171 FERC ¶ 61,196
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Neil Chatterjee, Chairman;
Richard Glick, Bernard L. McNamee,
and James P. Danly.

City and County of San Francisco Docket Nos. EL15-3-003

v.

Pacific Gas and Electric Company

Pacific Gas and Electric Company ER15-702-003
ER15-703-003
ER15-704-009

ER15-705-003
ER15-735-003
(Consolidated)

ORDER ON REHEARING

(Issued June 4, 2020)

1. On November 21, 2019, the Commission issued Opinion No. 568,[1] which affirmed in part and overturned in part, an Initial Decision[2] in the above-captioned proceeding. On December 20, 2019, the City and County of San Francisco (San Francisco or City) filed a request for rehearing of Opinion No. 568. For the reasons discussed below, we deny rehearing in part, grant rehearing in part, and direct Pacific Gas and Electric Company (PG&E) to make a further compliance filing within 60 days of the date of this order.

I. Background

2. San Francisco and PG&E were parties to an Interconnection Agreement entered into in 1987 (1987 Agreement) pursuant to which PG&E provided wholesale distribution

[1] *City and Cnty. of San Francisco v. Pac. Gas & Elec. Co.*, Opinion No. 568, 169 FERC ¶ 61,128 (2019).

[2] *City and Cnty. of San Francisco v. Pac. Gas & Elec. Co.*, 157 FERC ¶ 63,021 (2016) (Initial Decision).

service to San Francisco's load without the need for San Francisco to own or control intervening facilities at each point of delivery.[3] Upon expiration of the 1987 Agreement, San Francisco's customers that were eligible for "grandfathering" could receive wholesale distribution service under PG&E's wholesale distribution tariff (WDT)[4] without having to own Intervening Facilities.[5] San Francisco and PG&E disagree as to the scope of the grandfathering provision in the WDT, which prompted San Francisco to file a complaint, on October 14, 2014, pursuant to sections 206 and 306 of the Federal Power Act (FPA),[6] alleging that, upon expiration of the 1987 Agreement, PG&E would unreasonably deny service to San Francisco under the WDT.

3. Subsequently, PG&E filed, pursuant to section 205 of the FPA,[7] notices of termination relating to the expiring 1987 Agreement, as well as a series of replacement agreements to provide interconnection and wholesale distribution service to San Francisco.[8] The replacement agreements consist of: (1) the WDT Service Agreement, which provides for service under the WDT; (2) the WDT Interconnection Agreement, which governs the interconnection of PG&E's and San Francisco's distribution systems; (3) a Transmission Interconnection Agreement, which governs the interconnection of PG&E's and San Francisco's transmission systems; and (4) five Transmission Facilities Agreements, which detail and set terms for the facilities at the existing points of interconnection covered by the Transmission Interconnection Agreement.[9]

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[3] Intervening facilities are distribution facilities that are installed between the Distribution Provider-owned Distribution Facilities and the Distribution Customer's end-use customer's load. They may include poles, meters, transformers, and other equipment required for interconnection. *See* WDT, § 2.20 (Intervening Facilities).

[4] The WDT, which became effective when the California Independent System Operator Corporation (CAISO) assumed operational control of PG&E's transmission facilities on April 1, 1998, contains the rates, terms, and conditions for wholesale distribution service over PG&E's distribution facilities.

[5] WDT, § 14.2. ("All Eligible Customers shall be required to demonstrate bona fide ownership or control of the Intervening Distribution Facilities . . . except in the case where an Eligible Customer meets the criteria for grandfathering").

[6] 16 U.S.C. §§ 824e, 825e (2018).

[7] *Id.* § 824d.

[8] Opinion No. 568, 169 FERC ¶ 61,128 at PP 1, 12.

[9] *Id.* P 103.

4. On March 31, 2015, the Commission set the complaint for hearing and settlement judge procedures, accepted and suspended the notices of termination and replacement agreements, and consolidated PG&E's section 205 filings with the complaint proceeding (consolidated proceeding).[10] On June 30, 2015, the Commission denied San Francisco's request for rehearing and granted PG&E's request for a limited waiver of certain provisions of the WDT and replacement agreements in order to provide certainty to San Francisco that its customers would continue to be served under the WDT without the risk of conversion to PG&E service or the burden of demonstrating ownership or control of intervening facilities.[11] The waiver was to extend through the duration of this proceeding.[12]

5. On November 15, 2016, the Presiding Administrative Law Judge (Presiding Judge) issued an Initial Decision in the consolidated proceeding. As relevant to this rehearing request, the Presiding Judge found that the grandfathering provision under the WDT applies to the class of customers that was eligible to receive wholesale distribution service on October 24, 1992, regardless of where in the City those customers may be located now or in the future.[13] The Presiding Judge further found that the class of customers that PG&E was serving on October 24, 1992 is "municipal public purpose load"[14] but stated that he was without authority to furnish a definition for municipal public purpose load in place of the Commission. The Presiding Judge also found that the replacement agreements were just and reasonable but recommended that PG&E be directed to submit a compliance filing to adopt certain changes.[15]

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[10] *City and Cnty. of San Francisco v. Pac. Gas & Elec. Co.*, 150 FERC ¶ 61,255 (2015).

