

102 FERC ¶ 61, 153
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Pat Wood, III, Chairman;
William L. Massey, and Nora Mead Brownell.

City of Azusa, California	Docket No. EL03-14-001
City of Anaheim, California	Docket No. EL03-15-001
City of Riverside, California	Docket No. EL03-20-001
City of Banning, California	Docket No. EL03-21-001
City of Vernon, California	Docket No. EL00-105-007
California Independent System Operator Corporation	Docket No. ER00-2019-007

ORDER GRANTING CLARIFICATION

(Issued February 6, 2003)

1. On January 7, 2003, the City of Azusa, California, the City of Anaheim, California the City of Riverside, California and the City of Banning, California (Southern Cities) filed a motion for clarification or, in the alternative, request for rehearing of the Commission's December 23, 2002 order (December 23 Order).¹ As discussed below, the Commission grants the request for clarification.
2. On October 18, 2002, the Cities of Azusa and Anaheim filed petitions for a declaratory order by the Commission determining, among other things, that their TRRs, as approved by their respective rate setting body, are proper for the purpose of their becoming Participating Transmission Owners (PTOs) in the California Independent

¹City of Azusa, et al., 101 FERC ¶ 61,352 (2002).

System Operator Corporation (CAISO).² The petitioners asserted that, upon becoming PTOs, they would turn operational control of their transmission entitlements over to the CAISO and would be reimbursed by the CAISO based on their TRRs through the CAISO's collection of its Transmission Access Charge (TAC) and Wheeling Access Charge rates for transmission service provided to the CAISO's customers. On October 29, 2002, the Cities of Riverside and Banning filed similar petitions requesting the same relief.

3. In the December 23 Order, the Commission found that Southern Cities' petitions raised similar issues and also raised issues similar to those being addressed in an order in City of Vernon, which was issued concurrently with the December 23 Order.³ In City of Vernon, the Commission initiated settlement proceedings to provide the parties the opportunity to resolve the matters at issue. The Commission in the December 23 Order therefore initiated settlement proceedings with respect to the four petitions filed by Southern Cities, and consolidated those proceedings with the proceeding in City of Vernon for purposes of settlement.⁴

4. On January 7, 2003, Southern Cities filed their motion for clarification or, in the alternative, request for rehearing of the December 23 Order. Specifically, Southern Cities request that, since they have transferred operational control over their transmission facilities and entitlements to the CAISO effective as of January 1, 2003, their proposed TRRs should be permitted to become effective on January 1, 2003, subject to refund and the outcome of the proceedings directed by the December 23 Order. Southern Cities submit that they assumed the Commission intended this result but that the December 23 Order did not make any explicit statement regarding the effective date of the TRR filings. Southern Cities therefore request that the Commission clarify the December 23 Order by stating explicitly that their TRR filings are effective, subject to refund and the outcome of the proceedings directed in the December 23 Order, as of January 1, 2003.

²On November 25, 2002, the CAISO filed a superseding Transmission Control Agreement (TCA) in Docket No. ER03-219-000 and requested the superceding TCA be effective January 1, 2003. On January 24, 2003, the Commission, in California Independent System Operator Corporation, 102 FERC ¶ 61,061 (2003), conditionally accepted the superceding TCA to become effective January 1, 2003.

³See City of Vernon, California and California Independent System Operator Corporation, 101 FERC ¶ 61,353 (2002).

⁴City of Azusa, et al., 101 FERC at 62,482, P12.

Docket No. EL03-14-001, et al.

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5. The Commission grants Southern Cities' request for clarification. Accordingly, the Commission clarifies that Southern Cities' TRR filings, which include both the proposed TRR and TO Tariff for each of the Southern Cities, are, as requested by Southern Cities, effective January 1, 2003, subject to refund and the outcome of the proceedings directed in the December 23 Order.

The Commission orders:

Southern Cities' motion for clarification is granted, as discussed in the body of this order.

By the Commission.

(S E A L)

Magalie R. Salas,
Secretary.