 - T. Rowe Price Global Infrastructure Fund
 - T. Rowe Price Global Large-Cap Stock Fund
 - T. Rowe Price Global Stock Fund
 - T. Rowe Price International Bond Fund
 - T. Rowe Price International Discovery Fund
 - T. Rowe Price International Growth & Income Fund
 - T. Rowe Price International Stock Fund
 - T. Rowe Price Japan Fund
 - T. Rowe Price Latin America Fund
 - T. Rowe Price New Asia Fund
 - T. Rowe Price Overseas Stock Fund
- T. Rowe Price International Index Fund, Inc.
 - T. Rowe Price International Equity Index Fund
- T. Rowe Price Media & Telecommunications Fund, Inc.
- T. Rowe Price Mid-Cap Growth Fund, Inc.
- T. Rowe Price Mid-Cap Value Fund, Inc.
- T. Rowe Price New America Growth Fund
- T. Rowe Price New Era Fund, Inc.
- T. Rowe Price New Horizons Fund, Inc.
- T. Rowe Price New Income Fund, Inc.
- T. Rowe Price Personal Strategy Funds, Inc.
 - T. Rowe Price Personal Strategy Balanced Fund
 - T. Rowe Price Personal Strategy Growth Fund
 - T. Rowe Price Personal Strategy Income Fund
- T. Rowe Price Prime Reserve Fund, Inc.
- T. Rowe Price Real Estate Fund, Inc.
- T. Rowe Price Reserve Investment Funds, Inc.
 - T. Rowe Price Government Reserve Investment Fund
 - T. Rowe Price Reserve Investment Fund
- T. Rowe Price Retirement Funds, Inc.
 - T. Rowe Price Retirement 2005 Fund

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- T. Rowe Price Retirement 2010 Fund
- T. Rowe Price Retirement 2015 Fund
- T. Rowe Price Retirement 2020 Fund
- T. Rowe Price Retirement 2025 Fund
- T. Rowe Price Retirement 2030 Fund
- T. Rowe Price Retirement 2035 Fund
- T. Rowe Price Retirement 2040 Fund
- T. Rowe Price Retirement 2045 Fund
- T. Rowe Price Retirement 2050 Fund
- T. Rowe Price Retirement 2055 Fund
- T. Rowe Price Retirement Income Fund
- T. Rowe Price Science & Technology Fund, Inc.
- T. Rowe Price Short-Term Bond Fund, Inc.
- T. Rowe Price Short-Term Income Fund, Inc.
- T. Rowe Price Small-Cap Stock Fund, Inc.
- T. Rowe Price Small-Cap Value Fund, Inc.
- T. Rowe Price Spectrum Fund, Inc.
 - Spectrum Growth Fund
 - Spectrum Income Fund
 - Spectrum International Fund
- T. Rowe Price State Tax-Free Income Trust
 - Georgia Tax-Free Bond Fund
 - Maryland Short-Term Tax-Free Bond Fund
 - Maryland Tax-Free Bond Fund
 - Maryland Tax-Free Money Fund
 - New Jersey Tax-Free Bond Fund
 - New York Tax-Free Bond Fund
 - New York Tax-Free Money Fund
 - Virginia Tax-Free Bond Fund
- T. Rowe Price Strategic Income Fund, Inc.
- T. Rowe Price Summit Funds, Inc.
 - T. Rowe Price Summit Cash Reserves Fund
 - T. Rowe Price Summit GNMA Fund
- T. Rowe Price Summit Municipal Funds, Inc.
 - T. Rowe Price Summit Municipal Income Fund
 - T. Rowe Price Summit Municipal Intermediate Fund
 - T. Rowe Price Summit Municipal Money Market Fund
- T. Rowe Price Tax-Efficient Funds, Inc.
 - T. Rowe Price Tax-Efficient Equity Fund
- T. Rowe Price Tax-Exempt Money Fund, Inc.
- T. Rowe Price Tax-Free High Yield Fund, Inc.
- T. Rowe Price Tax-Free Income Fund, Inc.
- T. Rowe Price Tax-Free Short-Intermediate Fund, Inc.

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- T. Rowe Price U.S. Bond Index Fund, Inc.
- T. Rowe Price U.S. Large-Cap Core Fund, Inc.
- T. Rowe Price U.S. Treasury Funds, Inc.
 - U.S. Treasury Intermediate Fund
 - U.S. Treasury Long-Term Fund
 - U.S. Treasury Money Fund
- T. Rowe Price Value Fund, Inc.

Variable Annuity Portfolios

- T. Rowe Price Equity Series, Inc.
 - T. Rowe Price Blue Chip Growth Portfolio
 - T. Rowe Price Equity Income Portfolio
 - T. Rowe Price Equity Index 500 Portfolio
 - T. Rowe Price Health Sciences Portfolio
 - T. Rowe Price Mid-Cap Growth Portfolio
 - T. Rowe Price New America Growth Portfolio
 - T. Rowe Price Personal Strategy Balanced Portfolio
- T. Rowe Price Fixed Income Series, Inc.
 - T. Rowe Price Limited-Term Bond Portfolio
 - T. Rowe Price Prime Reserve Portfolio
- T. Rowe Price International Series, Inc.
 - T. Rowe Price International Stock Portfolio

T. Rowe Price Common Trust Funds

- T. Rowe Price Institutional Common Trust Fund
 - T. Rowe Price U.S. Treasury Money Market Trust
 - T. Rowe Price Equity Index Trust
 - T. Rowe Price Bond Index Trust
 - T. Rowe Price Short-Term Bond Index Trust
 - T. Rowe Price Capital Appreciation Trust
 - T. Rowe Price Growth & Income Trust
 - T. Rowe Price Growth Stock Trust
 - T. Rowe Price Equity Income Trust
 - T. Rowe Price New Horizons Trust
 - Retirement Strategy Trust-Balanced
 - T. Rowe Price Total Market Index Trust
- International Common Trust Fund
 - Emerging Markets Equity Trust
 - Foreign Discovery Trust
 - Japan Discovery Trust
 - International Small-Cap Trust