[11] *City and Cnty. of San Francisco v. Pac. Gas & Elec. Co.*, 151 FERC ¶ 61,74 (2015) (June 30 Order).

[12] Because this is a final Commission order in this proceeding, we note that the waiver granted in the June 30 Order expires upon the issuance of this order.

[13] Initial Decision, 157 FERC ¶ 63,021 at P 137.

[14] As the Presiding Judge noted, the parties have used "municipal public purpose load," "municipal load," and "muni load" synonymously. *Id.* P 142. In Opinion No. 568, the Commission specified that it would use the term "municipal load" or "municipal public purpose load." Opinion No. 568, 169 FERC ¶ 61,128 at P 26 n.53. In this order, we will use only the term "municipal public purpose load."

[15] Initial Decision, 157 FERC ¶ 63,021 at PP 289-290, 296.

6. In Opinion No. 568, the Commission addressed briefs on and opposing exceptions to the Initial Decision and made three findings relevant to San Francisco's rehearing request. First, the Commission overturned the Presiding Judge's ruling on the scope of the grandfathering provision under the WDT. Second, as to the definition of "municipal public purpose load," the Commission accepted PG&E's definition of that term as expressed under the replacement agreements.[16] Third, with respect to the replacement agreements as a whole, the Commission affirmed the Presiding Judge's rejection of San Francisco's proposed changes.[17]

7. In its rehearing request, San Francisco alleges that each of these findings is in error. We address these issues below.

II. Discussion

A. The Grandfathering Provision Under the WDT and the Relevance of FPA section 212(h)

1. The Parties' Positions, the Initial Decision, and Opinion No. 568

8. The grandfathering provision under the WDT refers to the criteria for grandfathering under section 212(h)(B)(2) of the FPA,[18] which provides an exception to the prohibition on mandatory retail wheeling and sham wholesale transactions to entities that were providing electric service to an ultimate customer on the date that the statute was enacted, i.e., October 24, 1992.[19] Specifically, section 14.2 of the WDT provides in relevant part:

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[16] Opinion No. 568, 169 FERC ¶ 61,128 at P 72.

[17] *Id*. P 150.

[18] 16 U.S.C. § 824k(h)(2).

[19] Section 212(h) of the FPA, enacted on October 24, 1992, provides in relevant part:

> (h) PROHIBITION ON MANDATORY RETAIL WHEELING AND SHAM WHOLESALE TRANSACTIONS. No order issued under this chapter shall be conditioned upon or require the transmission of electric energy:
> (1) directly to an ultimate consumer, or
> (2) to, or for the benefit of, an entity if such electric energy would be sold by such entity directly to an ultimate consumer, unless:
> (A) … a State or any political subdivision of a State (or an agency, authority, or instrumentality of a State or a political subdivision); ….

> All Eligible Customers shall be required to demonstrate bona fide ownership or control of the Intervening Distribution Facilities listed in Section 14.2.1, except in the case where an Eligible Customer meets the criteria for grandfathering in 16 U.S.C. § 824k(h)(2) ("Grandfathering") or obtains a variance in accordance with Section 14.2.1. To the extent that an Eligible Customer intends to invoke this Grandfathering provision, the Eligible Customer must do so as part of its Application and at that time must provide evidence demonstrating that, for each Point of Delivery for which it claims eligibility for Grandfathering, the criteria of 16 U.S.C. § 824k(h)(2) are met.[20]

9. San Francisco and PG&E disagree as to the scope of which customers qualify for grandfathering and, specifically, how section 212(h)(2)(B) should be interpreted and applied to the grandfathering provision in the WDT. In San Francisco's view, grandfathering applies to the class of customers that San Francisco was eligible to serve on October 24, 1992, regardless of where in the City those customers may be located now or in the future.[21] By contrast, PG&E's approach considers the ongoing eligibility of a specific delivery point for grandfathering status. Under PG&E's proposed approach, any San Francisco delivery point served on the last day of the expiring 1987 Agreement (i.e., June 30, 2015) would retain its grandfathered status as long as it continues to serve the same class of municipal customer served by San Francisco as of October 24, 1992,

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> a person having an obligation arising under State or local law (exclusive of an obligation arising solely from a contract entered into by such person) to provide electric service to the public; or any corporation or association which is wholly owned, directly or indirectly, by any one or more of the foregoing; and
> (B) such entity was providing electric service to such ultimate consumer on October 24, 1992, or would utilize transmission or distribution facilities that it owns or controls to deliver all such electric energy to such electric consumer.

[20] WDT, § 14.2.

