

Gary A. Morgans
202.429.6234
gmorgans@steptoe.com

1330 Connecticut Avenue, NW
Washington, DC 20036-1795
Tel 202.429.3000
Fax 202.429.3902
steptoe.com

May 18, 2009

Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Re: *Southern California Edison Co.*, Docket No. PT08-1-000

Dear Ms. Bose:

I am writing to you regarding Southern California Edison Company's ("SCE") pre-filing request in the above-captioned docket. The pre-filing request pertains to the Arizona portion of the Devers Palo Verde 2 transmission line Project (the "Project"), and was filed with the Commission on May 16, 2008.

As SCE explained in its pre-filing request, SCE submitted the request as an initial step in securing a permit for the Arizona portion of the Project under Section 216 of the Federal Power Act. This followed the Arizona Corporation Commission's ("ACC") denial of a permit for the Arizona portion of the Project. At the time SCE submitted its request to the FERC, it was SCE's belief that the Arizona portion of the Project would provide important benefits to both California and Arizona. More recent studies, however, indicate that the economic benefits to California of constructing the Arizona portion of the Project are reduced significantly, primarily due to anticipated future renewable generation development, generator interconnection requests in California, projected changes in future fuel prices, and reduced load growth in California. This analysis reveals that the Arizona portion of the Project today cannot be justified as an economic investment funded by California consumers.

As SCE has previously advised the Commission, it has been SCE's preference that a resolution of the Project permitting issues be achieved with Arizona authorities that would enable the project to go forward on reasonable terms. To that end, SCE had been working with Arizona regulators to prepare a revised application for the Arizona portion of the Project. The updated economic analysis, however, does not support refiling with

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the ACC, at this time, for authorization of the Arizona portion of the Project. Accordingly, SCE hereby provides notice of withdrawal of its pre-filing request with the Commission in this docket. SCE will continue to pursue the California portion of the Project, which is needed to interconnect generation resources in the Blythe, California area.

While SCE is not able to proceed immediately with permitting the Arizona portion of the Project, we are committed to find a way to do so if further analysis supports the approach. SCE will continue to study current and future requests for interconnection in the California ISO ("CAISO") control area, including nearly 3,000 MW of requests that reside in western Arizona and which may necessitate the construction of high-voltage facilities to access these projects. SCE anticipates that the next round of studies will be completed in April 2010. Withdrawing the pre-filing request at this time will better enable SCE to dedicate the substantial resources that will be required for these important efforts. If these studies, or subsequent ones, establish the need for new transmission in western Arizona to interconnect generation resources into the CAISO system, SCE will seek authorization from the relevant agencies to construct the necessary transmission.

SCE would like to thank the Commission and its Staff for its assistance throughout the pre-filing process. We realize that the Commission's Staff has devoted substantial resources and attention to this matter, and we greatly appreciate the efforts expended by the Staff in this regard.

Very truly yours,

/s/ Gary A. Morgans

Gary A. Morgans
Attorney for Southern California Edison Co.

cc: J. Mark Robinson, Director, Office of Energy Projects
Jeff C. Wright, Deputy Director, Office of Energy Project