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T. Rowe Price Structured Research Common Trust Fund

T. Rowe Price Stable Value Common Trust Fund

T. Rowe Price Managed Bond Common Trust Fund

T. Rowe Price Small-Cap Stock Trust

Alaska Common Trust Fund

Alaska Aggregate Bond Trust

Alaska U.S. Equity Market Trust

Alaska GNMA Trust

Alaska Corporate/Government Trust

Alaska Large-Cap Trust

Alaska Small-Cap Trust

Alaska International Trust

Alaska Money Market Trust

Alaska Money Market Master Trust

Alaska Balanced Trust

Alaska Long- Term Balanced Trust

Alaska Target Retirement 2010 Trust

Alaska Target Retirement 2015 Trust

Alaska Target Retirement 2020 Trust

Alaska Target Retirement 2025 Trust

Alaska Target Retirement 2030 Trust

Alaska Target Retirement 2035 Trust

Alaska Target Retirement 2040 Trust

Alaska Target Retirement 2045 Trust

Alaska Target Retirement 2050 Trust

Alaska Target Retirement 2055 Trust

T. Rowe Price Retirement Date Trust

T. Rowe Price Retirement 2055 Trust

T. Rowe Price Retirement 2050 Trust

T. Rowe Price Retirement 2045 Trust

T. Rowe Price Retirement 2040 Trust

T. Rowe Price Retirement 2035 Trust

T. Rowe Price Retirement 2030 Trust

T. Rowe Price Retirement 2025 Trust

T. Rowe Price Retirement 2020 Trust

T. Rowe Price Retirement 2015 Trust

T. Rowe Price Retirement 2010 Trust

T. Rowe Price Retirement 2005 Trust

T. Rowe Price Retirement Income Trust

T. Rowe Price U.S. Equities Trust

T. Rowe Price Non-U.S. Equities Trust

T. Rowe Price Fixed Income Trust

T. Rowe Price Short-Term Income Trust

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- T. Rowe Price Strategic Common Trust Fund
 - T. Rowe Price Structured Research Broad Market Trust
 - T. Rowe Price Intermediate Term Common Trust Fund
 - T. Rowe Price Short Term Common Trust Fund
 - T. Rowe Price Blue Chip Growth Trust

T. Rowe Price Offshore Funds

- T. Rowe Price Funds SICAV
 - Asian ex-Japan Equity Fund
 - EURO Corporate Bond Fund
 - European Equity Fund
 - Emerging Local Markets Bond Fund
 - European Structured Research Equity Fund
 - European ex-UK Equity Fund
 - Global Aggregate Bond Fund
 - Global Equity Fund
 - Global Emerging Markets Bond Fund
 - Global Emerging Markets Equity Fund
 - Global High Yield Bond Fund
 - Global Infrastructure Equity Fund
 - Global Natural Resources Equity Fund
 - Japanese Equity Fund
 - Latin American Equity Fund
 - Middle East & Africa Equity Fund
 - US Aggregate Bond Fund
 - US Blue Chip Equity Fund
 - US Dollar Investment Grade Corporate Bond Fund
 - US Large-Cap Growth Equity Fund
 - US Large Cap Value Equity Fund
 - US Mid-Cap Equity Fund
 - US Smaller Companies Equity Fund
- T. Rowe Price Kikantoushika-Muke Funds FCP
 - Asian Ex Japan Equity Fund
 - Global Equity
 - Global Ex-Japan Equity
 - Japanese Equity
 - US Structured Research
 - US Large-Cap Growth Equity Fund

Document Content(s)

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143 FERC ¶ 62,003
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

T. Rowe Price Group, Inc.
T. Rowe Price Associates, Inc.
T. Rowe Price International Ltd,
T. Rowe Price (Canada), Inc.,
T. Rowe Price Trust Company,
T. Rowe Price (Luxembourg) Management S.ár.l.,
T. Rowe Price Singapore Private Ltd.,
T. Rowe Price Hong Kong Limited

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ORDER EXTENDING BLANKET AUTHORIZATIONS TO
ACQUIRE SECURITIES

(Issued April 2, 2013)

On March 4, 2013, T. Rowe Price Group, Inc. (TRPG); T. Rowe Price Associates, Inc. (TRP Associates); T. Rowe Price International Ltd, ; T. Rowe Price (Canada), Inc.; T. Rowe Price Trust Company; T. Rowe Price (Luxembourg) Management S.ár.l.; T. Rowe Price Singapore Private Ltd., and T. Rowe Price Hong Kong Limited (collectively, Primary Applicants), and each of the mutual funds, common trust funds, and offshore funds sponsored by TRPG's subsidiaries or affiliates (collectively, TRP Entities)¹ (collectively with Primary Applicants, Applicants) filed under sections 203(a)(1) and 203(a)(2) of the Federal Power Act (FPA)² a request to extend their existing blanket authorizations to acquire securities previously filed and approved by the Commission for Applicants(Proposed Transactions). Previously, the Commission granted the request for blanket authorization subject to certain conditions.³ In the instant application, Applicants request a reauthorization and a three year extension of their blanket authorizations. The previous blanket authorizations expire on April 13, 2013.

Applicants state that on December 31, 2010, T. Rowe Price Global Investment

¹ The TRP Entities are individually identified in Attachment 1 to this order. Attachment 1 lists 137 T. Rowe Price Mutual Funds, 13 Variable Annuity Portfolios, 99 T. Rowe Price Common Trust Funds, and 49 T. Rowe Price Offshore Funds.

² 16 U.S.C. § 824b (2006).

³ *T. Rowe Price Group, Inc.*, 119 FERC ¶62,048 (2007) and *T. Rowe Price Group, Inc.*, 131 FERC ¶ 62,040 (2010). (Prior Orders).

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Services Limited (TRP Global), became a wholly-owned subsidiary of T. Rowe Price International, Inc. (TRP International). TRP International was merged into its parent company, T. Rowe Price Associates, Inc. (TRP Associates) and TRP Associates became the parent company of TRP Global. TRP Global was renamed T. Rowe Price International Ltd. Accordingly, TRP Global and TRP International are no longer named Applicants.

