

138 FERC ¶ 61,067
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

January 30, 2012

In Reply Refer To:
City of Banning, California
Docket No. ER11-3962-000

Margaret E. McNaul, Esq.
Thompson Coburn LLP
1909 K Street, NW, Suite 600
Washington, DC 20006-1167

Dear Ms. McNaul:

1. On October 12, 2011, you filed an Offer of Settlement and Settlement Agreement (Settlement) in the above-captioned proceeding as attorney for the City of Banning, California (Banning). On October 31, 2011, Commission Trial Staff filed comments in support of the Settlement.¹ On November 28, 2011, the Settlement Judge certified the Settlement to the Commission as uncontested.²
2. The Settlement resolves all issues set for hearing involving Banning's revised Base Transmission Revenue Requirement for the purposes of its participation in the California Independent System Operator Corporation as a participating transmission owner.³ The Settlement appears to be fair and reasonable and in the public interest, and is hereby approved.

¹ Other participants that either support or do not oppose the Settlement are Southern California Edison Company, 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, the Modesto Irrigation District, San Diego Gas and Electric Company, Trans Bay Cable LLC, and Atlantic Path 15, LLC.

² *City of Banning, Cal.*, 137 FERC ¶ 63,013 (2011).

³ *City of Banning, Cal.*, 136 FERC ¶ 61,134 (2011).

3. Banning shall calculate and make refunds consistent with the methodology set forth in the Settlement. Within thirty (30) days after making such refunds, Banning shall file with the Commission a compliance report confirming that it has provided refunds in accordance with the terms of the Settlement.
4. The Commission's approval of the Settlement does not constitute approval of, or precedent regarding, any principle or issue in this proceeding. The standard of review for modifications to the Settlement shall be the just and reasonable standard. 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. § 824(e) (2006).
5. The revised tariff provisions submitted in e-Tariff reflect the rates established in the Settlement. Therefore, Banning has complied with *Electronic Tariff Filings*, Order No. 714, FERC Stats. & Regs. ¶ 31,276 (2008), and the revised tariff provisions are accepted.
6. This letter order terminates Docket No. ER11-3962-000. Upon receipt of the compliance refund report, a new sub-docket will be assigned in Docket No. ER11-3962.

By direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.