

UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Joseph T. Kelliher, Chairman;  
Nora Mead Brownell, and Suedeen G. Kelly.

Southern California Edison Company

Docket Nos. ER04-435-014  
ER05-612-001  
(Not consolidated)

ORDER ON COMPLIANCE

(Issued October 3, 2005)

1. In this order, we accept in part and reject in part a compliance filing submitted by Southern California Edison Company (Edison) to revise its Wholesale Distribution Access Tariff (WDAT), its proposed Large Generator Interconnection Procedures to its WDAT (WDAT LGIP), and its proposed Large Generator Interconnection Agreement to its WDAT (WDAT LGIA), as the Commission directed in a February 18, 2005 Order,<sup>1</sup> and a rehearing order issued July 6, 2005.<sup>2</sup> Edison also submitted this filing in compliance with Order No. 2003-C.<sup>3</sup>

**Background**

2. On December 23, 2004, Edison made a compliance filing with Order Nos. 2003 and 2003-A for its WDAT. Edison requested several variations from the Commission's *pro forma* LGIP and LGIA under both the consistent with or superior to standard and

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<sup>1</sup> *Southern California Edison Co.*, 110 FERC ¶ 61, 176 (2005) (February 18 Order).

<sup>2</sup> *Southern California Edison Co.*, 112 FERC ¶61,036 (2005) (Rehearing Order).

<sup>3</sup> *Standardization of Generator Interconnection Agreements and Procedures*, Order No. 2003, FERC Stats. & Regs., ¶ 31,146 (2003), *order on reh'g*, Order No. 2003-A, FERC Stats. & Regs., ¶ 31,160 (2004), *order on reh'g*, Order No. 2003-B, FERC Stats. & Regs., ¶ 31,171 (2004), *order on reh'g*, Order No. 2003-C, FERC Stats. & Regs., ¶ 31,290 (2005); *see also* Notice Clarifying Compliance Procedures, 106 FERC ¶ 61,009 (2004).

regional reliability standards. Edison requested several changes to reflect that the nature of service under its WDAT is different than service under an open access transmission tariff. The February 18 Order accepted several of Edison's proposed revisions and rejected several others.

3. On March 18, 2005 Edison filed a request for rehearing and clarification of the February 18 Order. In the Rehearing Order, the Commission granted in part and rejected in part Edison's request for rehearing and set certain matters associated with Edison's WDAT LGIP and WDAT LGIA for hearing. Specifically, the Commission set for hearing Edison's proposed changes to the *pro forma* LGIP and LGIA which Edison claims were made primarily to make them function properly within the context of Edison's Distribution System and changes made to reflect the fact that Edison owns and operates its Distribution System within the California Independent System Operator Corporation (CAISO). Further, the Commission granted rehearing of its rejection of the miscellaneous provisions to the study agreements appended to the *pro forma* LGIP stating that these provisions, with limited exceptions, are consistent with or superior to the *pro forma* LGIP and LGIA.<sup>4</sup> The Commission required Edison to submit a further compliance filing within 30 days of the Rehearing Order incorporating these changes. Finally, the Rehearing Order granted rehearing of the Commission's directive to replace "Transmission" with "Wholesale Distribution" throughout the WDAT LGIP and WDAT LGIA and accepted Edison's proposed modification of "Transmission" to "Distribution" in order to more correctly correlate with the WDAT.

4. On August 5, 2005, Edison filed a revised tariff as directed by the Rehearing Order in Docket Nos. ER04-435-014 and ER05-612-001 (Compliance Filing).<sup>5</sup> Edison requests an effective date of August 5, 2005. In the Compliance Filing, Edison states that it incorporates the changes that the Commission accepted in the February 18 Order and the Rehearing Order. Further, Edison states that its compliance filing identifies in highlighted text the changes it believes the Commission set for hearing.

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<sup>4</sup> The limited exceptions were the Dispute Resolution, Rules of Interpretation, and Waiver provisions in the study agreements, which the Commission required Edison to modify in its Rehearing Order. Rehearing Order at P 25-30.

<sup>5</sup> This filing was also made in compliance with the February 18 Order and Order Nos. 2003, 2003-A, 2003-B and 2003-C.

### **Notice and Responsive Pleadings**

5. Notice of Edison's Compliance Filing was published in the *Federal Register*, 70 Fed. Reg. 48,389 (2005), with comments, protests, and interventions due on or before August 26, 2005. None was filed.

### **Discussion**

6. In this order, the Commission accepts in part and rejects in part the tariff sheets filed by Edison in the Compliance Filing. The accepted tariff sheets are accepted effective August 5, 2005, as requested.<sup>6</sup> In its request for rehearing, Edison requested clarification of the Commission's rejection of the boilerplate language in the study agreements, citing the following language in Order No. 2003, which provided for "Miscellaneous" terms.<sup>7</sup>

7. In its Compliance Filing, Edison inserted three provisions into the Miscellaneous provisions section of the study agreements, which were not previously included as Miscellaneous provisions.<sup>8</sup>

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<sup>6</sup> The Commission notes that changes made to reflect changes to the *pro forma* LGIP and LGIA pursuant to Order Nos. 2003-B and 2003-C were deemed effective January 19, 2005 and July 30, 2005, respectively.

