

FEDERAL ENERGY REGULATORY COMMISSION 93 FERC ¶ 61,089  
WASHINGTON, D.C. 20426

October 26, 2000

In Reply Refer To:

Docket Nos. ER98-441-022, ER98-2550-005,  
ER98-495-018, ER98-1614-008,  
ER98-2145-008, ER98-2668-011,  
ER98-2669-010, ER98-4296-008,  
ER98-4300-008, ER98-496-011,  
ER98-2160-009, ER99-1127-009,  
and ER99-1128-009

Swidler Berlin Shereff Friedman, LLP  
Attn: Edward Berlin, Esquire  
Attorney for California Independent  
System Operator Corporation  
3000 K Street, N.W. Suite 300  
Washington, D.C. 20007-5116

Dear Mr. Berlin:

On August 14, 2000, you filed a settlement agreement among the California Independent System Operator Corporation (ISO), Cabrillo Power I LLC, Cabrillo Power II LLC (collectively, Cabrillo), Duke Energy Moss Landing LLC, Duke Energy Oakland LLC, Duke Energy South Bay LLC (collectively, Duke Energy), El Segundo Power, LLC (El Segundo), Pacific Gas and Electric Company (PG&E), Reliant Energy Etiwanda, LLC, Reliant Energy Mandalay, LLC (collectively, Reliant), Southern Energy Delta, L.L.C., Southern Energy Potrero, L.L.C. (collectively, Southern Energy), and Williams Energy Marketing and Trading Company (Williams) in the above-referenced dockets. San Diego Gas & Electric Company (SDG&E), the California Electricity Oversight Board (EOB) and Southern California Edison Company (SCE) joined the settlement as additional sponsoring parties. Geysers Power Company, LLC (Geysers) joined the settlement as to the resolution of Section C.17 issues only (all other issues specific to Geysers were resolved in a settlement filed with the Commission on July 1, 1999). Initial comments were filed on September 5, 2000, by Geysers Power Company (Geysers), the Public Utilities Commission of the State of California (California Commission), and by the Trial Staff of the Federal Energy Regulatory Commission (Commission Trial Staff). This settlement resulted from a settlement process convened by a Settlement Judge designated to work with the parties to resolve issues in the case. The Commission Staff filed reply comments on September 20, 2000. On October 5, 2000, the Chief Judge certified the settlement to the Commission as an uncontested settlement.

Docket No. ER98-441-022, et al.

The subject settlement is in the public interest and is hereby approved. The Commission's approval of this settlement does not constitute approval of, or precedent regarding, any principle or issue in this proceeding. The Commission retains the right to investigate the rates, terms and conditions under the just and reasonable and not unduly discriminatory or preferential standard of Section 206 of the Federal Power Act, 16 U.S.C. § 824e (1994).

Within thirty (30) days from the date of this letter, each affected Reliability Must-Run (RMR) owner must file individual revised rate schedules consistent with the terms of this settlement. All filings must be in compliance with Order No. 614, 90 FERC ¶ 61,352 (2000). Specifically, Order No. 614 requires that all rate schedule sheets (i.e., tariff sheets, rate schedules, and service agreements) submitted to the Commission after June 1, 2000, be designated.

Any amounts collected in excess of the settlement rates shall be refunded together with interest computed under section 35.19a of the Commission's regulations, 18 C.F.R. § 35.19a (2000), in accordance with the terms of the settlement. Within thirty (30) days after making such refunds, the RMR owners shall file with this Commission a compliance report showing monthly billing determinants, revenue receipt dates, revenues under the prior, present, and settlement rates, the monthly revenue refund, and the monthly interest computed, together with a summary of such information for the total refund period. The RMR owners shall furnish copies of the report to the ISO, and as applicable, PG&E, SCE, and SDG&E (collectively, IOUs) and to each state commission within whose jurisdiction the IOUs distribute and sell electric energy at retail.

This letter terminates Docket Nos. ER98-441-022, ER98-2550-005, ER98-495-018, ER98-1614-008, ER98-2145-008, ER98-2668-011, ER98-2669-010, ER98-4296-008, ER98-4300-008, ER98-496-011, ER98-2160-009, ER99-1127-009, and ER99-1128-009.

Docket No. ER98-441-022, et al.

By direction of the Commission.

Linwood A. Watson, Jr.,  
Acting Secretary.

cc: All Parties

California Public Utilities Commission  
Headquarters Office  
505 Van Ness Avenue  
San Francisco, California 94102