

131 FERC ¶ 61,268  
FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, D.C. 20426

June 25, 2010

In Reply Refer To:  
Southern California Edison Company  
Docket Nos. ER10-805-000 and ER10-  
1112-000

Southern California Edison Company  
P.O. Box 800  
2244 Walnut Grove Ave.  
Rosemead, CA 91770

Attention: James A. Cuillier  
Director of FERC Rates & Regulation

Reference: Standard Large Generator Interconnection Agreement

Dear Mr. Cuillier:

1. On February 26, 2010, as supplemented on May 14, 2010, Southern California Edison (SoCal Edison) filed a Large Generation Interconnection Agreement (LGIA) among SoCal Edison, Alta Wind I, LLC, Alta Wind II, LLC, Alta Wind III, LLC, Alta Wind VI, LLC (collectively, Interconnection Customer I), Alta Interconnection Management, LLC (as agent for Interconnection Customer I) and the California Independent System Operator Corporation (CAISO) in Docket No. ER10-805-000. On April 28, 2010, SoCal Edison filed a similar LGIA among SoCal Edison, Alta Windpower Development, LLC, Alta Wind IV, LLC, Alta Wind V, LLC, and Alta Wind VIII, LLC (collectively, Interconnection Customer II), Alta Interconnection Management II, LLC (as agent for Interconnection Customer II), and the CAISO in Docket No. ER10-1112-000.

2. SoCal Edison states that through various transfers and assignments, rights to interconnect a 600 MW wind generating facility and 550 MW wind generating facility to SoCal Edison's transmission system were assigned to Interconnection

Customer I and Customer II, respectively. The proposed LGIAs utilize the CAISO's *pro forma* LGIA and specify the terms and conditions, pursuant to which SoCal Edison will construct, own, operate and maintain the Participating Transmission Owners' (TO) Interconnection Facilities and Network Upgrades, and the Interconnection Customers will pay for such facilities. SoCal Edison requests that the Commission accept the LGIAs for filing, effective February 27, 2010 and April 29, 2010.

3. In both Dockets, SoCal Edison states that Network Upgrades, as described in section 2 of Appendix A to the LGIA, are part of SoCal Edison's Tehachapi Renewable Transmission Project (Tehachapi Project). SoCal Edison has committed to upfront fund the cost of these Network Upgrades rather than require that the Interconnection Customer fund them and then later receive reimbursement.

4. On April 14, 2010, pursuant to 18 C.F.R. § 375.307 (2009), Commission staff issued a letter seeking additional information relating to SoCal Edison's filing in Docket No. ER10-805-000. Commission staff's letter noted the existence of the termination charge provisions in the Standard LGIA,<sup>1</sup> and further referenced SoCal Edison's full abandoned plant cost recovery in connection with the Tehachapi Project.<sup>2</sup> Commission staff asked SoCal Edison to explain how the provisions in the Standard LGIA interact with the abandoned plant recovery provisions.

5. On May 14, 2010, SoCal Edison filed its response to the request. In its submittal, SoCal Edison states that even if this Interconnection Customer terminated the LGIA prior to the Commercial Operation Date, the termination charges pursuant to article 2.4 of the LGIA would apply only to the Participating TO's Interconnection Facilities and not to any of the Distribution Upgrades and Network Upgrades. SoCal Edison maintains that any termination charges would be filed with the Commission for its approval prior to any billings to the Interconnection Customer for any such charges.

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<sup>1</sup> The Standard LGIA, as filed, has two provisions, article 2.4 and Appendix A, section 12(a) that provide for the Interconnection customer to pay all termination charges.

<sup>2</sup> SoCal Edison has previously received full abandoned plant cost recovery for the Tehachapi Project. See *Southern California Edison Co.*, 112 FERC ¶ 61,014, at P 65 (2005), and *Southern California Edison Co.*, 121 FERC ¶ 61,168, at P 71 (2007).

6. Notices of SoCal Edison's initial filing and supplement in Docket No. ER10-805-000 was published in the *Federal Register*, 75 Fed. Reg. 11162 (2010) and 75 Fed. Reg. 29529 (2010), with comments, protests, or motions to intervene due on or before March 19, 2010 and May 28, 2010, respectively. Notice of SoCal Edison's filing in Docket No. ER10-1112-000 was published in the *Federal Register*, 75 Fed. Reg. 24688 (2010), with comments, protests, or motions to intervene due on or before May 19, 2010. No protests or comments were filed.

7. The LGIA in Docket No. ER10-1112-000 contains the same termination cost provisions as the LGIA in Docket No. ER10-805-000. Also, SoCal Edison is eligible for full abandoned plant recovery in connection with the LGIA in Docket No. ER10-1112-000. Accordingly, it appears that, even if this Interconnection Customer terminated the LGIA prior to the Commercial Operation Date, the termination charges pursuant to article 2.4 of the LGIA would apply only to the Participating TO's Interconnection Facilities and not to any Distribution Upgrades or Network Upgrades. Appendix A to both LGIAs (Interconnection Facilities, Network Upgrades and Distribution Upgrades) indicate that there are no Distribution Upgrades necessary.

8. The Commission accepts the proposed LGIAs, subject to the condition that SoCal Edison revise article 2.4 to remove language that suggests that Alta Wind could face termination charges related to Distribution Upgrades or Network Upgrades. SoCal Edison has received full abandoned plant recovery for any prudently incurred costs related to the Tehachapi Project. As a result and consistent with SoCal Edison's May 14, 2010 response, the Interconnection Customers would be responsible only for termination charges related to Interconnection and not Network Upgrades or Distribution Upgrades. Recovery of Network Upgrades or Distribution Upgrades would be covered under the Tehachapi Incentive Order and not charged to the Interconnection Customer. Finally, we permit the two separate LGIAs to become effective February 27, 2010 and April 29, 2010, as requested, subject to the revisions discussed above. SoCal Edison is directed to submit a compliance filing, within 30 days of the issuance of this order, containing the revisions discussed above.

9. In addition, in Docket No. ER10-805-000, SoCal Edison submitted for filing a revised rate sheet reflecting the cancellation of a letter agreement between SoCal Edison and Alta Windpower Development, LLC. SoCal Edison states that

section 6 of the Letter Agreement provides that the Letter Agreement will terminate upon the effective date of the LGIA. The Notice of Cancellation is accepted, effective February 27, 2010, as requested.

By direction of the Commission.

Kimberly D. Bose,  
Secretary.