

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. ER06-259-000  
ER06-259-001

ORDER APPROVING UNCONTESTED SETTLEMENT

(Issued July 20, 2006)

1. On June 8, 2006, Southern California Edison Company (SCE) filed an Offer of Settlement (settlement), addressing SCE's Reliability Services (RS) rates, that resolves all issues set for hearing related to proposed changes in SCE's RS rates.
2. On June 15, 2006, the Commission Trial Staff submitted comments in support of the settlement. No other comments were received. On June 28, 2006, the presiding administrative law judge certified the settlement to the Commission as uncontested.
3. The subject settlement is in the public interest and is hereby approved. The revised rate schedule sheets submitted as part of the settlement are properly designated in compliance with *Designation of Electric Rate Schedule Sheets*, Order No. 614, FERC Stats. & Regs. ¶ 31,096 (2000). The rate schedules are hereby accepted and made effective as specified in the settlement. The Commission's approval of this settlement does not constitute approval of, or precedent regarding, any principle or issue in this proceeding.
4. The Commission's approval of the settlement also renders SCE's February 27, 2006 request for rehearing, filed in Docket No. ER06-259-001, moot.

5. This order terminates Docket Nos. ER06-259-000 and ER06-259-001.

By the Commission. Commissioner Kelly dissenting in part with a  
separate statement attached.

( S E A L )

Magalie R. Salas,  
Secretary.

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KELLY, Commissioner, *dissenting in part*:

For the reasons I have previously set forth in *Wisconsin Power & Light Co.*, 106 FERC ¶ 61,112 (2004), I do not believe that the Commission should depart from its precedent of not approving settlement provisions that preclude the Commission, acting *sua sponte* on behalf of a non-party, or pursuant to a complaint by a non-party, from investigating rates, terms and conditions under the “just and reasonable” standard of section 206 of the Federal Power Act at such times and under such circumstances as the Commission deems appropriate.

Therefore, I disagree with this order to the extent it approves a settlement that provides the standard of review for any modifications to this Settlement Agreement that are not agreed to by all the Parties, including any modifications resulting from the Commission acting *sua sponte*, shall be the “public interest” standard under the *Mobile-Sierra* Doctrine.

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Suedeem G. Kelly