Applicants state that, except for the changes described above, none of the material facts relied upon by the Commission in the Prior Orders has changed, and the facts stated in the Applicants' prior filed application are incorporated herein by reference. As a result, the findings made in the Prior Orders regarding competition, rates and regulation apply equally to this application. Furthermore, Applicants commit to continue to meet the terms of the Prior Orders not otherwise discussed in this application.

Applicants reaffirm that the blanket authorizations will not result in cross-subsidization of a non-utility associate company or pledge or encumbrance of utility assets for the benefit of an associate company. Applicants will be non-controlling, passive investors. Additionally, Applicants contend that, based on the facts and circumstances known to Applicants or that are reasonably foreseeable, the Proposed Transactions will not result in, now or in the future, any: (1) transfer of facilities between a traditional public utility associate company that has captive customers or that owns or provides transmission service over jurisdictional transmission facilities, and an associate company; (2) new issuance of securities by a traditional public utility associate company that has captive customers or that owns or provides transmission service over jurisdictional transmission facilities, for the benefit of an associate company; (3) new pledge or encumbrance of assets of a traditional public utility associate company that has captive customers or that owns or provides transmission service over jurisdictional transmission facilities, for the benefit of an associate company; or (4) new affiliate contract between a non-utility associate company and a traditional public utility associate company that has captive customers or that owns or provides transmission service over jurisdictional transmission facilities, other than non-power goods and services agreements subject to review under sections 205 and 206 of the FPA.

This filing was noticed on March 7, 2013, with comments, protests or interventions due on or before March 25, 2013. None was filed. Notices of intervention and unopposed timely filed motions to intervene are granted pursuant to the operation of Rule 214 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.214). Any opposed or untimely filed motion to intervene is governed by the provision of Rule 214.

Information and/or systems connected to the bulk power system involved in these Proposed Transactions may be subject to reliability and cybersecurity standards approved by the Commission pursuant to FPA section 215. Compliance with these standards is

mandatory and enforceable regardless of the physical location of the affiliates or investors, information databases, and operating systems. If affiliates, personnel or investors are not authorized for access to such information and/or systems connected to the bulk power system, a public utility is obligated to take the appropriate measures to deny access to this information and/or the equipment/software connected to the bulk power system. The mechanisms that deny access to information, procedures, software, equipment, etc., must comply with all applicable reliability and cybersecurity standards. The Commission, NERC or the relevant regional entity may audit compliance with reliability and cybersecurity standards.

Order No. 652 requires that sellers with market-based rate authority timely report to the Commission any change in status that would reflect a departure from the characteristics the Commission relied upon in granting market-based rate authority.⁴ The foregoing authorization may result in a change in status. Accordingly, Applicants are advised that they must comply with the requirements of Order No. 652. In addition, Applicants shall make appropriate filings under section 205 of the FPA, to implement the Proposed Transactions.

After consideration, it is concluded that the Proposed Transactions are consistent with the public interest and are hereby authorized for a period of three years, subject to the following conditions:

- (1) The Proposed Transactions are authorized upon the terms and conditions and for the purposes set forth in the application;
- (2) No Applicant, individually, will own, control or hold 10 percent or more of the voting securities of any Utility, as defined in the Prior Orders. Collectively, Applicants will not own, control or hold more than 20 percent of the voting securities of any one Utility. If TRPG invests in the voting securities of any individual Utility for its own account, it will not own, control or hold more than one percent of the voting securities of such Utility;
- (3) A Primary Applicant (other than TRPG) will only acquire the securities of publicly-traded Utilities, as set forth in the Prior Orders, and each Applicant will maintain governing policies as set forth in the Prior Orders;
- (4) The authorization, which includes authorization for Additional Applicants (new mutual funds), expires three years from the date of this order, without

⁴ *Reporting Requirement for Changes in Status for Public Utilities with Market-Based Rate Authority*, Order No. 652, 70 Fed. Reg. 8,253 (Feb. 18, 2005), FERC Stats. & Regs. ¶ 31,175, order on reh'g, 111 FERC ¶ 61,413 (2005).

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prejudice to requests to extend the authorization;

- (5) The foregoing authorization is without prejudice to the authority of the Commission or any other regulatory body with respect to rates, service, accounts, valuation, estimates or determination of cost or any other matter whatsoever now pending or which may come before the Commission;
- (6) Nothing in this order shall be construed to imply acquiescence in any estimate or determination of cost or any valuation of property claimed or asserted;
- (7) The Commission retains authority under sections 203(b) and 309 of the FPA, to issue supplemental orders as appropriate;
- (8) Applicants shall file with the Commission contemporaneous with filing at the SEC the Schedule 13G filings made with the SEC that are relevant to the authorizations granted in this order. Any changes in the information provided on the initial Schedule 13G must be reflected in an annual amended filing due within 45 days of the end of each calendar year. Applicants shall file with the Commission any comment or deficiency letters received from the SEC that concern Schedule 13G-related compliance audits conducted by the SEC;
- (9) The Commission requires that when Additional Applicants are formed in the future for the purposes authorized in this order, that notice of such formation be filed with the Commission within 45 days from the date of formation; and
- (10) Applicants must inform the Commission within 30 days of any change in circumstances that would reflect a departure from the facts the Commission relied upon in authorizing the Proposed Transaction.

This action is taken pursuant to the authority delegated to the Director, Division of Electric Power Regulation – West under 18 C.F.R. § 375.307. This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order pursuant to 18 C.F.R. § 385.713.

