

UNITED STATES OF AMERICA 81 ferc ¶ 62, 210
FEDERAL ENERGY REGULATORY COMMISSION

Pacific Gas and Electric Company) Docket No. EC98-12-000
San Diego Gas & Electric Company)
Southern California Edison)
Company

ORDER AUTHORIZING TRANSFER OF OPERATIONAL
CONTROL OF JURISDICTIONAL FACILITIES

(Issued December 17, 1997)

On October 27, 1997, as completed on October 28, 1997, Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company (collectively, Applicants), filed a joint application pursuant to section 203 of the Federal Power Act (FPA) 1/ for Commission authorization to transfer operational control (but not ownership) of certain portions of the Applicants' communications infrastructure, power system monitoring and control systems, computers and computer software (Energy Management Facilities and Systems) to the California Independent System Operator Corporation (ISO). Applicants state that the instant application is related closely to the pending proceedings before the Commission in Docket Nos. EC96-19-000, et al. In those proceedings, Applicants have requested Commission approval of the establishment of the ISO and a Power Exchange as part of the restructuring of the electric industry in California and authorization to transfer operational control over transmission lines and associated facilities to the ISO. 1/ Applicants state that the transfer of the Energy Management Facilities and Systems that is the subject of the instant application was not submitted with the previous applications because the specific equipment that would be used by the ISO had not yet been determined. 1/

1/ 16 U.S.C. § 824b (1994).

2/ See, Pacific Gas and Electric Company, et al., Order Conditionally Authorizing Establishment Of An Independent System Operator and Power Exchange, Conditionally Authorizing Transfer Of Facilities To An Independent System Operator And Providing Guidance, 77 FERC ¶ 61,204 (1996) and Order Conditionally Authorizing Limited Operation Of An Independent System Operator And Power Exchange, Conditionally Authorizing Transfer Of Control Of Facilities On An Interim Basis To An Independent System Operator, Granting Reconsideration, Addressing Rehearings, Establishing Procedures And Providing Guidance, 81 FERC ¶ 61,122 (1997).

3/ Application at 2.

Notice of the application was published in the Federal Register with comments due on or before November 26, 1997. On November 20, 1997, the Public Utilities Commission of the State of California (California Commission) filed a notice of intervention.

Timely motions to intervene were filed by Imperial Irrigation District, Turlock Irrigation District, the California Manufacturers Association, the Metropolitan Water District of Southern California, Electric Clearinghouse, Inc., Energy Producers and Users Coalition, Texaco Natural Gas Inc., the City and County of San Francisco, Amoco Production Company and Amoco Energy Trading Corporation, Cogeneration Association of California, Northern California Power Agency, the Member Systems of the New York Power Pool 1/ and the Cities of Anaheim, Colton and Riverside, California and Azusa and Banning, California (collectively Intervenors). On December 15, 1997, the Independent Energy Producers Association (IEPA) filed an untimely motion to intervene. None of the comments raise any substantive issues.

Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 1/ Intervenors' timely unopposed motions to intervene and California Commission's notice of intervention serves to make them parties to this proceeding. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 1/ for good cause shown, IEPA is granted party status.

After consideration, it is concluded that the transfer of operational control over Applicants' Energy Management Facilities and Systems to the ISO is consistent with the public interest and is authorized subject to the outcome of the proceedings in Docket Nos. EC96-19-000, et al., and subject to the following conditions:

- (1) The proposed transaction is authorized upon the terms and conditions and for the purposes set forth in the application;
- (2) The foregoing authorization is without prejudice to the authority of the Commission or any other regulatory body

4/ The Member Systems of the New York Power Pool are Central Hudson Gas & Electric Corporation, Consolidated Edison Company of New York, Inc., Long Island Lighting Company, New York Power Authority, New York State Electric & Gas Corporation, Niagara Mohawk Power Corporation, Orange and Rockland Utilities, Inc., and Rochester Gas and Electric Corporation.

5/ 18 C.F.R. § 385.214(a)(2) and (c)(1) (1997).

6/ 18 C.F.R. § 385.214(d).

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with respect to rates, service, accounts, valuation, estimates or determinations of cost or any other matter whatsoever now pending or which may come before the Commission;

- (3) 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; and
- (4) The Commission expressly reserves the right, pursuant to sections 203(b) and 309 of the Federal Power Act, to place further conditions on the transfer for good cause shown.

Authority to act on this matter is delegated to the Director, Division of Opinions and Corporate Applications, pursuant to 18 C.F.R. § 375.308. This order constitutes final agency action. Requests for rehearing by the Commission may be filed within thirty (30) days of the date of issuance of this order, pursuant to 18 C.F.R. § 385.713.

Robert E. Cackowski
Director, Division of Opinions
and Corporate Applications