

152 FERC ¶ 61,260
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

September 30, 2015

In Reply Refer To:
Pacific Gas and Electric Company
Docket Nos. ER14-2529-000
ER14-2529-002

Pacific Gas and Electric Company
Law Department, B30A
P.O. Box 7442
San Francisco, CA 94120

Attn: Mark D. Patrizio, Esq.
Attorney for Pacific Gas and Electric Company

Dear Mr. Patrizio:

1. On July 2, 2015, you filed an Offer of Settlement and Stipulation (Offer of Settlement) in the above-referenced dockets on behalf of Pacific Gas and Electric Company (PG&E). The Offer of Settlement concerns PG&E's proposed changes to its wholesale and retail transmission rates under its Transmission Owner Tariff. The Offer of Settlement resolves all issues set for hearing and settlement judge procedures by the Commission in Docket No. ER14-2529-000.¹

2. On July 22, 2015, the CPUC and Commission Trial Staff separately filed comments in support of the Offer of Settlement. No other comments were filed. On

¹ See *Pac. Gas and Elec. Co.*, 148 FERC ¶ 61,245 (2014) (Hearing Order). The California Public Utilities Commission (CPUC) filed a timely request for rehearing of the Hearing Order in Docket No. ER14-2529-001 in which the CPUC asserts that the Commission erred in granting to PG&E the 50 basis point incentive adder for participating in the California Independent System Operator Corporation. The Hearing Order decided that issue and therefore, it was not set for hearing and settlement judge procedures. However, Section 3.4 of the Offer of Settlement provides that CPUC retains the right to pursue, without prejudice, its pending rehearing request.

August 6, 2015, the Settlement Judge certified the Offer of Settlement to the Commission as an uncontested settlement.²

3. Section 2.1 of the Offer of Settlement provides that PG&E's wholesale base transmission revenue requirement (TRR) shall be \$1,188,000,000, and Section 2.2 provides that its retail base TRR shall be \$1,200,500,000. Refunds shall be made in accordance with the Offer of Settlement.
4. Section 4.5 of the Offer of Settlement states that "[t]he applicable standard of review for the Settlement is the just and reasonable standard."
5. The Offer of Settlement appears to be fair and reasonable and in the public interest, and is hereby approved. The Commission's approval of this Offer of Settlement does not constitute approval of, or precedent regarding, any principle or issue in this proceeding.
6. This letter terminates Docket Nos. ER14-2529-000 and ER14-2529-002.

By direction of the Commission.

Kimberly D. Bose,
Secretary.

² *Pac. Gas & Elec. Co.*, 152 FERC ¶ 63,014 (2015).