Steve P. Rodgers
Director
Division of Electric Power Regulation - West

Attachment 1
Collective List of TRP Entities

Funds

- T. Rowe Price Balanced Fund, Inc.
- T. Rowe Price Blue Chip Growth Fund, Inc.
- T. Rowe Price California Tax-Free Income Trust
 - California Tax-Free Bond Fund
 - California Tax-Free Money Fund
- T. Rowe Price Capital Appreciation Fund
- T. Rowe Price Capital Opportunity Fund, Inc.
- T. Rowe Price Corporate Income Fund, Inc.
- T. Rowe Price Diversified Mid-Cap Growth Fund, Inc.
- T. Rowe Price Diversified Small-Cap Growth Fund, Inc.
- T. Rowe Price Dividend Growth Fund, Inc.
- T. Rowe Price Equity Income Fund
- T. Rowe Price Financial Services Fund, Inc.
- T. Rowe Price Floating Rate Fund, Inc.
- T. Rowe Price Global Real Estate Fund, Inc.
- T. Rowe Price Global Technology Fund, Inc.
- T. Rowe Price GNMA Fund
- T. Rowe Price Growth & Income Fund, Inc.
- T. Rowe Price Growth Stock Fund, Inc.
- T. Rowe Price Health Sciences Fund, Inc.
- T. Rowe Price High Yield Fund, Inc.
- T. Rowe Price Index Trust, Inc.
 - T. Rowe Price Equity Index 500 Fund
 - T. Rowe Price Extended Equity Market Index Fund
 - T. Rowe Price Total Equity Market Index Fund
- T. Rowe Price Inflation Focused Bond Fund, Inc.
- T. Rowe Price Inflation Protected Bond Fund, Inc.
- T. Rowe Price Institutional Equity Funds, Inc.
 - T. Rowe Price Institutional Large-Cap Core Growth Fund
 - T. Rowe Price Institutional Large-Cap Growth Fund
 - T. Rowe Price Institutional Large-Cap Value Fund
 - T. Rowe Price Institutional Mid-Cap Equity Growth Fund
 - T. Rowe Price Institutional Small-Cap Stock Fund
 - T. Rowe Price Institutional U.S. Structured Research Fund

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- T. Rowe Price Institutional Income Funds, Inc.
 - T. Rowe Price Institutional Core Plus Fund
 - T. Rowe Price Institutional Floating Rate Fund
 - T. Rowe Price Institutional High Yield Fund
- T. Rowe Price Institutional International Funds, Inc.
 - T. Rowe Price Institutional Africa & Middle East Fund
 - T. Rowe Price Institutional Emerging Markets Bond Fund
 - T. Rowe Price Institutional Emerging Markets Equity Fund
 - T. Rowe Price Institutional Global Equity Fund
 - T. Rowe Price Institutional Global Large-Cap Equity Fund
 - T. Rowe Price Institutional Global Value Equity Fund
 - T. Rowe Price Institutional International Bond Fund
 - T. Rowe Price Concentrated International Equity Fund
 - T. Rowe Price Institutional International Core Equity Fund
 - T. Rowe Price Institutional International Growth Equity Fund
- T. Rowe Price International Funds, Inc.
 - T. Rowe Price Africa & Middle East Fund
 - T. Rowe Price Emerging Europe Fund
 - T. Rowe Price Emerging Markets Bond Fund
 - T. Rowe Price Emerging Markets Corporate Bond Fund
 - T. Rowe Price Emerging Markets Local Currency Bond Fund
 - T. Rowe Price Emerging Markets Stock Fund
 - T. Rowe Price European Stock Fund
 - T. Rowe Price Global Infrastructure Fund
 - T. Rowe Price Global Large-Cap Stock Fund
 - T. Rowe Price Global Stock Fund
 - T. Rowe Price International Bond Fund
 - T. Rowe Price International Discovery Fund
 - T. Rowe Price International Growth & Income Fund
 - T. Rowe Price International Stock Fund
 - T. Rowe Price Japan Fund
 - T. Rowe Price Latin America Fund
 - T. Rowe Price New Asia Fund
 - T. Rowe Price Overseas Stock Fund
- T. Rowe Price International Index Fund, Inc.
 - T. Rowe Price International Equity Index Fund
- T. Rowe Price Media & Telecommunications Fund, Inc.
- T. Rowe Price Mid-Cap Growth Fund, Inc.
- T. Rowe Price Mid-Cap Value Fund, Inc.
- T. Rowe Price Multi-Sector Account Portfolios, Inc.
 - T. Rowe Price Emerging Markets Bond Multi-Sector Account Portfolio
 - T. Rowe Price Emerging Markets Local Multi-Sector Account Portfolio
 - T. Rowe Price Floating Rate Multi-Sector Account Portfolio

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- T. Rowe Price High Yield Multi-Sector Account Portfolio
- T. Rowe Price Investment-Grade Corporate Multi-Sector Account Portfolio
- T. Rowe Price Mortgage-Backed Securities Multi-Sector Account Portfolio
- T. Rowe Price New America Growth Fund
- T. Rowe Price New Era Fund, Inc.
- T. Rowe Price New Horizons Fund, Inc.
- T. Rowe Price New Income Fund, Inc.
- T. Rowe Price Personal Strategy Funds, Inc.
 - T. Rowe Price Personal Strategy Balanced Fund
 - T. Rowe Price Personal Strategy Growth Fund
 - T. Rowe Price Personal Strategy Income Fund
- T. Rowe Price Prime Reserve Fund, Inc.
- T. Rowe Price Real Assets Fund, Inc.
- T. Rowe Price Real Estate Fund, Inc.
- T. Rowe Price Reserve Investment Funds, Inc.
 - T. Rowe Price Government Reserve Investment Fund
 - T. Rowe Price Reserve Investment Fund
- T. Rowe Price Retirement Funds, Inc.
 - T. Rowe Price Retirement 2005 Fund
 - T. Rowe Price Retirement 2010 Fund
 - T. Rowe Price Retirement 2015 Fund
 - T. Rowe Price Retirement 2020 Fund
 - T. Rowe Price Retirement 2025 Fund
 - T. Rowe Price Retirement 2030 Fund
 - T. Rowe Price Retirement 2035 Fund
 - T. Rowe Price Retirement 2040 Fund
 - T. Rowe Price Retirement 2045 Fund
 - T. Rowe Price Retirement 2050 Fund
 - T. Rowe Price Retirement 2055 Fund
 - T. Rowe Price Retirement Income Fund
- T. Rowe Price Science & Technology Fund, Inc.
- T. Rowe Price Short-Term Bond Fund, Inc.
 - T. Rowe Price Ultra Short-Term Bond Fund
- T. Rowe Price Small-Cap Stock Fund, Inc.
- T. Rowe Price Small-Cap Value Fund, Inc.
- T. Rowe Price Spectrum Fund, Inc.
 - Spectrum Growth Fund
 - Spectrum Income Fund
 - Spectrum International Fund
- T. Rowe Price State Tax-Free Income Trust
 - Georgia Tax-Free Bond Fund
 - Maryland Short-Term Tax-Free Bond Fund
 - Maryland Tax-Free Bond Fund