[21] San Francisco Brief on Exceptions at 25. According to San Francisco, these customers include: (1) City agencies and related public entities; (2) City-owned properties and tenants of those properties; and (3) entities providing services on behalf of or in coordination with the City, which San Francisco collectively defines as "municipal public purpose load." *Id.* at 25-29.

even if the specific municipal customer changes.[22] However, according to PG&E, if the load at that delivery point changes to non-municipal load, the delivery point would lose its grandfathered status. In addition, under PG&E's approach, the grandfathered status of a qualified point of delivery cannot be transferred to another point of delivery.[23]

10. In the Initial Decision, the Presiding Judge found that the Commission's section 212(h) precedent – particularly the *Suffolk County* line of cases[24] – substantially supported San Francisco's argument that the WDT's grandfathering provision applies to the class of customers that was eligible to receive wholesale distribution service on October 24, 1992, regardless of where in the City those customers may be located now or in the future.[25] In Opinion No. 568, the Commission overturned the Initial Decision on this point and found that PG&E's interpretation of the grandfathering provision is just and reasonable.[26] The Commission found that its section 212(h) precedent was not applicable in determining the scope of customers that would qualify for grandfathering[27] and that the reference to section 212(h) in the WDT was "most reasonably read as providing certainty for the time period when grandfathering points of delivery would occur."[28]

2. Rehearing Request

11. San Francisco maintains that the grandfathering provision of the WDT is controlled by section 212(h)(2) and contends that the Commission erred in concluding otherwise. According to San Francisco, other provisions of the WDT (e.g., sections 2.4, 25.5, and 15.5.1) confirm that the WDT's grandfathering provision is "inextricably tied to

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[22] PG&E Initial Brief at 13-14; Opinion No. 568, 169 FERC ¶ 61,128 at P 20.

[23] PG&E Initial Brief at 18; Opinion No. 568, 169 FERC ¶ 61,128 at P 20.

[24] *Suffolk Cty. Elec. Agency*, 77 FERC ¶ 61,355 (1996) (*Suffolk County I*); *Suffolk Cty. Elec. Agency*, 96 FERC ¶ 61,349 (2001) (*Suffolk County II*); *Suffolk Cty. Elec. Agency*, 102 FERC ¶ 61,349 (2003) (*Suffolk County III*); *Suffolk Cty. Elec. Agency*, Opinion No. 467-A, 108 FERC ¶ 61,173 (2004) (*Suffolk County IV*)) (collectively, *Suffolk County*).

[25] Initial Decision, 157 FERC ¶ 63,021 at P 135.

[26] Opinion No. 568, 169 FERC ¶ 61,128 at P 68.

[27] *Id.* P 67.

[28] *Id.* P 70.

the meaning of section 212(h)(2) and the limits that statute places on the Commission's authority to mandate wheeling."[29]

12. San Francisco disagrees with the Commission's conclusion that the reference to section 212(h)(2) in the WDT serves only to provide certainty for the time period when grandfathering points of delivery would occur.[30] Referencing the settlement agreement that resulted in the adoption of the WDT grandfathering provision, San Francisco asserts that there is no support for concluding that the parties intended to incorporate only the date stated in section 212(h)(2)(B). Instead, San Francisco argues that the intent of settling parties was to fully incorporate the statutory criteria of section 212(h)(2)(B) such that an eligible customer has the right to obtain grandfathered service so long as the Commission would not be prohibited from ordering service to that customer.[31] San Francisco also references another settlement agreement between PG&E and Western Area Power Administration (Western) which, according to San Francisco, confirms that eligibility for grandfathering turns, in part, on the term "ultimate customer" as used in section 212(h) rather than on "the time period when grandfathering points of delivery would occur."[32]

13. San Francisco alleges that the Commission erred in concluding that its section 212(h) precedent is inapplicable in construing the scope of the grandfathering provision in PG&E's WDT. San Francisco argues that, contrary to the Commission's conclusion in Opinion No. 568, there is no statutory basis for limiting the application of section 212(h) to orders issued under sections 210 and 211 of the FPA.[33] San Francisco maintains that that section 212(h) applies to all orders "issued under this chapter," adding that, had Congress intended 212(h) to apply only to section 210 and 211 proceedings, it would have so stated.[34]

14. San Francisco points out that the dispute resolution process in the WDT culminates with the filing of an unexecuted service agreement. In San Francisco's view, this process is evidence that the WDT "clearly contemplates that the Commission would

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[29] Rehearing Request at 7-8.

[30] *Id.* at 9 (referencing Opinion No. 568, 169 FERC ¶ 61,128 at P 70).

[31] *Id.* (referencing *Pac. Gas. & Elec. Co.*, Offer of Settlement, Docket No. ER13-1188 (2015) (Settlement Agreement)).

[32] *Id.* at 10 (quoting Opinion No. 568, 169 FERC ¶ 61,128 at P 70).

[33] *Id.* at 11.

[34] *Id.*

address disputes over the meaning of [section] 212(h)(2)(B) through non-section 210 or 211 proceedings, such as this one."[35]

15. According to San Francisco, the Commission has recognized that section 212(h)'s restrictions on the Commission's wheeling authority apply in the context of proceedings under section 205 and 206. San Francisco points out that, when the Commission issued Order No. 888 to mandate open access pursuant to sections 205 and 206 of the FPA, the Commission expressly acknowledged the restriction that section 212(h) placed on its ability to order to issue a wheeling order.[36] In San Francisco's view, Opinion No. 568 fails to explain why the section 212(h) restrictions "might be different in the two procedural contexts, such that the Commission's Section 212(h) precedent applies to one, but not the other."[37] Therefore, San Francisco concludes that the Commission should grant rehearing in order to apply the criteria of section 212(h)'s grandfathering provision to San Francisco's request for service.

