

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Joseph T. Kelliher, Chairman;
Nora Mead Brownell, and Suedeen G. Kelly.

Southern California Edison Company

Docket Nos. ER06-186-000
ER06-186-001

ORDER APPROVING UNCONTESTED SETTLEMENT

(Issued July 6, 2006)

1. On June 2, 2006, Southern California Edison Company (SCE) filed an offer of settlement in the above-referenced docket, resolving all issues in this proceeding.¹ On June 14, 2006, FERC Trial Staff filed comments in support of the settlement. No other comments were received. On June 15, 2006, the Settlement Judge certified the settlement to the Commission as uncontested.

2. The subject settlement is in the public interest and is hereby approved. The Commission's approval of the settlement does not constitute approval of, or precedent regarding, any principle or issue in this proceeding. The rate schedule sheets submitted as part of the settlement are in compliance with Order 614. *See Designation of Electric Rate Schedule Sheets*, Order No. 614, 65 Fed. Reg. 18,221, (FERC Statutes & Regulations, Regulations Preambles July 1996-December 2000, ¶ 31,096 (2000)). The rate schedules are hereby accepted for filing and made effective as specified in the

¹ The proceeding was initiated by the Commission's January 9, 2006 suspension order at 114 FERC ¶ 61,018 (2006). On February 8, 2006 in Docket No. ER06-186-001, SCE moved for rehearing and expedited clarification of those portions of the Commission's January 9, 2006 Order concerning a requested 50 basis point adder to SCE's return on equity and a five month suspension of rates. Paragraph 3 of the instant settlement addresses the 50 basis point adder and thus renders that issue moot. The Commission will address the rate suspension issue through separate order.

settlement. 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 (2000).

3. Within ten days from the date of this order, SCE shall request that the California Independent System Operator calculate and refund to wholesale customers, with applicable interest calculated in accordance with section 35.19a of the Commission's regulations, any Access Charge amounts it has billed to wholesale customers using SCE's proposed wholesale transmission revenue requirement (TRR) in this docket in excess of the Access Charge amounts that would have been charged using the settlement wholesale TRR. Within sixty days from the date of this order, SCE shall refund, with interest computed under section 35.19a of the Commission's regulations, any amounts in excess of the settlement rates collected by SCE from wholesale customers paying the Existing Contracts Access Charge. Within thirty days after making all such refunds to wholesale customers, SCE shall file with this Commission a compliance report showing monthly billing determinants, revenue receipt dates, revenues under the present and settlement rates, the monthly revenue refund and the monthly interest computed, together with a summary of such information for the total refund.

4. This order terminates Docket No. ER06-186-000 and that portion of Docket No. ER06-186-001 concerning the 50 basis point adder to SCE's return on equity.

By the Commission.

(S E A L)

Magalie R. Salas,
Secretary.