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- Maryland Tax-Free Money Fund
- New Jersey Tax-Free Bond Fund
- New York Tax-Free Bond Fund
- New York Tax-Free Money Fund
- Virginia Tax-Free Bond Fund
- T. Rowe Price Strategic Income Fund, Inc.
- T. Rowe Price Summit Funds, Inc.
 - T. Rowe Price Summit Cash Reserves Fund
 - T. Rowe Price Summit GNMA Fund
- T. Rowe Price Summit Municipal Funds, Inc.
 - T. Rowe Price Summit Municipal Income Fund
 - T. Rowe Price Summit Municipal Intermediate Fund
 - T. Rowe Price Summit Municipal Money Market Fund
- T. Rowe Price Tax-Efficient Funds, Inc.
 - T. Rowe Price Tax-Efficient Equity Fund
- T. Rowe Price Tax-Exempt Money Fund, Inc.
- T. Rowe Price Tax-Free High Yield Fund, Inc.
- T. Rowe Price Tax-Free Income Fund, Inc.
- T. Rowe Price Tax-Free Short-Intermediate Fund, Inc.
 - T. Rowe Price Tax Free Ultra Short-Term Bond Fund
- T. Rowe Price U.S. Large-Cap Core Fund, Inc.
- T. Rowe Price U.S. Treasury Funds, Inc.
 - U.S. Treasury Intermediate Fund
 - U.S. Treasury Long-Term Fund
 - U.S. Treasury Money Fund
- T. Rowe Price Value Fund, Inc.

Variable Annuity Portfolios

- T. Rowe Price Equity Series, Inc.
 - T. Rowe Price Blue Chip Growth Portfolio
 - T. Rowe Price Equity Income Portfolio
 - T. Rowe Price Equity Index 500 Portfolio
 - T. Rowe Price Health Sciences Portfolio
 - T. Rowe Price Mid-Cap Growth Portfolio
 - T. Rowe Price New America Growth Portfolio
 - T. Rowe Price Personal Strategy Balanced Portfolio
- T. Rowe Price Fixed Income Series, Inc.
 - T. Rowe Price Limited-Term Bond Portfolio
 - T. Rowe Price Prime Reserve Portfolio
- T. Rowe Price International Series, Inc.
 - T. Rowe Price International Stock Portfolio

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T. Rowe Price Common Trust Funds

T. Rowe Price Institutional Common Trust Fund
T. Rowe Price U.S. Treasury Money Market Trust
T. Rowe Price Equity Index Trust
T. Rowe Price Bond Enhanced Index Trust
T. Rowe Price Short-Term Bond Index Trust
T. Rowe Price Capital Appreciation Trust
T. Rowe Price Growth & Income Trust
T. Rowe Price Growth Stock Trust
T. Rowe Price Equity Income Trust
T. Rowe Price New Horizons Trust
Retirement Strategy Trust-Balanced
T. Rowe Price Total Market Index Trust
International Common Trust Fund
Emerging Markets Equity Trust
Foreign Discovery Trust
T. Rowe Price Structured Research Common Trust Fund
T. Rowe Price Stable Value Common Trust Fund
T. Rowe Price Managed Bond Common Trust Fund
U.S. Small-Cap Stock Trust
Alaska Common Trust Fund
Alaska Aggregate Bond Trust
Alaska U.S. Equity Market Trust
Alaska GNMA Trust
Alaska Corporate/Government Trust
Alaska Large-Cap Trust
Alaska Small-Cap Trust
Alaska International Trust
Alaska Money Market Trust
Alaska Money Market Master Trust
Alaska Balanced Trust
Alaska Long- Term Balanced Trust
Alaska Target Retirement 2010 Trust
Alaska Target Retirement 2015 Trust
Alaska Target Retirement 2020 Trust
Alaska Target Retirement 2025 Trust
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Alaska Target Retirement 2040 Trust
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Alaska Target Retirement 2050 Trust
Alaska Target Retirement 2055 Trust

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- T. Rowe Price Retirement Date Trust
 - T. Rowe Price Retirement 2055 Trust
 - T. Rowe Price Retirement 2050 Trust
 - T. Rowe Price Retirement 2045 Trust
 - T. Rowe Price Retirement 2040 Trust
 - T. Rowe Price Retirement 2035 Trust
 - T. Rowe Price Retirement 2030 Trust
 - T. Rowe Price Retirement 2025 Trust
 - T. Rowe Price Retirement 2020 Trust
 - T. Rowe Price Retirement 2015 Trust
 - T. Rowe Price Retirement 2010 Trust
 - T. Rowe Price Retirement 2005 Trust
 - T. Rowe Price Retirement Income Trust
 - T. Rowe Price U.S. Equities Trust
 - T. Rowe Price Non-U.S. Equities Trust
 - T. Rowe Price Fixed Income Trust
 - T. Rowe Price Inflation Focused Bond Trust
 - T. Rowe Price Real Assets Trust
- T. Rowe Price Strategic Common Trust Fund
 - T. Rowe Price Structured Research Broad Market Trust
 - T. Rowe Price Intermediate Term Common Trust Fund
 - T. Rowe Price Short Term Common Trust Fund
 - T. Rowe Price Short-Intermediate Term Common Trust Fund
 - T. Rowe Price Blue Chip Growth Trust
 - T. Rowe Price Bond Trust I
 - T. Rowe Price Emerging Markets Bond Trust
 - T. Rowe Price Extended U.S. Equity Market Index Trust
 - T. Rowe Price International Bond Trust
 - T. Rowe Price International Core Equity Trust
 - T. Rowe Price International Growth Equity Trust
 - T. Rowe Price International Small-Cap Equity Trust
 - T. Rowe Price International Value Equity Trust
 - T. Rowe Price Real Assets Trust I
 - T. Rowe Price U.S. High Yield Trust
 - T. Rowe Price U.S. Inflation Focused Bond Trust
 - T. Rowe Price U.S. Mid-Cap Growth Equity Trust
 - T. Rowe Price U.S. Mid-Cap Value Equity Trust
 - T. Rowe Price U.S. Small-Cap Core Equity Trust
 - T. Rowe Price U.S. Small-Cap Value Equity Trust
 - T. Rowe Price U.S. Value Equity Trust
 - T. Rowe Price Retirement 2005 Active Trust
 - T. Rowe Price Retirement 2010 Active Trust
 - T. Rowe Price Retirement 2015 Active Trust

