

122 FERC ¶ 61,230  
UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Joseph T. Kelliher, Chairman;  
Sudeen G. Kelly, Marc Spitzer,  
Philip D. Moeller, and Jon Wellinghoff.

San Diego Gas & Electric Company

Docket Nos. ER08-402-000  
ER08-402-001

ORDER ACCEPTING TARIFF REVISIONS

(Issued March 14, 2008)

1. On December 31, 2007, as amended on January 31, 2008, San Diego Gas & Electric Company (SDG&E) filed annual updates to two balancing accounts under its Transmission Owner Tariff (TO Tariff),<sup>1</sup> pursuant to section 205 of the Federal Power Act (FPA).<sup>2</sup> We grant waiver of the prior notice requirement pursuant to section 35.11 of the Commission's regulations, 18 C.F.R. § 35.11 (2007), for good cause shown and accept the revised tariff sheets with the annual updates to SDG&E's TO Tariff effective January 1, 2008, as requested. Additionally, we grant SDG&E's request to adjust the retail Transmission Access Charge Balancing Account Adjustment (TACBAA) rate in its future March 2008 filing, as discussed below.

**Background**

2. The Transmission Revenue Balancing Account Adjustment (TRBAA) is the ratemaking mechanism designed to ensure that all transmission revenue credits flow through to transmission customers. According to SDG&E, there are two TRBAAs, one for retail purposes and one for California Independent System Operator Corporation (CAISO or ISO) Transmission Access Charge (TAC) purposes. The TRBAA for ISO TAC purposes is separated into High Voltage and Low Voltage components. Both the retail TRBAA rate and the ISO TAC TRBAA rate are revised annually.

3. The TACBAA is a ratemaking mechanism designed to recover from End-Use Customers certain amounts billed by the CAISO to SDG&E under the TAC structure and is also revised annually.

---

<sup>1</sup> SDG&E's FERC Electric Tariff, Original Volume 11.

<sup>2</sup> 16 U.S.C. § 824d (2000).

### **Description of Filing**

4. SDG&E proposes to revise its TO Tariff, effective January 1, 2008, to reflect: (1) its annual revision of retail TRBAA and TACBAA rates for service rendered on and after January 1, 2008; (2) the revised High Voltage and Low Voltage Transmission Revenue Requirements for use by the CAISO in its calculation of the 2008 High Voltage Access Charges and Transition Charges; and (3) revised transmission rate levels reflecting SDG&E's 2007 revenue requirements. SDG&E proposes a retail TRBAA rate of negative \$0.00002 per kilowatt-hour, a TRBAA balance equal to negative \$11,738,657, and a TACBAA rate of negative \$0.00121 per kilowatt-hour.

5. SDG&E explains that its December 31, 2007 filing contained an error in the allocation of the normal TRBAA balance that affected its calculation of the retail TACBAA rate that became effective January 1, 2008. SDG&E states that it plans to file revised TRBAA and TACBAA rates in March 2008, to go into effect June 1, 2008, reflecting the May 31, 2008 expiration of the ETC Cost Differential Surcharge (ETC Surcharge). For this reason, to avoid certain administrative and billing burdens, SDG&E requests that it also be allowed to adjust its retail TACBAA rate to correct the allocation error in its TRBAA balancing account in the March 2008 filing.

6. SDG&E requests waiver of the 60-day prior notice requirement pursuant to section 35.11 of the Commission's regulations, 18 C.F.R. § 35.11 (2007), to permit the proposed revised tariff sheets to become effective January 1, 2008. SDG&E states that granting this waiver is appropriate because it will enable SDG&E to comply with the terms of sections 5.5 and 5.6 of its TO Tariff, which specify that SDG&E will annually update its TRBAA and TACBAA each January.

### **Notice of Filing and Responsive Pleadings**

7. Docket Nos. ER08-402-000 and ER08-402-001 were noticed on January 4, 2008 and February 5, 2008, respectively, with interventions and protests due on or before January 22, 2008 and February 11, 2008, respectively. Pacific Gas and Electric Company, California Public Utilities Commission, and Northern California Power Agency filed motions to intervene. The California Department of Water Resources State Water Project (SWP) and Southern California Edison Company (SCE) filed motions to intervene and comment. On February 13, 2007, SDG&E filed a motion for leave to answer and answer to the comments.