16. Having set forth its argument that section 212(h) precedent is in fact applicable, San Francisco contends that such precedent compels the Commission to adopt San Francisco's approach to grandfathering. San Francisco asserts that, under *Suffolk County*, a qualified entity is entitled to grandfathering treatment on behalf of the class of ultimate customers that it served or was eligible to serve on October 24, 1992.[38] San Francisco maintains that its application for WDT service meets this standard and thus satisfies the grandfathering provision of the WDT at those points of delivery where it serves: (1) City agencies and related public entities; (2) City-owned properties and tenants of those

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[35] *Id.* at 11-12.

[36] *Id.* at 12 (citing *Promoting Wholesale Competition Through Open Access Non-Discriminatory Transmission Servs by Pub. Utils; Recovery of Stranded Costs by Pub. Utils and Transmitting Utils*, Order No. 888, FERC Stats. & Regs. ¶ 31,036, at 31,687 n.280 (1996) (cross-referenced at 75 FERC ¶ 61,080), *order on reh'g*, Order No. 888-A, FERC Stats. & Regs. ¶ 31,048, at 30,181-82 (cross-referenced at 78 FERC ¶ 61,220), *order on reh'g*, Order No. 888-B, 81 FERC ¶ 61,248 (1997), *order on reh'g*, Order No. 888-C, 82 FERC ¶ 61,046 (1998), *aff'd in relevant part sub nom. Transmission Access Policy Study Group v. FERC*, 225 F.3d 667 (D.C. Cir. 2000), *aff'd sub nom. New York v. FERC*, 535 U.S. 1 (2002)).

[37] *Id.* at 12-13.

[38] *Id.* at 13.

properties; and (3) entities providing services on behalf of or in coordination with the City, which San Francisco refers to collectively as "Municipal Public Purpose Load."[39]

17. San Francisco argues that the text of section 212(h) focuses on the ultimate consumers served on October 24, 1992 and that nothing in the statute refers to the location at which such ultimate consumers received service.[40] San Francisco also argues that, under *Suffolk County*, the "ultimate consumer" need not take service at the same location in order to qualify for grandfathering and that an "ultimate consumer" also does not refer to an individual retail customer but rather a class of customers.[41] San Francisco states that, although *Suffolk County* is the most directly relevant case law supporting its position, other cases, including *U.S. DOE-Western Area Power Administration*,[42] and *City of Palm Springs*,[43] are also consistent with the class-based approach to grandfathering that was endorsed by *Suffolk County.*[44] San Francisco urges the Commission to apply its settled precedent on section 212(h), which, in its view, requires a determination that San Francisco satisfied the WDT's grandfathering provision at all points of delivery where San Francisco would serve members of the class of customers that it served or was eligible to serve on October 24, 1992.[45]

18. San Francisco insists that it served "municipal public purpose load" on October 24, 1992, as required to comply with its obligations under the Raker Act,[46] and

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[39] *Id.*

[40] *Id.* at 15.

[41] *Id.* at 15-17.

[42] 95 FERC ¶ 61,382 (2001) (*WAPA*).

[43] 76 FERC ¶ 61,127 (1996) (*Palm Springs*).

[44] Rehearing Request at 17-18.

[45] *Id.* at 19.

[46] Raker Act of 1913, Pub. L. No. 63-41, 38 Stat. 242. Under the Raker Act, Congress authorized San Francisco to develop a water and power supply system on certain public lands while also requiring San Francisco to sell certain excess electricity to the Modesto and Turlock Irrigation Districts and to municipalities within those districts for "municipal public purposes," after which it may dispose of any excess electrical energy for commercial purposes. *See* Opinion No. 568, 169 FERC ¶ 61,128 at P 5.

alleges that the Commission's failure to require PG&E to provide WDT service to this class of customers undermines the intent of Congress in enacting the Raker Act.[47]

19. San Francisco describes as misplaced the Commission's concern that San Francisco's class-based approach is unreasonable because it "would automatically grandfather *all* San Francisco customers."[48] San Francisco observes that its approach would not allow grandfathering for new potential customers that are not part of the municipal public purpose load that San Francisco was serving as of October 24, 1992. In San Francisco's view, the fact that virtually all of the delivery points for which San Francisco has sought WDT service qualify for grandfathering treatment is not unreasonable; it merely reflects that, since 1992, San Francisco has consistently served the same class of customers (i.e., municipal public purpose load) under the 1987 Interconnection Agreement.[49]

20. San Francisco also alleges that the Commission erred in concluding that the WDT embodies a point of delivery approach that is incompatible with San Francisco's approach to grandfathering. San Francisco argues that the references to delivery points in the WDT are fully consistent with applying class-based grandfathering criteria.[50] San Francisco notes that the implementation of any grandfathering system inevitably requires that delivery points be identified. For example, San Francisco states that even PG&E's approach treats delivery points differently depending on whether or not the point falls within PG&E's "Muni Load" customer class definition. San Francisco therefore disagrees with the Commission's conclusion that adopting San Francisco's approach would require a "fundamental reinterpretation of the WDT" or that it would "override the express point of delivery approach that is embodied in the WDT."[51]

21. According to San Francisco, the Commission suggested that the WDT's section 212(h) references were included as a surrogate for inserting the date "October 24, 1992."[52] San Francisco states that this suggestion is implausible and contradicts the terms of the Settlement Agreement that produced the WDT's grandfathering provision,

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[47] Rehearing Request at 22.

