

139 FERC ¶ 61,021  
FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, D.C. 20426

April 6, 2012

In Reply Refer To:  
Southern California Edison Company  
Docket Nos. ER11-1952-000  
ER11-1952-003

Anna J. Valdborg, Esq.  
Southern California Edison Company  
2244 Walnut Grove Avenue  
Rosemead, CA 91770

Dear Ms. Valdborg:

1. On December 23, 2011, you filed an Offer of Settlement and accompanying documents (Settlement) in the above-captioned proceeding as attorney for Southern California Edison Company (SoCal Edison). On January 12, 2012, the Commission Trial Staff filed comments stating that it does not oppose the Settlement. No adverse comments were filed.<sup>1</sup> On February 14, 2012, the settlement judge certified the Settlement to the Commission as uncontested.<sup>2</sup>
2. The Settlement resolves all issues set for hearing in the captioned dockets regarding SoCal Edison's 2011 construction work in progress (CWIP) expenditures and

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<sup>1</sup> Others either supporting or not opposing the Settlement are the California Department of Water Resources State Water Project, California Public Utilities Commission, Cities of Anaheim, Azusa, Banning, Colton, Pasadena and Riverside, California, Cities of Redding and Santa Clara, California and the M-S-R Public Power Agency, City of Los Angeles Department of Water and Power, the Metropolitan Water District of Southern California and State Water Contractors, Modesto Irrigation District, and the Transmission Agency of Northern California.

<sup>2</sup> *Southern California Edison, Co.*, 138 FERC ¶ 63,011 (2012).

associated cost recovery related to certain transmission incentive projects, except for a return on equity issue that remains pending on appeal.<sup>3</sup>

3. The Settlement provides that any proposal made by a party to this proceeding to modify the terms of the Settlement shall be subject to the public interest standard as set forth in *Morgan Stanley Capital Group, Inc. v. Public Util. District No. 1 of Snohomish, Washington*, 554 U.S. 527 (2008).<sup>4</sup> The standard of review for any such modification proposed by an entity that is not a party to this proceeding, or by the Commission acting *sua sponte*, shall be the just and reasonable standard.

4. The Settlement appears to be fair and reasonable and in the public interest, and it 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 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. This letter order terminates Docket No. ER11-1952-003.<sup>5</sup>

By direction of the Commission.

Nathaniel J. Davis, Sr.,  
Deputy Secretary.

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<sup>3</sup> SoCal Edison has sought appellate review of the Commission's October 6, 2011 order denying rehearing on this issue. *Southern California Edison Co.*, 137 FERC ¶ 61,016 (2011).

<sup>4</sup> See also *United Gas Pipe Line Co. v. Mobile Gas Serv. Corp.*, 350 U.S. 348 (1956).

<sup>5</sup> Docket No. ER11-1952-000 remains open pending resolution of the return on equity issue.