

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Pat Wood, III, Chairman;
Nora Mead Brownell, Joseph T. Kelliher,
and Suedeem G. Kelly.

Pacific Gas and Electric Company

Docket Nos. ER05-390-000
ER05-390-001

ORDER APPROVING UNCONTESTED SETTLEMENT

(Issued June 27, 2005)

1. On April 27, 2005, Pacific Gas and Electric Company (PG&E) and Turlock Irrigation District (Turlock) submitted an offer of settlement in the above-referenced dockets. The settlement resolves all issues pending in this proceeding concerning PG&E's proposed revisions to the Interconnection Agreement between PG&E and Turlock. On May 17, 2005, Trial Staff filed comments in support of the settlement. No other comments were filed. On May 27, 2005, the Chief Administrative Law Judge certified the settlement to the Commission as uncontested.

2. The subject settlement is in the public interest and is hereby approved. The Commission's approval of this settlement does not constitute approval of, or precedent regarding, any principle or issue in this proceeding.

3. The revised rate schedule sheets submitted as part of the settlement are in compliance with Order No. 614, *Designation of Electric Rate Schedule Sheets*, FERC Stats. & Regs., Regulations Preambles July 1996-December 2000 ¶ 31,096 (2000), and are hereby accepted for filing and as designated and made effective as stated in the Offer of Settlement.

4. Docket Nos. ER05-390-000 and ER05-390-001 are terminated.

By the Commission. Commissioner Kelly dissenting in part with a separate statement attached.

(S E A L)

Linda Mitry,
Deputy Secretary.

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KELLY, Commissioner, *dissenting in part*:

For the reasons I have previously set forth in *Wisconsin Power & Light Co.*, 106 FERC ¶ 61,112 (2004), I do not believe that the Commission should depart from its precedent of not approving settlement provisions that preclude the Commission, acting *sua sponte* on behalf of a non-party, or pursuant to a complaint by a non-party, from investigating rates, terms and conditions under the “just and reasonable” standard of section 206 of the Federal Power Act at such times and under such circumstances as the Commission deems appropriate.

Therefore, I disagree with this order to the extent it approves a settlement that provides the standard of review for any modifications to this Settlement Agreement that are not agreed to by all the Parties, including any modifications resulting from the Commission acting *sua sponte*, shall be the “public interest” standard under the *Mobile-Sierra* Doctrine.

Sudeen G. Kelly