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- T. Rowe Price Retirement 2020 Active Trust
- T. Rowe Price Retirement 2025 Active Trust
- T. Rowe Price Retirement 2030 Active Trust
- T. Rowe Price Retirement 2035 Active Trust
- T. Rowe Price Retirement 2040 Active Trust
- T. Rowe Price Retirement 2045 Active Trust
- T. Rowe Price Retirement 2050 Active Trust
- T. Rowe Price Retirement 2055 Active Trust
- T. Rowe Price Retirement Income Active Trust
- T. Rowe Price Fixed Income Sector Trust
 - T. Rowe Price High Yield Sector Trust
 - T. Rowe Price Floating Rate Sector Trust
 - T. Rowe Price Investment Grade Corporate Sector Trust
 - T. Rowe Price Emerging Markets Local Currency Sector Trust
 - T. Rowe Price Emerging Markets Corporate/Sovereign Sector Trust

T. Rowe Price Offshore Funds

- T. Rowe Price Funds SICAV
 - Asian ex-Japan Equity Fund
 - EURO Corporate Bond Fund
 - European Equity Fund
 - European High Yield Bond Fund
 - Emerging Europe Equity Fund
 - Emerging Local Markets Bond Fund
 - European Smaller Companies Equity Fund
 - European Structured Research Equity Fund
 - European ex-UK Equity Fund
 - Global Aggregate Bond Fund
 - Global Equity Fund
 - Global Emerging Markets Bond Fund
 - Global Emerging Markets Corporate Bond Fund
 - Global Emerging Markets Equity Fund
 - Global Fixed Income Absolute Return Fund
 - Global High Yield Bond Fund
 - Global Large Cap Equity Fund
 - Global Natural Resources Equity Fund
 - Global Real Estate Securities Fund
 - Global Value Equity Fund
 - Japanese Equity Fund
 - Latin American Equity Fund
 - Middle East & Africa Equity Fund
 - US Aggregate Bond Fund

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- US Blue Chip Equity Fund
- US Large Cap Equity Fund
- US Large Cap Growth Equity Fund
- US Large Cap Value Equity Fund
- US Smaller Companies Equity Fund
- T. Rowe Price Kikantoushika-Muke Funds FCP
 - Asian Ex Japan Equity Fund
 - Global Equity
 - Global Ex-Japan Equity
 - Japanese Equity
 - US Investment Grade Corporate Bond
 - US Large-Cap Growth Equity Fund
 - US Structured Research
- T. Rowe Price Life Plan Income Fund
- T. Rowe Price Institutional Funds FCP
 - U.S. Structured Research Equity
 - Amplified Structured Research Strategy
- Australian Unit Trusts
 - T. Rowe Price Asia ex-Japan Fund
 - T. Rowe Price Australian Equity Fund
 - T. Rowe Price Global Equity Fund
 - T. Rowe Price Emerging Markets Equity Fund
- T. Rowe Price Investment Trust (Cayman Islands Unit Trust)
 - Emerging Markets Bond Fund

Document Content(s)

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155 FERC ¶ 62,199

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

T. Rowe Price Group, Inc.
T. Rowe Price Associates, Inc.
T. Rowe Price International Ltd,
T. Rowe Price (Canada), Inc.,
T. Rowe Price Trust Company,
T. Rowe Price (Luxembourg) Management S.ár.l.,
T. Rowe Price Singapore Private Ltd.,
T. Rowe Price Hong Kong Limited

Docket No. EC10-51-002

ORDER EXTENDING BLANKET AUTHORIZATIONS TO
ACQUIRE SECURITIES

(Issued June 10, 2016)

On March 3, 2016, T. Rowe Price Group, Inc. (TRPG); T. Rowe Price Associates, Inc. (TRP Associates); T. Rowe Price International Ltd.; T. Rowe Price (Canada), Inc.; T. Rowe Price Trust Company; T. Rowe Price (Luxembourg) Management S.ár.l.; T. Rowe Price Singapore Private Ltd., and T. Rowe Price Hong Kong Limited (collectively, Primary Applicants), and each of the mutual funds, common trust funds, and offshore funds sponsored by TRPG's subsidiaries or affiliates (collectively, TRP Entities) (collectively with Primary Applicants, Applicants) filed an application (Application) pursuant to section 203(a) of the Federal Power Act (FPA)¹ requesting that the Commission reauthorize and extend their existing blanket authorizations to acquire securities for a period of 3 years (Transaction). In the most recent of the Prior Orders cited below, the Commission granted the request for blanket authorization subject to certain conditions.² Applicants' blanket authorizations under that order expired on April 2, 2016.

Applicants state that none of the material facts relied upon by the Commission in the Prior Orders has changed, and the facts stated in the Applicants' prior filed application are incorporated herein by reference. As a result, the findings made in the

¹ 16 U.S.C. § 824b (2012).

² *T. Rowe Price Group, Inc.*, 119 FERC ¶62,048 (2007), *T. Rowe Price Group, Inc.*, 131 FERC ¶ 62,040 (2010), and *T. Rowe Price Group, Inc.*, 143 FERC ¶ 62,003 (2013) (Prior Orders).