[48] *Id.* (quoting Opinion No. 568, 169 FERC ¶ 61,128 at P 69 (emphasis in original)).

[49] *Id.*

[50] *Id.* at 23.

[51] *Id.* (quoting Opinion No. 568, 169 FERC ¶ 61,128 at PP 69, 70).

[52] *Id.* at 25.

which, according to San Francisco, states that the WDT is an open access offer of service to Eligible Customer loads, except to the extent that section 212(h) limits the Commission's authority to order transmission service.[53] San Francisco adds that the *pro forma* Open Access Transmission Tariff contains a reference to section 212(h) in the definition of "eligible customer," which makes no mention of section 212(h) providing certainty for the time period when grandfathering points of delivery would occur. Instead, San Francisco argues, it was referenced as a provision that "defines the limits of the Commission's statutory authority to require transmission service, encompassing the full scope of the provision's criteria."[54] San Francisco argues that references in the WDT parallel this reference and should be interpreted in the same way.

22. Finally, San Francisco alleges that the Commission's rulings in Opinion No. 568 "endorse and maintain PG&E's discriminatory treatment of San Francisco."[55] San Francisco claims that, under PG&E's WDT Service Agreement with Western (a customer that San Francisco describes as analogous to itself), WDT service is provided for new points of delivery without the requirement to own Intervening Facilities. San Francisco claims that it does not receive comparable grandfathering treatment for new delivery points under the Commission's decision in Opinion No. 568.[56]

3. Commission Determination

23. We are not persuaded by San Francisco's arguments on rehearing and affirm the Commission's determination that PG&E's proposed application of the WDT's grandfathering provision to the replacement agreements is just and reasonable. At the outset, we emphasize that this case does not involve an application for a Commission wheeling order and therefore the prohibition on mandatory retail wheeling specified in section 212(h)(B)(2) is not controlling, nor is the Commission precedent upon which San Francisco relies. San Francisco has not requested that the Commission mandate transmission service under section 211 of the FPA (or interconnection service under section 210 of the FPA). Instead, the dispute here concerns the rates, terms, and conditions under which PG&E will continue to provide service to all existing San Francisco delivery points under the replacement agreements, whose terms and conditions are derived in turn from the WDT. Thus, we find San Francisco's argument that the restrictions on the Commission's wheeling authority specified in section 212(h) apply outside of the context of sections 210 and 211 of the FPA to be inapposite. As San

[53] *Id.* (citing Settlement Agreement § 3.1).

[54] *Id.* at 26.

[55] *Id.* at 27.

[56] *Id.*

Francisco explains, in mandating open access pursuant to sections 205 and 206 in Order No. 888, the Commission expressly acknowledged the limits that section 212(h) placed on its authority to do so:

> At the time Congress enacted amendments to FPA section 211, it was well aware that the Commission had unexplored authorities under sections 205 and 206 of the FPA to compel wheeling. The only explicit limitations it chose to impose on the Commission's wheeling authorities were those contained in sections 212(g) and (h), which provide that no order "under this Act" may be inconsistent with any State law governing retail marketing areas of electric utilities (section 212(g)), or be conditioned upon or require the transmission of electric energy directly to an ultimate consumer (section 212(h)).[57]

As the Commission explained in Opinion No. 568, in this case we have neither been asked to direct wheeling service nor are we doing so *sua sponte*. Rather, the Commission has interpreted a provision of the WDT for *continued* service.[58] Therefore, the Commission's analysis, as affirmed here, focuses exclusively on the text of the WDT and not on how the grandfathering provision specified in section 212(h) has been applied in the context of an application for a wheeling order.[59]

24. San Francisco cites portions of the Settlement Agreement in support of its argument that the parties intended to apply the grandfathering provision in the manner advocated by San Francisco. We disagree that that the parties intended such application, which we find to be contrary to the text of the WDT. Section 14.2 WDT provides in relevant part that "[a]ll Eligible Customers shall be required to demonstrate bona fide ownership or control of the Intervening Distribution Facilities listed in Section 14.2.1, *except in the case* where an Eligible Customer meets the criteria for grandfathering in 16 USC § 824k(h)(2)."[60] Had the parties intended for section 212(h) precedent to "control" this provision, the exception would have no meaning because *all* customers within the class of customers taking service on October 24, 1992 would be grandfathered in perpetuity, regardless of where they may be located now or in the future. Although

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[57] *Id.* at 12 (citing Order No. 888, FERC Stats. & Regs. at 31,687 n.280).

[58] Furthermore, as noted in Opinion No. 568 and as continues to be true on rehearing, San Francisco has not cited any Commission precedent on the application of section 212(h) that is not in the context of sections 210 and 211 of the FPA.

[59] *See* Opinion No. 568, 169 FERC ¶ 61,128 n.154.

