

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

California Independent System Operator Corporation	)	Docket No. ER98-211-000
	)	
California Power Exchange Corporation	)	Docket No. ER98-210-000
	)	and ER98-1729-000
	)	
Southern California Edison Company	)	Docket No. ER98-462-000
	)	
Pacific Gas & Electric Company	)	Docket No. ER98-556-000
	)	and ER98-557-000

**MOTION TO CHIEF ADMINISTRATIVE LAW JUDGE TO  
PARTIALLY CONSOLIDATE PROCEEDINGS  
FOR PURPOSES OF SETTLEMENT AND TO SUSPEND  
PROCEDURAL SCHEDULES**

To: The Honorable Curtis L. Wagner, Jr.  
Chief Administrative Law Judge

Pursuant to Rules 212 and 503 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.212 and 385.503 (1997), the California Independent System Operator (ISO) hereby files this motion to consolidate certain issues in certain proceedings for the purpose of settlement. In addition, the ISO moves to immediately suspend the procedural schedules in ER98-211-000 (Phase II), ER98-556-000, ER98-557-000 and ER98-462-000. With this motion, the ISO is also filing its Offer of Settlement and a Motion to Shorten Response Time on Settlement Comments to ten days. If approved by the Commission, the Offer of Settlement filed herewith will resolve all issues presented in Docket Nos. ER98-211-000 and ER98-462-000, and will partially resolve the issues in ER98-210-000, ER98-1729-000, ER98-556-000, and ER98-557-000. Because the dates for intervenor testimony in Docket Nos. ER98-462-000, ER98-556-000 and ER98-557-000 are less than ten days away, parties request immediate action on this motion to suspend the procedural schedules.

**California Independent System Operator Corporation, Docket No. ER98-211-000;**  
**California Power Exchange Corporation, Docket Nos. ER98-210-000 and ER98-1729-000:**

On October 17, 1997, the ISO submitted a rate filing with the Federal Energy Regulatory Commission (Commission) seeking approval of its Grid Management Charge (GMC), pursuant to Section 205 of the Federal Power Act and Section 35.13 of the Commission's regulations, 18 C.F.R. § 35.13 (1997) (October 17, 1997 rate filing). The ISO's rate filing was designated as ER98-211-000. Also on October 17, 1998, the California Power Exchange Corporation (PX) filed for, among other things, approval of its PX Administration Charge. The PX Administration Charge proceeding was designated as ER98-210-000. On December 17, 1997, the Commission consolidated and set Docket Nos. ER98-211-000 and ER98-210-000 for hearing.

On January 9, 1998, the Chief Administrative Law Judge held a prehearing conference and set a procedural schedule to govern these proceedings. The procedural schedule provided for separate hearings on the PX Administration Charge (Phase I) and the ISO's GMC rate filing (Phase II). Phase I of the proceedings included one issue that was common to both the ISO and the PX, relating to the proper allocation between the ISO and PX of certain start up and development costs.<sup>1</sup> On January 26, 1998, the Chief Judge designated Administrative Law Judge Warren H. Albrecht as the Presiding Judge in these proceedings. On January 30, 1998, the PX filed an amendment to its rate filing, which was designated as Docket No. ER98-1729-000. The Commission set the amendment for hearing on March 30, 1998 and consolidated it with the ER98-210-000 proceeding. The procedural schedule in Phase II requires the ISO to file supplemental

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<sup>1</sup> The ISO and PX filed joint testimony on this issue in Phase I on January 30, 1998.

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testimony in Phase II on May 1, 1998, and a hearing in Phase II is currently scheduled for October 20, 1998.

**Southern California Edison Company, Docket No. ER98-462-000:**

On October 31, 1997, Southern California Edison Company (SoCal Edison) made a filing in Docket No. ER98-462-000 to pass through to its wholesale customers SoCal Edison's share of the ISO's GMC charge and the PX's full requirements volumetric Administration Charge. On December 17, 1997, the Commission set this proceeding for hearing. On January 9, 1998, the Chief Judge established a procedural schedule, with a hearing date of September 1, 1998 and designated Administrative Law Judge Herbert Grossman, as the Presiding Judge. Intervenor testimony is currently due on April 8, 1998.

**Pacific Gas and Electric Company, Docket Nos. ER98-556-000 and ER98-557-000:**

On October 31, 1997, Pacific Gas and Electric Company (PG&E) filed a proposed formula rate in Docket No. ER98-556-000 to recover from certain existing customers a portion of the GMC. In Docket No. ER98-557-000, PG&E filed a proposed formula rate to recover a portion of the PX Administration Charge from existing wholesale customers. On December 17, 1997, the Commission set both of these filings for hearing. On January 9, 1998, the Chief Judge established a procedural schedule with a hearing date set for October 13, 1998. On January 13, 1998, the Chief Judge designated Administrative Law Judge Lawrence Brenner as the Presiding Judge in these proceedings. Currently, Intervenor testimony is due on April 15, 1998.

**Discussion**

The parties and the Commission Trial Staff have had several settlement conferences in an attempt to resolve many of the issues presented by the filings in the captioned dockets. The ISO's Offer of Settlement filed herewith was drafted after extensive negotiations between the ISO, Commission Trial Staff and active intervenors. As provided in Rule 503 of the Commission's regulations, the ISO requests that the Chief Judge consolidate the issues addressed in the Offer of Settlement for the purpose of settlement. In addition, because of the approaching dates for filing testimony in these proceedings, the ISO requests that the Chief Judge suspend the procedural schedules with respect to the consolidated issues. Specifically, the ISO requests that the Chief Judge:

1. Consolidate the following issues and/or proceedings:
  - all of Phase II in Docket No. ER98-211-000 (Judge Albrecht);
  - the issue regarding the joint allocation of start up and development costs between the ISO and PX, which was the subject of joint ISO/PX testimony filed on January 30, 1998, in Phase I of Docket No. ER98-211-000, ER98-210-000 and ER98-1729-000 (Judge Albrecht);<sup>2</sup>
  - all issues in Docket No. ER98-462-000 (Judge H. Grossman); and
  - all issues in Docket Nos. ER98-556-000 and ER98-557-000 for 1998 (Judge Brenner).
2. Immediately suspend the procedural schedules in the following proceedings:
  - Phase II of Docket Nos. ER98-211-000, *et al.* (Judge Albrecht);

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<sup>2</sup> All other issues in Docket Nos. ER98-210-000 and ER98-1729-000 are not resolved in the instant Settlement and are not subject to the motion to consolidate.

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- Docket No. ER98-462-000 (Judge H. Grossman);
- Docket Nos. ER98-556-000 and ER98-557-000 (Judge Brenner).

Consolidation of these dockets will allow the Chief Judge to certify to the Commission issues from three different proceedings before three separate Presiding Judges. In addition, suspension of the procedural schedules will enable the parties to avoid the time and expense of preparing unneeded testimony. The ISO can represent that no party on the restricted service list in these proceedings nor the Commission's Trial Staff opposes this motion.

WHEREFORE, the ISO respectfully requests that the Chief Judge consolidate the issues and/or proceedings for the purpose of settlement and immediately suspend the procedural schedules as described above.

Respectfully submitted,

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