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Prior Orders regarding competition, rates and regulation apply equally to this application. Furthermore, Applicants commit to continue to meet the terms of the Prior Orders not otherwise discussed in this application.

Applicants reaffirm that the blanket authorizations will not result in cross-subsidization of a non-utility associate company or pledge or encumbrance of utility assets for the benefit of an associate company. Applicants will be non-controlling, passive investors. Additionally, Applicants contend that, based on the facts and circumstances known to Applicants or that are reasonably foreseeable, the Transaction will not result in, now or in the future, any: (1) transfer of facilities between a traditional public utility associate company that has captive customers or that owns or provides transmission service over jurisdictional transmission facilities, and an associate company; (2) new issuance of securities by a traditional public utility associate company that has captive customers or that owns or provides transmission service over jurisdictional transmission facilities, for the benefit of an associate company; (3) new pledge or encumbrance of assets of a traditional public utility associate company that has captive customers or that owns or provides transmission service over jurisdictional transmission facilities, for the benefit of an associate company; or (4) new affiliate contract between a non-utility associate company and a traditional public utility associate company that has captive customers or that owns or provides transmission service over jurisdictional transmission facilities, other than non-power goods and services agreements subject to review under sections 205 and 206 of the FPA.

This filing was noticed on May 19, 2016, with comments, protests or interventions due on or before June 2, 2016. None were filed.

Information and/or systems connected to the bulk system involved in these transactions may be subject to reliability and cybersecurity standards approved by the Commission pursuant to FPA section 215. Compliance with these standards is mandatory and enforceable regardless of the physical location of the affiliates or investors, information database, and operating systems. If affiliates, personnel or investors are not authorized for access to such information and/or systems connected to the bulk power system, a public utility is obligated to take the appropriate measures to deny access to this information and/or the equipment/software connected to the bulk power system. The mechanisms that deny access to information, procedures, software, equipment, etc., must comply with all applicable reliability and cybersecurity standards. The Commission, North America Electric Reliability Corporation or the relevant regional entity may audit compliance with reliability and cybersecurity standards.

Order No. 652 requires that sellers with market-based rate authority timely report to the Commission any change in status that would reflect a departure from the

characteristics the Commission relied upon in granting market-based rate authority.³ To the extent that a transaction authorized under FPA section 203 results in a change in status, sellers that have market-based rates are advised that they must comply with the requirements of Order No. 652.

After consideration, it is concluded that the Transaction is consistent with the public interest and is hereby authorized for a period of three years, subject to the following conditions:

- (1) The Transaction is authorized upon the terms and conditions and for the purposes set forth in the Application;
- (2) No Applicant, individually, will own, control or hold 10 percent or more of the voting securities of any Utility, as defined in the Prior Orders. Collectively, Applicants will not own, control or hold more than 20 percent of the voting securities of any one Utility. If TRPG invests in the voting securities of any individual Utility for its own account, it will not own, control or hold more than one percent of the voting securities of such Utility;
- (3) A Primary Applicant (other than TRPG) will only acquire the securities of publicly-traded Utilities, as set forth in the Prior Orders, and each Applicant will maintain governing policies as set forth in the Prior Orders;
- (4) The authorization, which includes authorization for Additional Applicants (new mutual funds), expires three years from the date of this order, without prejudice to requests to extend the authorization;
- (5) The foregoing authorization is without prejudice to the authority of the Commission or any other regulatory body with respect to rates, service, accounts, valuation, estimates or determination of cost or any other matter whatsoever now pending or which may come before the Commission;
- (6) Nothing in this order shall be construed to imply acquiescence in any estimate or determination of cost or any valuation of property claimed or asserted;
- (7) The Commission retains authority under sections 203(b) and 309 of the FPA, to issue supplemental orders as appropriate;

³ *Reporting Requirement for Changes in Status for Public Utilities with Market-Based Rate Authority*, Order No. 652, FERC Stats. & Regs. ¶ 31,175, order on reh'g, 111FERC ¶ 61,413 (2005).

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- (8) Applicants shall file with the Commission contemporaneous with filing at the SEC the Schedule 13G filings made with the SEC that are relevant to the authorizations granted in this order. Any changes in the information provided on the initial Schedule 13G must be reflected in an annual amended filing due within 45 days of the end of each calendar year. Applicants shall file with the Commission any comment or deficiency letters received from the SEC that concern Schedule 13G-related compliance audits conducted by the SEC;
- (9) The Commission requires that when Additional Applicants are formed in the future for the purposes authorized in this order, that notice of such formation be filed with the Commission within 45 days from the date of formation; and
- (10) Applicants must inform the Commission within 30 days of any change in circumstances that would reflect a departure from the facts the Commission relied upon in authorizing the Transaction.

This action is taken pursuant to the authority delegated to the Director, Division of Electric Power Regulation – West under 18 C.F.R. § 375.307 (2015). This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order pursuant to 18 C.F.R. § 385.713 (2015).

Steve P. Rodgers
Director
Division of Electric Power Regulation - West

Document Content(s)

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167 FERC ¶ 62,145
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

T. Rowe Price Group, Inc.
T. Rowe Price Associates, Inc.
T. Rowe Price International Ltd
T. Rowe Price (Canada), Inc.
T. Rowe Price Trust Company
T. Rowe Price (Luxembourg) Management S.à.r.l.
T. Rowe Price Singapore Private, Ltd.
T. Rowe Price Hong Kong, Limited
T. Rowe Price Australia Limited
T. Rowe Price Japan, Inc.
T. Rowe Rice UK Limited
(collectively, Applicants)

Docket No. EC10-51-003

ORDER EXTENDING BLANKET AUTHORIZATIONS TO ACQUIRE SECURITIES

(Issued June 5, 2019)

On April 4, 2019, Applicants filed pursuant to section 203(a) of the Federal Power Act (FPA)¹ a request to extend their existing blanket authorizations to acquire securities for a period of three years (Proposed Transactions). Previously, the Commission granted the request for blanket authorizations subject to certain conditions.² Applicants explain that T. Rowe Price Australia Limited, T. Rowe Price Japan, Inc., and T. Rowe Price UK Limited became wholly owned subsidiaries of T. Rowe Price International, Inc. subsequent to the Prior Orders.

