

151 FERC ¶ 61,251  
FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, DC 20426

June 22, 2015

In Reply Refer to:  
MidAmerican Central California  
Transco, LLC  
Docket No. ER14-1661-000

Van Ness Feldman, LLP  
1050 Thomas Jefferson St. NW  
Seventh Floor  
Washington, DC 20007

Attn: Evan C. Reese, Esq.  
Attorney for MidAmerican Central California Transco, LLC

Dear Mr. Reese:

1. On April 8, 2015, MidAmerican Central California Transco, LLC (MCCT) filed an Offer of Settlement and Stipulation (Settlement) in the above-captioned proceeding.<sup>1</sup> Comments were filed by Commission Trial Staff (Trial Staff) on April 28, 2015. No other comments were filed. On May 13, 2015, the Settlement Judge certified the uncontested Settlement to the Commission.
2. The Settlement resolves all issues set for hearing in the above-captioned proceeding. The Settlement appears to be fair and reasonable and in the public interest, and 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.

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<sup>1</sup> The parties to this case include: MCCT; California Public Utilities Commission (CPUC); California Department of Water Resources State Water Project (SWP); M-S-R Public Power Agency (M-S-R); Transmission Agency of Northern California; the Cities of Anaheim, Azusa, Banning, Colton, Pasadena, and Riverside, California (Six Cities); City of Santa Clara, California; Trans Bay Cable, LLC; Modesto Irrigation District; Transource Energy, LLC (Transource); Southern California Edison Company (SoCal Edison); Citizens Energy Corporation (Citizens); and Pacific Gas and Electric Company (PG&E) (each a "Party" and collectively, "Parties").

3. The Settlement provides that:

To the extent the Commission considers changes proposed by a Party to Section III.D of this Settlement or to the settled base ROE that would take effect prior to the Project's in-service date, the standard of review for such changes shall be the "public interest" application of the just and reasonable standard set forth in *United Gas Pipe Line Co. v. Mobile Gas Serv. Corp.*, 350 U.S. 332 (1956), and *Federal Power Commission v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956), as clarified in *Morgan Stanley Capital Group, Inc. v. Public Util. Dist. No. 1 of Snohomish County, Washington*, 554 U.S. 527 (2008), and refined in *NRG Power Mktg. v. Maine Pub. Utils. Comm'n*, 558 U.S. 165 (2010). The ordinary just and reasonable standard of review (rather than the "public interest" standard), as clarified in *Morgan Stanley Capital Group Inc. v. Public Util. Dist. No. 1 of Snohomish County, Washington*, 554 U.S. 527 (2008), applies to any such changes to Section III.D or the base ROE sought by the Commission acting *sua sponte* or at the request of a third party.

With respect to changes to Section III.D or the settled base ROE that would take effect after the Project's in-service date, or to any changes to other provisions of this Settlement or the Formula Rate, regardless of by whom requested, the standard of review shall be the "just and reasonable" standard of review rather than the "public interest" standard of review.

4. MCCT has not filed the Settlement in the eTariff format, as required by Order No. 714. Therefore, MCCT is required to make a compliance filing within 30 days in eTariff format to reflect the Commission's action in this order. *See Electronic Tariff Filings*, Order No. 714, FERC Stats. & Regs. ¶ 31,276, at P 96 (2008).

5. This letter order terminates Docket No. ER14-1661-000.

By direction of the Commission.

Kimberly D. Bose,  
Secretary.

cc: All parties