[60] WDT, § 14.2 (emphasis added).

San Francisco maintains that this result "is not unreasonable,"[61] we do not find it plausible in light of the express requirement that – unless excepted – customers must own or control Intervening Facilities at their respective delivery points.[62]

25. San Francisco's proposed approach is also not plausible given that, as the Commission explained in Opinion No. 568, the WDT frames distribution service in terms of delivery points.[63] San Francisco comments that the "implementation of *any* grandfathering system inevitably requires the Distribution Provider and Distribution Customer to identify each delivery point proposed to be served under the Tariff."[64] We do not disagree; however, there is no support in the WDT for us to go further to find that, after the universe of delivery points is identified based on how they existed upon expiration of the 1987 Agreement, customers at *new* delivery points would be eligible for grandfathering. To the contrary, service under the WDT – including whether a customer is entitled to WDT service without having to own Intervening Facilities – is specific to

[61] Rehearing Request at 22.

[62] In any event, the issue before us is not whether San Francisco's preferred application of the grandfathering provision is just and reasonable but, rather, whether PG&E's application of the grandfathering provision is just and reasonable. *See Cities of Bethany v. FERC*, 727 F.2d 1131, 1136 (D.C. Cir. 1984) ("FERC has interpreted its authority to review rates under the FPA as limited to an inquiry into whether the rates proposed by a utility are reasonable—and not to extend to determining whether a proposed rate schedule is more or less reasonable than alternative rate designs."). Having found PG&E's approach just and reasonable (and that San Francisco has not met its section 206 burden in showing otherwise), we are not obligated to make a ruling on San Francisco's alternative interpretation.

[63] Opinion No. 568, 169 FERC ¶ 61,128 at P 70 (citing WDT, § 1.1 (points of receipt and the transmission of such capacity and energy to designated points of delivery); § 2.29 (points of delivery are the points on the distribution provider's distribution system where capacity and energy transmitted by the distribution provider will be made available to the receiving party under the WDT); § 2.32 (receiving party is the entity receiving capacity and energy transmitted by the distribution provide to points of delivery); § 14.2 (customers invoking grandfathering provision must provide evidence demonstrating that each point of delivery for which it claims eligibility for grandfathering that the requirements of FPA section 212(h)(2) are met); § 15.5.1 (referencing customers' rights to dispute rejection of points of delivery if the point of delivery qualifies for section 212(h) grandfathering treatment)).

[64] Rehearing Request at 23 (emphasis in pleading).

delivery points.[65] The terms of the Settlement Agreement that produced the WDT grandfathering provision – as quoted by San Francisco in its rehearing request – also confirm that the grandfathering determination is specific to delivery points.[66] These references to points of delivery would have no meaning under San Francisco's approach, wherein grandfathering would be specific to a customer rather than to a delivery point. In contrast, PG&E's proposed approach is consistent with the point of delivery approach embodied in the WDT, as discussed in Opinion No. 568,[67] and we therefore continue to find that approach reasonable.

26. It is also worth noting that PG&E's proposal provides continued WDT service to all existing (and then pending) delivery points under the now-expired 1987 Interconnection Agreement, without the need for Intervening Facilities.[68] Given this reasonable and voluntary accommodation – which San Francisco does not challenge on rehearing – we disagree with San Francisco that our determination in this case is in anyway contrary to Congress's intent when enacting the Raker Act.

27. San Francisco seeks to rely on section 212(h) precedent, specifically *Suffolk County* but also, to a lesser degree, *WAPA* and *Palm Springs,* to argue that customers within the class being served as of October 24, 1992 are entitled to grandfathered WDT service regardless of their location. Reliance on this precedent is misplaced because San Francisco confuses section 212(h) grandfathering with grandfathering under the WDT. The grandfathering inquiry is whether San Francisco is entitled to receive WDT service without having to own Intervening Facilities. We are not tasked with determining whether San Francisco would be entitled to a wheeling order under section 211, as that is not the procedural context of this case. Accordingly, we affirm the Commission's finding that section 212(h) precedent does not shed light on whether the relevant agreements are just and reasonable for purposes of PG&E's section 205 filing or San Francisco's section 206 complaint.[69]

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[65] WDT, § 14.2 (requiring customers to provide evidence why "each point of delivery" is eligible for grandfathering).

[66] *See* Settlement Agreement § 3.1 (referring to applications for service to a specific point of delivery); § 15.5.1 (governing rejection of a point of delivery related to grandfathering).

[67] Opinion No. 568, 169 FERC ¶ 61,128 at P 70.

[68] PG&E Brief on Exceptions at 10, 13, n.30.

[69] Opinion No. 568, 169 FERC ¶ 61,128 at n.154.

