

144 FERC ¶ 61,106
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

August 5, 2013

In Reply Refer To:
San Diego Gas & Electric Company
Docket Nos. ER12-2454-002
ER12-2454-000
ER12-2454-001

San Diego Gas & Electric Company
101 Ash Street
San Diego, CA 92101

Attn: Georgetta J. Baker, Esq.
James F. Walsh, Esq.

Dear Ms. Baker and Mr. Walsh:

1. San Diego Gas & Electric Company (SDG&E) filed an Offer of Settlement and Settlement Agreement in Docket Nos. ER12-2454-000 and ER12-2454-001 on May 10, 2013 (Offer of Settlement).¹ This partial settlement resolves all but one issue set for hearing in the December 31, 2012 Commission Order on Annual Formula Rate Filing and Establishing Hearing and Settlement Judge Procedures in Docket Nos. ER12-2454-000 and ER12-2454-001.² That order addressed SDG&E's August 15, 2012 Transmission Owner formula rate informational filing (required by a previous settlement³) and October 2, 2012 supplemental filing.

2. The Offer of Settlement adjusts SDG&E's wholesale and retail Base Transmission Revenue Requirements to reflect expensing fire mitigation and post-construction environmental costs associated with SDG&E's Sunrise Powerlink Project. The Offer of

¹ SDG&E filed a modifying Errata to Offer of Settlement on May 14, 2013.

² *San Diego Gas & Electric Company*, 141 FERC ¶ 61,273 (2012). The unresolved issue pertains to whether SDG&E may recover approximately \$23 million in third-party wildfire-related costs from ratepayers.

³ *San Diego Gas & Electric Company*, 119 FERC ¶ 61,169 (2007).

Settlement also provides that an engineering review process will be established, the details of which will be negotiated as a part of a settlement pertaining to SDG&E's Fourth rate mechanism in Docket No. ER13-941-000. SDG&E, Commission Trial Staff and California Public Utilities Commission filed initial comments on May 20, 2013, supporting the Offer of Settlement as a resolution of all but one issue set for hearing in the December 31, 2012 order. No other comments were filed. The designated settlement judge certified the Offer of Settlement to the Commission as uncontested on June 7, 2013.

3. The Offer of Settlement is in the public interest and is hereby approved. Commission approval of the Offer of 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 (2006).
4. The refunds provided for in the Offer of Settlement must be carried out pursuant to the timeframe therein specified. Within fifteen (15) days after making such refunds, SDG&E shall file with this Commission a compliance report showing monthly billing determinants; revenue receipt dates; revenues under the prior, present and settlement rates; and the revenue refund, together with a summary of such information for the total refund period. SDG&E shall furnish copies of the report to the affected customers and to each state commission within the jurisdiction the customers distribute and sell.
5. As stated by the order of the Chief Judge establishing Docket No. ER12-2454-003, appointing a presiding judge in that docket, and establishing procedural timelines for the hearing, Docket Nos. ER12-2454-000 and ER12-2454-001 are hereby terminated. Further, Settlement Docket No. ER12-2454-002 is also hereby terminated.

By direction of the Commission.

Kimberly D. Bose,
Secretary.

Document Content(s)

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