8. In its January 22, 2008 comments, SCE noted that there was an error in the allocation of the normal TRBAA balance in SDG&E's December 31, 2007 filing. Subsequently, SDG&E filed an amendment on January 31, 2008 to correct this error. SCE filed comments on February 15, 2008 stating that SCE does not oppose SDG&E's amendment and that SCE supports the Commission's acceptance of it.

9. In its February 11, 2008 comments, SWP asserts that because the CAISO uses SDG&E's allocated amounts to the High Voltage TRBAA to derive its TAC, the error in SDG&E's TRBAA allocation necessarily resulted in an overcollection from CAISO High Voltage transmission customers as of January 1, 2008. SWP states that SDG&E's filing does not enumerate the extent to which the incorrect allocation affected CAISO High Voltage rates and that SDG&E does not explain how it will make its wholesale customers financially whole as a result of the overallocation to the High Voltage TRBAA.

10. SWP requests that SDG&E provide an explanation of the extent of overcollection that has occurred, the time period of such overcollection, and how customers taking CAISO High Voltage transmission service will be made financially whole.

11. In its answer, SDG&E states that no overcollection has occurred because the CAISO will not present final bills for the January 2008 transmission service until mid-April 2008. Furthermore, according to SDG&E, the CAISO requests Commission approval of SDG&E's filing by March 14, 2008 in order to send customers initial billing data for service on or after January 1, 2008. SDG&E states that, as a result, there has been no billing based on SDG&E's December 31, 2007 or January 31, 2008 filings, and therefore CAISO has not overcollected any High Voltage transmission costs from its customers.

## **Discussion**

### **Procedural Matters**

12. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2007), the timely, unopposed motions to intervene serve to make the entities that filed them parties to this proceeding.

13. Rule 213(a)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.213(a)(2) (2007), prohibits an answer to a protest unless otherwise ordered by the decisional authority. We will accept SDG&E's answer because it has provided information that assisted us in our decision-making process.

### **Commission Determination**

14. SDG&E's proposal to revise its TRBAA and TACBAA is consistent with the requirements of its TO Tariff, which require it to file each January to update its TRBAA and TACBAA. Therefore, we will accept SDG&E's tariff revisions with the annual updates to its TO Tariff. Further, we grant SDG&E's requested waiver of the 60-day notice requirement<sup>3</sup> and find good cause to allow the TRBAA and TACBAA tariff

---

<sup>3</sup> *Central Hudson Gas & Electric Corp.*, 60 FERC ¶ 61,106, *reh'g denied*, 61 FERC ¶ 61,089 (1992).

revisions to become effective January 1, 2008. This will allow SDG&E to comply with the terms of sections 5.5 and 5.6 of its TO Tariff. We note that no party has contested SDG&E's waiver request.

15. SDG&E states that it will submit a rate filing in March 2008<sup>4</sup> to reflect the expiration of the ETC Surcharge, but it also requests the Commission permit it to correct the retail TACBAA rate in that filing. SDG&E asserts that this approach will avoid unnecessary administrative and billing burdens. We will grant SDG&E's request to avoid the administrative burden of multiple rate adjustments,<sup>5</sup> and we note that no party has protested this request.

16. Finally, because revenues have not yet been collected from CAISO High Voltage transmission customers, we agree with SDG&E that no correction for an overcollection needs to be made.

The Commission orders:

(A) SDG&E's proposed TRBAA and TACBAA tariff revisions to its TO Tariff are hereby accepted for filing, effective January 1, 2008.

(B) Waiver of the 60-day prior notice requirement is granted.

(C) SDG&E's request to adjust the retail TACBAA rate in its future March 2008 filing is granted.

By the Commission.

( S E A L )

Nathaniel J. Davis, Sr.,  
Deputy Secretary.

---

<sup>4</sup> SDG&E states that this filing will request an effective date of June 1, 2008.

<sup>5</sup> See *Pacific Gas and Electric Co.*, 117 FERC ¶ 61,053, at P 9 (2006).