

138 FERC ¶ 61,081
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

February 1, 2012

In Reply Refer To:
San Diego Gas & Electric Company
Docket No. ER11-4318-000

Georgetta J. Baker, Esq.
James F. Walsh, Esq.
San Diego Gas & Electric Company
101 Ash Street HQ 12
San Diego, CA 92101

Dear Ms. Baker and Mr. Walsh:

1. On November 14, 2011, you filed an Offer of Settlement and Settlement Agreement (Settlement) on behalf of San Diego Gas & Electric Company (SDG&E) in the above-referenced proceeding.¹ On November 30, 2011, Commission Trial Staff (Staff) and SDG&E filed comments in support of the Settlement. No adverse comments were filed and reply comments were waived. On December 8, 2011, the Settlement Judge certified the Settlement to the Commission as uncontested.²
2. The Settlement resolves all issues set for hearing in the Commission's October 14, 2011 hearing order.³ The Settlement appears to be fair and reasonable and in the public interest, and is hereby approved.

¹ The following parties do not oppose the Settlement: the California Public Utilities Commission; Pacific Gas and Electric Company; the California Department of Water Resources State Water Project; the M-S-R Public Power Agency and the City of Santa Clara, California, doing business as Silicon Valley Power; the Cities of Anaheim, Azusa, Banning, Colton, Pasadena, and Riverside, California, the Modesto Irrigation District; Transmission Agency of Northern California and Northern California Power Agency.

² *Pacific Gas and Electric Company*, 131 FERC ¶ 63,005 (2010).

³ *San Diego Gas & Electric Company*, 137 FERC ¶ 61,041 (2011).

3. Pursuant to the requirements of Order No. 714, SDG&E is directed to make a compliance filing in eTariff format to reflect the Commission's action in this order. Such a compliance filing also is necessary for any settlement filing containing *pro forma* tariff sheets, but is not necessary if the settlement was filed in eTariff format with actual tariff records (as opposed to *pro forma* records).⁴ Approval of this Settlement constitutes approval of the tariff rates established pursuant to its terms.

4. SDG&E shall make the necessary refunds pursuant to the Settlement.⁵ Within thirty days of making such refunds, SDG&E shall file with the Commission a refund report confirming that it has provided refunds in accordance with the terms of the Settlement.

5. The Commission's approval of the Settlement does not constitute approval of, or precedent regarding, any principle or issue in this proceeding. Section II, Subsection K of the Settlement provides that the applicable standard of review for the Settlement is the just and reasonable standard. The Commission retains the right to investigate the rates, terms, and conditions under the just and reasonable standard of section 206 of the Federal Power Act, 16 U.S.C. § 824e (2006).

6. This letter terminates Docket No. ER11-4318-000. A new sub-docket will be assigned in docket No. ER11-4318 upon receipt of the refund report required by this letter order.

By direction of the Commission.

Kimberly D. Bose,
Secretary.

cc: All Parties

⁴ See Electronic Tariff Filings, Order No. 714, 124 FERC ¶ 61,270 (2008).

⁵ In its Explanatory Statement, SDG&E requested that, if practicable, the Commission coordinate approval of, and refunds arising from, this Settlement, with those arising from the compliance filing in Docket No. ER11-4318-001. However, the compliance filing has elicited adverse comments, and remains pending before the Commission. Thus, the Commission finds that the ratepayers' receipt of refunds from the uncontested Settlement should not be delayed while SDG&E's contested compliance filing undergoes further investigation and review.