

138 FERC ¶ 61,128
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

February 21, 2012

In Reply Refer To:
Trans Bay Cable, LLC
Docket Nos. ER12-669-000
ER12-669-001
ER12-669-002
ER12-669-003

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Dear Sirs:

1. On December 22, 2011, and as amended December 23, 2011, Trans Bay Cable, LLC (Trans Bay) filed revisions to its Transmission Owner Tariff (TO Tariff) to reflect its annual update of its Transmission Revenue Balancing Account Adjustment (TRBAA). Trans Bay's tariff revisions are accepted, effective January 1, 2012, as requested, subject to Trans Bay submitting a compliance filing within thirty (30) days that corrects its TRBAA calculation, as discussed below.

2. Trans Bay explains that the TRBAA is a ratemaking mechanism set forth in section 5.5 of its TO Tariff designed to track all Transmission Revenue Credits received from the California Independent System Operator Corporation (CAISO), and ensure that the credits are flowed-through to transmission customers. Trans Bay states that the items subject to adjustment and the procedure for revising the TRBAA on an annual basis are

set forth in CAISO's tariff.¹ Trans Bay states that the TRBAA is based on the balance of the Transmission Revenue Balancing Account (TRBA) as of September 30 of the current year, and a forecast of the Transmission Revenue Credits expected to be received in the following year.

3. Notice of Trans Bay's original filing and its amendments were published in the *Federal Register*, 77 Fed. Reg. 275 (2012), with protests and interventions due on or before January 13, 2012. Timely motions to intervene were submitted by Six Cities, California, California Department of Water Resources State Water Project, the City of Santa Clara, California and the M-S-R Public Power Agency and Southern California Edison Company. Pacific Gas and Electric Company (PG&E) filed a timely motion to intervene and protest. Trans Bay filed an answer to PG&E's protest.

4. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2011), the timely, unopposed motions to intervene serve to make the entities that filed them parties to this proceeding. Rule 213(a)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.213(a)(2) (2011) prohibits an answer to a protest unless otherwise ordered by the decisional authority. We will accept Trans Bay's answer because it has provided information that assisted us in our decision-making process.

5. PG&E's protest states that Trans Bay's TRBAA calculation contains four errors, but explains that PG&E and Trans Bay have agreed to revised calculations. Subsequently, Trans Bay submitted an answer and revised exhibits showing the corrected calculations of its high and low voltage TRBAA as well as corrected calculations of its future refund payments. PG&E and Trans Bay explain that the revised calculations include four agreed-upon changes. First, because Trans Bay had incorrectly included interest on Future Refund Payments, this was corrected. Next, because Trans Bay had incorrectly included potential 2013 refund payments, Future Refund Payments were revised and limited to refund payments that Trans Bay expects to make to CAISO in 2012. Third, because Trans Bay had omitted a line item to account for interest charges and credits that Trans Bay receives from CAISO, this was added. Finally, because Trans Bay had omitted a line item to account for CAISO's monthly settlements and client relations charges, this was added.

¹ Trans Bay December 22, 2011 Filing at 1.

6. Trans Bay commits to submit a compliance filing with revised tariff sheets that reflect the corrected TRBAA balances. Specifically, after the corrections, Trans Bay's TRBAA is negative \$1,058,427 (an over-collection) instead of positive \$566,866 (an under-collection).²

7. The Commission notes that the TRBAA, set forth pursuant to both the CAISO and Trans Bay tariffs, is a tracking mechanism that ensures that Transmission Revenue Credits are flowed-through to transmission customers. Accordingly, we accept Trans Bay's TRBAA tariff revisions, effective January 1, 2012, as requested,³ subject to Trans Bay submitting a compliance filing within thirty (30) days to revise its tariff to reflect the correct TRBAA calculation.⁴

By direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.

² Trans Bay's TRBAA of negative \$1,058,427 is derived from the sum of its TRBAA for High Voltage Transmission Access Charges of negative \$428,434 and the TRBAA for Low Voltage Transmission Access Charges of negative \$629,993.

³ *Central Hudson Gas & Electric Corp.*, 60 FERC ¶ 61,106, *reh'g denied*, 61 FERC ¶ 61,089 (1992); *Prior Notice and Filing Requirements Under Part II of the Federal Power Act*, 64 FERC ¶ 61,139, *clarified*, 65 FERC ¶ 61,081 (1993).

⁴ Trans Bay submitted two tariff options based on different TRRs. Due to the Commission's December 30, 2011, approval of Trans Bay's TRR settlement, the Commission accepts Trans Bay's tariff sheets which use the lower settlement TRR of \$132.5 million. The other tariff sheets showing a higher pre-settlement TRR are moot. *See Trans Bay Cable LLC*, 137 FERC ¶ 61,258 (2011).