Applicants state that none of the material facts relied upon by the Commission in the Prior Orders has changed. As a result, the findings made in the Prior Orders regarding competition, rates and regulation are unchanged. Furthermore, Applicants commit to continue to meet the terms of the Prior Orders.

Applicants reaffirm that the blanket authorizations will not result in cross-

¹ 16 U.S.C. § 824b (2006).

² *T. Rowe Price Group, Inc.*, 119 FERC ¶62,048 (2007), *T. Rowe Price Group, Inc.*, 131 FERC ¶ 62,040 (2010), *T. Rowe Price Group, Inc.*, 143 FERC ¶ 62,003 (2013), *T. Rowe Price Group, Inc.*, 155 FERC ¶ 62,199 (2016), (Prior Orders).

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subsidization of a non-utility associate company or pledge or encumbrance of utility assets for the benefit of an associate company. Applicants will be non-controlling, passive investors. Additionally, Applicants contend that, based on the facts and circumstances known to Applicants or that are reasonably foreseeable, the Proposed Transactions will not result in, now or in the future, any: (1) transfer of facilities between a traditional public utility associate company that has captive customers or that owns or provides transmission service over jurisdictional transmission facilities, and an associate company; (2) new issuance of securities by a traditional public utility associate company that has captive customers or that owns or provides transmission service over jurisdictional transmission facilities, for the benefit of an associate company; (3) new pledge or encumbrance of assets of a traditional public utility associate company that has captive customers or that owns or provides transmission service over jurisdictional transmission facilities, for the benefit of an associate company; or (4) new affiliate contract between a non-utility associate company and a traditional public utility associate company that has captive customers or that owns or provides transmission service over jurisdictional transmission facilities, other than non-power goods and services agreements subject to review under sections 205 and 206 of the FPA.

This filing was noticed on April 4, 2019, with comments, protests or interventions due on or before April 25, 2019. None were filed.

Information and/or systems connected to the bulk system involved in these transactions may be subject to reliability and cybersecurity standards approved by the Commission pursuant to FPA section 215. Compliance with these standards is mandatory and enforceable regardless of the physical location of the affiliates or investors, information database, and operating systems. If affiliates, personnel or investors are not authorized for access to such information and/or systems connected to the bulk power system, a public utility is obligated to take the appropriate measures to deny access to this information and/or the equipment/software connected to the bulk power system. The mechanisms that deny access to information, procedures, software, equipment, etc., must comply with all applicable reliability and cybersecurity standards. The Commission, North American Electric Reliability Corporation or the relevant regional entity may audit compliance with reliability and cybersecurity standards.

When a controlling interest in a public utility is acquired by another company, whether a domestic company or a foreign company, the Commission's ability to adequately protect public utility customers against inappropriate cross-subsidization may be impaired absent access to the parent company's books and records. Section 301(c) of the FPA gives the Commission authority to examine the books and records of any person who controls, directly or indirectly, a jurisdictional public utility insofar as the books and records relate to transactions with or the business of such public utility. The approval of the Proposed Transaction is based on such examination ability.

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Order No. 652 requires that sellers with market-based rate authority timely report to the Commission any change in status that would reflect a departure from the characteristics the Commission relied upon in granting market-based rate authority.³ To the extent that a transaction authorized under FPA section 203 results in a change in status, sellers that have market-based rates are advised that they must comply with the requirements of Order No. 652.

After consideration, it is concluded that the Proposed Transactions are consistent with the public interest and are hereby authorized for a period of three years, subject to the following conditions:

- (1) The Proposed Transactions are authorized upon the terms and conditions and for the purposes set forth in the application;
- (2) No Applicant, individually, will own, control or hold 10 percent or more of the voting securities of any Utility, as defined in the Prior Orders. Collectively, Applicants will not own, control or hold more than 20 percent of the voting securities of any one Utility. If T. Rowe Price Group, Inc. (TRPG) invests in the voting securities of any individual Utility for its own account, it will not own, control or hold more than one percent of the voting securities of such Utility;
- (3) Applicants (other than TRPG) will only acquire the securities of publicly-traded Utilities, as set forth in the Prior Orders, and each Applicant will maintain governing policies as set forth in the Prior Orders;
- (4) The authorization expires three years from the date of this order, without prejudice to requests to extend the authorization;
- (5) The foregoing authorization is without prejudice to the authority of the Commission or any other regulatory body with respect to rates, service, accounts, valuation, estimates or determination of cost or any other matter whatsoever now pending or which may come before the Commission;
- (6) Nothing in this order shall be construed to imply acquiescence in any estimate or determination of cost or any valuation of property claimed or asserted;
- (7) The Commission retains authority under sections 203(b) and 309 of the FPA, to issue supplemental orders as appropriate;

³ *Reporting Requirement for Changes in Status for Public Utilities with Market-Based Rate Authority*, Order No. 652, 110 FERC ¶ 61,097, *order on reh'g*, 111 FERC ¶ 61,413 (2005).

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- (8) Applicants shall file with the Commission contemporaneous with filing at the SEC the Schedule 13G filings made with the SEC that are relevant to the authorizations granted in this order. Any changes in the information provided on the initial Schedule 13G must be reflected in an annual amended filing due within 45 days of the end of each calendar year. Applicants shall file with the Commission any comment or deficiency letters received from the SEC that concern Schedule 13G-related compliance audits conducted by the SEC;
- (9) The Commission requires that when additional Applicants are formed in the future for the purposes authorized in this order, that notice of such formation be filed with the Commission within 45 days from the date of formation; and
- (10) Applicants must inform the Commission within 30 days of any change in circumstances that would reflect a departure from the facts the Commission relied upon in authorizing the Proposed Transaction.

This action is taken pursuant to the authority delegated to the Director, Division of Electric Power Regulation – West, under 18 C.F.R. § 375.307 (2018). This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order, pursuant to 18 C.F.R. § 385.713 (2018).

Carlos D. Clay, Acting Director
Division of Electric Power
Regulation – West

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