

129 FERC ¶ 61,278  
UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Jon Wellinghoff, Chairman;  
Marc Spitzer, and Philip D. Moeller.

Southern California Edison Company

Docket No. ER10-135-000

ORDER ACCEPTING ANNUAL TRANSMISSION REVENUE BALANCING  
ACCOUNT ADJUSTMENT UPDATE FILING

(Issued December 29, 2009)

1. On October 29, 2009, Southern California Edison Company (SoCal Edison) filed revisions to its Transmission Owner Tariff (TO Tariff)<sup>1</sup> to reflect its annual update of the Transmission Revenue Balancing Account Adjustment (TRBAA). In this order, the Commission accepts SoCal Edison's proposed tariff revisions to be effective January 1, 2010.

**Background**

2. The TRBAA is a ratemaking mechanism designed to ensure that all Transmission Revenue Credits are flowed-through to transmission customers. Section 5.5 of the TO Tariff identifies the items subject to the Transmission Revenue Balancing Account (TRBA) and sets forth the procedure for revising the TRBAA on an annual basis. The TRBAA is based on the balance of the TRBA as of September 30 of the current year, and a forecast of the Transmission Revenue Credits expected to be received in the following year.

**Current Filing - Docket No. ER10-135-000**

3. SoCal Edison states that its proposed revised TRBAA applicable to retail service is a negative \$47,620,177 and the revised retail TRBAA rate is a negative \$0.00055 per kilowatt-hour to be effective for retail transmission service rendered on and after January 1, 2010. SoCal Edison states that this amount is a \$44,539,532 increase from the currently effective level of negative \$92,159,709. The proposed wholesale TRBAA is a negative \$47,504,845, an increase of \$44,445,631 from the currently effective level of negative \$91,950,476. SoCal Edison states that the increase in the TRBAA is primarily due to the elimination of Usage Charge and Firm Transmission Rights auction revenues received by SoCal Edison from the California Independent System Operator (CAISO),

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<sup>1</sup> FERC Electric Tariff, Second Revised Vol. No. 6.

pursuant to CAISO's implementation of the Market Redesign and Technology Upgrade (MRTU). SoCal Edison requests that the Commission assign an effective date of January 1, 2010 to the proposed TRBAA and rate changes, as set forth in the TO Tariff.

### **Notice of Filing and Responsive Pleadings**

4. Notice of the filing was published in the *Federal Register*, 74 Fed. Reg. 58276 (2009), with interventions and protests due on or before November 19, 2009. Timely motions to intervene were filed by the Modesto Irrigation District (Modesto), Golden State Water Company (Golden State), the Northern California Power Agency (NCPA), and the California Department of Water Resources State Water Project (SWP). The Cities of Santa Clara and Redding, California, and the M-S-R Public Power Agency (collectively, Cities/M-S-R), jointly filed a timely motion to intervene, as did the Cities of Anaheim, Azusa, Banning, Colton, Pasadena, and Riverside, California (collectively, the Six Cities). The California Public Utilities Commission (CPUC) also filed a notice of intervention. The City of Los Angeles Department of Water and Power (LADWP) filed a timely motion to intervene and comments, and a request for consolidation with Docket Nos. ER09-1534-000 and ER10-135-000. SoCal Edison filed a motion for leave to answer and answer to LADWP's comments.

### **Discussion**

#### **A. Procedural Matters**

5. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2009), the notices of intervention and timely, unopposed motions to intervene serve to make the entities that filed them parties to this proceeding. Rule 213(a)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.213(a)(2) (2009) prohibits an answer to a protest unless otherwise ordered by the decisional authority. We will accept SoCal Edison's answer because it has provided information that assisted us in our decision-making process.

#### **B. Comments and Answer**

6. LADWP argues that the manner in which the TRBAA handles marginal losses does not appear to be transparent because it is unclear whether the TRBAA includes the refund of the Marginal Losses Surplus Credit Allocation associated with Existing Transmission Contract (ETC) schedules made by SoCal Edison as a Scheduling Coordinator for LADWP.

7. LADWP also requests that the Commission consolidate the instant TRBAA filing, with SoCal Edison's CWIP transmission revenue requirement filing (Docket No. ER10-160-000), as well as SoCal Edison's general transmission rate filing (Docket No. ER09-1534-000), which the Commission previously set for hearing and currently is in settlement proceedings. LADWP states that these proceedings are intertwined and raise

common issues of material fact, and therefore should be consolidated and set for hearing, and made subject to further settlement procedures.

8. In its answer, SoCal Edison included a worksheet that provides a breakdown of the post-MRTU ETC Cost Differentials included in the TRBA. SoCal Edison states that this information clearly demonstrates that the Marginal Losses Surplus Credit Allocation has been reflected as a credit to the amount of CAISO costs incurred by SoCal Edison under the LADWP contract. SoCal Edison therefore argues that this information fully addresses the only specific issue raised by LADWP.

9. Regarding LADWP's request for consolidation, SoCal Edison states that the TRBAA filing in this docket will not be impacted in any way by the resolution of SoCal Edison's other proceedings. SoCal Edison states that each of the other proceedings will be decided on its own evidence, and that resolution of the TRBAA proceeding cannot impact those proceedings, except to the extent that the total Transmission Revenue Requirement and rates may mechanically change as the TRBAA is implemented. SoCal Edison argues that such formulaic interaction does not merit a consolidation of the TRBAA filing with either the CWIP or general transmission rate filings.

### **C. Commission Determination**

10. Our review indicates that SoCal Edison's filing, as supplemented by its answer, provides sufficient information to determine that the CAISO's Marginal Losses Surplus Credit Allocation is included in SoCal Edison's TRBA, and has been reflected as a credit to the amount of CAISO costs included by SoCal Edison under the LADWP contract. Accordingly, we believe that LADWP's specific concern has been addressed. As such, we find SoCal Edison's proposed TRBAA appears just and reasonable and is accepted for filing, effective January 1, 2010, as proposed.

11. With respect to LADWP's request for consolidation, we find that LADWP has not demonstrated why consolidation of this proceeding with the proceeding in Docket Nos. ER10-160-000 and ER09-1534-000 is necessary or appropriate. The Commission consolidates matters for hearing only if a hearing is required to resolve common issues of fact or law, and consolidation will ultimately result in greater administrative efficiency.<sup>2</sup> This standard for consolidation has not been satisfied here. Moreover, as we are not

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<sup>2</sup> See, e.g., *California Independent System Operator Corp.*, 125 FERC ¶ 61,153, at P 45 (2008) citing *Southwest Power Pool, Inc.*, 125 FERC ¶ 61,001, at P 25 (2008); *Ameren Services Co., et al.*, 121 FERC ¶ 61,205, at P 22-23 (2007); *Midcontinent Express Pipeline LLC*, 124 FERC ¶ 61,089, at P 27 (2008) (*Midcontinent*).

setting this matter for hearing, there is no need to consolidate it with any other dockets.<sup>3</sup> Accordingly, we will deny LADWP's request for consolidation.

The Commission orders:

(A) SoCal Edison's proposed tariff sheets are hereby accepted for filing, to be effective January 1, 2010, as discussed in the body of this order.

(B) LADWP's request for consolidation is hereby denied.

By the Commission.

( S E A L )

Kimberly D. Bose,  
Secretary.

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<sup>3</sup> See, e.g., *Entergy Services, Inc.*, 107 FERC ¶ 61,326, at P 3 (2004); *Midcontinent* at P 27.