<sup>7</sup> "Miscellaneous. The [ ] Study Agreement shall include standard miscellaneous terms including, but not limited to, indemnities, representations, disclaimers, warranties, governing law, amendment, execution, waiver, enforceability and assignment, that reflect best practices in the electric industry, and that are consistent with regional practices, Applicable Laws and Regulations, and the organizational nature of each Party. All of these provisions, to the extent practicable, shall be consistent with the provisions of the LGIP and the LGIA." Edison request for rehearing at 33-34, citing *pro forma* LGIP, Appendices 2-5.

<sup>8</sup> Edison inserted the following provisions:

Substantial portions of technical data and assumptions used to perform the [ ] Study, such as system conditions, existing and planned generation, and unit modeling, may change after the Distribution Provider provides the Interconnection Feasibility Study results to the Interconnection Customer. Study results will reflect available data at the time the Distribution Provider provides the [ ] Study to the Interconnection Customer. The Distribution

(continued)

8. Although these three provisions were contained in its December 23, 2004 filing, Edison initially filed these provisions as sections of the study agreements separate from the Miscellaneous provisions as allowed by Order No. 2003 and the Commission rejected them in the February 18 Order.<sup>9</sup> Further, Edison only referenced the Miscellaneous provisions in its request for rehearing. Edison did not seek rehearing of our rejection of those three provisions. As a result, the three provisions were outside the scope of the

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Provider shall not be responsible for any additional costs, including, without limitation, costs of new or additional facilities, system upgrades, or schedule changes, that may be incurred by the Interconnection Customer as a result of changes in such data and assumptions.

The Distribution Provider shall maintain records and accounts of all costs incurred in performing the [ ] Study, inclusive of any restudies or amendments thereto, in sufficient detail to allow verification of all costs incurred, including associated overhead. The Interconnection Customer shall have the right, upon reasonable notice, within a reasonable time following receipt of the final cost report associated with this [ ] Study at the Distribution Provider's offices and at its own expense, to audit the Distribution Provider's records as necessary and as appropriate in order to verify costs incurred by the Distribution Provider. Any audit requested by the Interconnection Customer shall be completed, and written notice of any audit dispute provided to the Distribution Provider, within one hundred eighty (180) Calendar Days following receipt by the Interconnection Customer of the Distribution Provider's notification of the final costs of the [ ] Study, inclusive of any re-study or amendment thereto.

Pursuant to section [ ] of the LGIP, this Agreement shall become effective upon the date the fully executed Agreement and deposit specified in section [ ] of this Agreement are received by the Distribution Provider. If the Distribution Provider does not receive the fully executed Agreement and payment pursuant to section [ ] of the LGIP, then the Interconnection Request will be deemed withdrawn upon the Interconnection Customer's receipt of written notice by the Distribution Provider pursuant to section 3.6 of the LGIP.

*See*, sections 7.1, 7.2 and 7.3 of Appendices 2, 3 and 5 to the LGIP and sections 6.1, 6.2 and 6.3 of Appendix 4 to the LGIP.

<sup>9</sup> *See, e.g.* sections 8.0, 10.0 and 12.0 of Appendix 2 to the WDAT LGIP, filed December 23, 2004.

request for rehearing. Therefore, the three provisions added to each of the study agreements appended to the LGIP are also outside the scope of the compliance filing and are rejected. Edison should submit a further compliance filing within 30 days of the date of this order incorporating this change.

9. Further, in its Compliance Filing, Edison removed the “Amendment” and “Modification by Parties” provisions of the Miscellaneous section of the study agreements.<sup>10</sup> Edison does not explain this change. In the Rehearing Order, the Commission accepted the entire Miscellaneous provisions section. Therefore, Edison should submit a further compliance filing within 30 days of the date of this order incorporating the “Amendment” and “Modification by Parties” provisions into the Miscellaneous sections of the study agreements.

10. Finally, Edison has highlighted its name in the preamble to the recitals in the LGIA,<sup>11</sup> indicating that this text should be set for hearing. The Commission set for hearing issues related to changes which Edison claims were made primarily to make the WDAT LGIP and LGIA function properly within the context of Edison’s Distribution System and changes made to reflect the fact that Edison owns and operates its Distribution System within the CAISO. The Commission does not believe that the addition of Edison’s name to the LGIA meets these criteria. Therefore, the insertion of Edison’s name was not set for hearing by the Rehearing Order.

11. Our review of the remaining portions of the Compliance Filing reveals that they conform to the Commission's directions in the February 18 Order, the Rehearing Order and Order Nos. 2003, 2003-A, 2003-B and 2003-C. The Compliance Filing changes Transmission to Distribution, inserts, with the exceptions stated above, the Miscellaneous provisions into the WDAT LGIP study agreements, and omits changes rejected by the February 18 Order. We will accept all of these provisions of the Compliance Filing.

The Commission orders:

(A) The Compliance Filing is hereby accepted in part and rejected in part as provided in this order, effective August 5, 2005.

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<sup>10</sup> See, e.g. sections 13.11 and 13.12 of Appendix 2 to the WDAT LGIP, filed December 23, 2004.

<sup>11</sup> See Compliance Filing, Redline of LGIA at 8.

(B) Edison is directed to submit a further compliance filing within 30 days of the date of this order, as discussed in the body of this order.

By the Commission.

( S E A L )

Magalie R. Salas,  
Secretary.