

148 FERC ¶ 61,112
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

August 11, 2014

In Reply Refer To:
Southern California Edison Company
California Independent System Operator
Corporation
Docket Nos. ER12-1302-000
ER12-1305-000
(Consolidated)
ER12-1312-000

Hogan Lovells US LLP
555 Thirteenth Street, NW
Washington, DC 20004

Attention: Robert B. Wolinsky

Dear Mr. Wolinsky:

1. On December 18, 2013, you filed in the above referenced proceedings, two settlement agreements (Settlements). The first settlement was filed in Docket Nos. ER12-1302-000 and ER12-1305-000, on behalf of California Independent System Operator Corporation (CAISO), Southern California Edison Company (SoCal Edison), and Nevada Hydro Company, Inc. (Nevada Hydro) (the SoCal Edison Settlement) concerning a Large Generator Interconnection Agreement (LGIA) between Nevada Hydro, SoCal Edison, and CAISO. The second settlement was filed in Docket No. ER12-1312-000 on behalf of CAISO, San Diego Gas & Electric Company (SDG&E), and Nevada Hydro (the SDG&E Settlement) concerning an LGIA between Nevada Hydro, SDG&E, and CAISO. Both LGIAs govern interconnection service for Nevada Hydro's Lake Elsinore Advanced Pump Storage (LEAPS) project to the CAISO-controlled grid. The LEAPS project involves two components: a pumped hydro storage facility and a transmission line that runs north/south between SDG&E's transmission system and SoCal Edison's transmission system.

2. Trial Staff and CAISO filed comments on January 7, 2014, and January 17, 2014, respectively, supporting the Settlements. On February 21, 2014, the Settlement Judge certified the Settlements in Docket Nos. ER12-1302-000, ER12-1305-000, and ER12-1312-000.

3. The SoCal Edison Settlement resolves all issues that were set for hearing in Docket Nos. ER12-1302-000 and ER12-1305-000, and the SDG&E Settlement resolves all issues that were set for hearing in Docket No. ER12-1312-000.¹ The Settlements appear to be fair, reasonable, and in the public interest and are hereby approved, subject to the conditions described below. The Commission's approval of the Settlements does not constitute approval of, or precedent regarding, any principle or issue in these proceedings. Article IV of the SDG&E Settlement and Section 2 of the SoCal Edison Settlement provide that the standard of review for changes to the Settlements will be the "public interest" application of the just and reasonable standard. The applicable standard of review for proposed changes to the Settlements by a non-Settling Party, a non-party, or the Commission acting *sua sponte* shall be the ordinary just and reasonable standard of review under the FPA sections 205 and 206 (not the public interest standard).

4. The SoCal Edison Settlement explains that provisions of the Revised SoCal Edison LGIA are substantially similar to those contained in the Commission's *pro forma* LGIA. However, the Settling Parties agreed that Nevada Hydro shall not have the right to suspend work as contemplated by Section 5.16 of the *pro forma* LGIA, and thus Section 5.16 of the Revised SoCal Edison LGIA has been left blank. Additionally, the SoCal Edison Settlement notes that due to eTariff requirements and the effective date of a previous amendment to the SoCal Edison LGIA (January 1, 2013), two separate versions of the Revised SoCal Edison LGIA must be filed on compliance: one for the time period August 11, 2012 – December 31, 2012; and one with an effective date of January 1, 2013. Thus, in order to effectuate the SoCal Edison Settlement, we direct CAISO or SoCal Edison to submit a compliance filing in the e-Tariff format required by Order No. 714, within 30 days of the date of this order.²

5. The SDG&E Settlement provides that the parties will resume using the rates, terms and conditions as noted in the LGIA between SDG&E, CAISO and Nevada Hydro, filed on March 11, 2008, under Docket No. ER08-654-000 (2008 LGIA). Thus, in order to implement the SDG&E Settlement, we direct CAISO to submit a compliance filing to file the 2008 LGIA in the e-Tariff format required by Order No. 714, within 30 days of the date of this order.

¹ *So. Calif. Edison Co.*, 140 FERC ¶ 61,117 (2012).

² CAISO should make its compliance filing in eTariff using the following coding: Type of Filing Code 80 – Compliance.

6. This letter terminates Docket Nos. ER12-1302-000, ER12-1305-000, and ER12-1312-000.

By direction of the Commission.

Kimberly D. Bose,
Secretary.