28. Further, the reference to section 212(h) in section 14.2 of the WDT and as used in the Settlement Agreement is not inconsistent with PG&E's application of the grandfathering provision in the WDT. Contrary to San Francisco's contention, we are not "suggest[ing] that the WDT's section 212(h) references were included as a surrogate for inserting the date 'October 24, 1992.'"[70] Rather, the reference to section 212(h) informs how PG&E makes its grandfathering decision for the universe of delivery points as they existed upon expiration of the 1987 Agreement. PG&E takes a similar class-based approach as San Francisco when looking at each of these delivery points within this defined universe. As explained in its Brief on Exceptions, PG&E's position on grandfathering "accord[s] [San Francisco] grandfathered status at each delivery point it was serving (as of June 30, 2015), as long as the customer at that delivery point is a member of the class of customer [San Francisco] was appropriately serving as of October 24, 1992."[71] Therefore, PG&E does account for the criteria of section 212(h)(B)(2) (i.e., whether the Commission would be prohibited from issuing a wheeling order) but only for the universe of delivery points as they existed on June 30, 2015. There is nothing further in the WDT to support San Francisco's position that new points of delivery could become eligible for grandfathering or that customers could transfer their grandfathered status to new points of delivery.

29. Finally, we disagree with San Francisco's argument that PG&E's application of the WDT is discriminatory when viewed in light of the service PG&E offers to Western. As PG&E explains in its Reply Brief, Western's WDT Service was the result of a settlement reached between PG&E and Western that contained a negotiated trade-off of benefits and burdens to which the parties could agree.[72] The fact that Western receives different treatment, as a result of that negotiated settlement,[73] is not determinative. San Francisco is not a party to that settlement and thus has not shown that San Francisco and its customers are similarly situated to Western and its customers, or that the terms of that settlement should apply to all of PG&E's customers. Accordingly, we disagree that

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[70] Rehearing Request at 25.

[71] PG&E Brief on Exceptions at 13-14. PG&E states that this class of customer consists of San Francisco's governmental customers (i.e., government agencies, police and fire department facilities, public schools, etc.) which it refers to as municipal public purpose load or municipal load.

[72] PG&E Reply Brief at 16.

[73] *See* PG&E and Western Settlement Agreement, Docket No. ER05-116-000 (filed May 19, 2006); *Pacific Gas & Elec.*, 117 FERC ¶ 61,154 (2006) (approving uncontested settlement).

PG&E's application of the grandfathering provision to San Francisco is unduly discriminatory.

B. The Definition of Municipal Public Purpose Load

1. The Parties' Positions, the Initial Decision, and Opinion No. 568

30. San Francisco argues that "municipal public purpose load" should include: (1) City agencies and related public entities; (2) City-owned properties and tenants of those properties; and (3) entities providing services on behalf of or in coordination with the City.[74] In contrast, PG&E argues that "municipal public purpose load" should be defined as proposed in PG&E's WDT Service Agreement to include governmental departments and agencies, public housing tenants, municipal transportation system, police stations, fire departments, public schools, city parks, and public libraries.[75]

31. In the Initial Decision, the Presiding Judge concluded that the class of customers that San Francisco was serving on October 24, 1992 was "municipal public purpose load"[76] but also stated that he was without authority to define this term in place of the Commission.[77] Nevertheless, he indicated that, "if the Commission decides that [the Presiding Judge] has authority to define municipal public purpose," he would have adopted the definition as reflected in PG&E's WDT Service Agreement.[78] In Opinion No. 568, the Commission stated: "With regard to the definition of municipal load, [w]e agree with the Presiding Judge that the replacement agreements are just and reasonable,

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[74] San Francisco Brief on Exceptions at 25-29.

[75] Appendix D.1.1 of PG&E's WDT Service Agreement (Ex. PGE-9, at 19) states: "Municipal Public Purpose End-Use Customers" ("Muni Load") are served at metered Points of Delivery providing power to [San Francisco]'s governmental departments and agencies, public housing tenants, municipal transportation system, police stations, fire departments, public schools, city parks and public libraries. Non-governmental private persons (other than [San Francisco] public housing tenants) and non-governmental private corporations are not Municipal Public Purpose End-Use Customers."

[76] Initial Decision, 157 FERC ¶ 63,021 at P 143.

[77] *Id.* P 146.

[78] *Id.*; *see also* Opinion No. 568, 169 FERC ¶ 61,128 at P 53 ("although the Presiding Judge found himself unable to define the term 'municipal public purpose,' he nonetheless suggested that when defining municipal load, the Commission consider the definition set forth in PG&E's proposed WDT Service Agreement").

and we thus affirm the Initial Decision on this point and accept PG&E's definition of municipal load as expressed in the replacement agreements."[79]

2. Rehearing Request

32. San Francisco argues that the Commission erred to the extent that its acceptance of PG&E's definition is intended as a factual ruling on the scope of the customer class actually served on October 24, 1992. In San Francisco's view, this class should be expanded on rehearing to include the class of customers that San Francisco was eligible to serve – and indeed did serve – at that time: City agencies and related public entities, City-owned properties and tenants of those properties, and entities providing services on behalf of or in coordination with the City.[80] However, San Francisco states that, to the extent that the Commission's acceptance of PG&E's definition of "municipal public purpose load" is intended simply to inform PG&E's voluntary treatment of certain San Francisco delivery points not otherwise eligible for WDT service, San Francisco does not seek rehearing.[81]

3. Commission Determination

33. We deny rehearing on this issue and affirm the Commission's acceptance of PG&E's definition of "municipal public purpose load." We do not agree that this definition is "intended simply to inform PG&E's voluntary treatment of certain delivery points," as San Francisco suggests on rehearing.[82] This definition is also relevant to PG&E's application of the grandfathering provision in section 14.2 of the WDT because, as PG&E explains in its Brief on Exceptions, PG&E proposed to grandfather the points of delivery under the now-expired 1987 Agreement "as long as the customer at that delivery point is a member of the class of customers [San Francisco] was appropriately serving as of October 24, 1992."[83] PG&E further explains that that class of customers consists of "[San Francisco] governmental customers (i.e., government agencies, police and fire department facilities, public schools, etc.), which is referred to as 'municipal

[79] Opinion No. 568, 169 FERC ¶ 61,128 at P 72.

[80] Rehearing Request at 30.

[81] *Id.* at 29.

[82] *Id.*

[83] PG&E Brief on Exceptions at 14.

public purpose' or 'municipal' load in the Interconnection Agreement."[84] This term is more precisely defined in the WDT Service Agreement as follows:

> Municipal Public Purpose End-Use Customers ("Muni-Load") are served at metered Points of Delivery providing power to [San Francisco's] governmental departments and agencies, public housing tenants, municipal transportation system, police stations, fire departments, public schools, city parks and public libraries. Non-governmental private persons (other than [San Francisco] public housing tenants) and non-governmental private corporations are not Municipal Public Purpose End-Use Customers. Small Unmetered Street Loads served under Appendix E are not Municipal Public Purpose End-Use Customers.

34. We continue to find that this definition to describe the class of customers that San Francisco was serving as of October 24, 1992 is reasonable because it effectively distinguishes between what is to be considered municipal load under the replacement WDT Service Agreement and what is not. As the Commission explained in Opinion No. 568, the fact that this definition differs from the one used in the 1987 Agreement does not render the definition unjust and unreasonable.[85] San Francisco has provided no further argument on rehearing for why this definition is unreasonable other than to claim that it is "inconsistent with the record of this proceeding."[86] We disagree. To the contrary, as noted above, PG&E's definition is the one that the Presiding Judge would have adopted (had he determined he had the authority to do so) despite otherwise ruling in favor of San Francisco.[87]

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[84] *Id.*

[85] Opinion No. 568, 169 FERC ¶ 61,128 at P 72.

[86] Rehearing Request at 29.

[87] Having found PG&E's definition just and reasonable, we are not obligated to evaluate San Francisco's alternative definition. *See, e.g.*, *Petal Gas Storage, L.L.C. v. FERC*, 496 F.3d 695, 703 (D.C. Cir. 2007) ("FERC is not required to choose the best solution, only a reasonable one"); *City of Bethany v. FERC*, 727 F.2d 1131, 1136 (D.C. Cir. 1984) (utility need only establish that its proposed rate design is reasonable, not that it is superior to alternatives).

C. The Replacement Agreements

35. In its rehearing request, San Francisco alleges that the Commission erred in accepting certain provisions in the replacement agreements, specifically with respect to the Transmission Interconnection Agreement filed in Docket ER15-705-000 and in the WDT Interconnection Agreement filed in ER15-704-000. We grant rehearing in part, and deny rehearing in part, and direct PG&E to submit a compliance filing within 60 days of the date of this order, consistent with the findings below.

1. Underfrequency Load Shedding Provisions in the Transmission Interconnection Agreement

a. Rehearing Request

36. San Francisco explains that underfrequency load shedding obligations are assigned to PG&E as the NERC Transmission Owner/Operator at four of the six transmission-level interconnections covered by the Transmission Interconnection Agreement and that, at these four interconnections, San Francisco serves loads that include the San Francisco Airport, large public water facilities, and large public water treatment facilities.[88] San Francisco states that, under the California Public Utilities Commission's (CPUC) prioritization system for curtailment, these facilities serve the highest priority load (Priority 1) and thus would be some of the last facilities curtailed.[89] According to San Francisco, PG&E has proposed to reassign its underfrequency load shedding responsibility to San Francisco in a manner that would require San Francisco to curtail these loads ahead of lower-priority loads located elsewhere on PG&E's system.[90] San Francisco claims that its loads at these interconnections are "separated from PG&E's larger pool of load and effectively placed in their own small pool with its own [underfrequency load shedding] obligations."[91] According to San Francisco, because of the smaller pool of load from which to satisfy this obligation, San Francisco's public

[88] Rehearing Request at 32. San Francisco states that these load interconnections are "major public infrastructure facilities providing critical transportation, water supply, and wastewater treatment." *Id.* at 33.

[89] *Id.* (citing CPUC Decision No. 91548, Ex. SF-90).

[90] *Id.*

[91] *Id.*

infrastructure facilities could be some of the first loads to be curtailed "despite the crucial public functions they serve."[92]

37. San Francisco disputes the Commission's conclusion that PG&E's proposal "will allocate underfrequency load shedding obligations under CAISO rules to similarly situated counterparties with whom it has an interconnection agreement."[93] San Francisco states that this conclusion is contrary to the record because PG&E has not identified any similarly situated transmission interconnection agreement counterparties. San Francisco adds that the counterparties that PG&E has claimed to be "similarly situated" to San Francisco do not support public health and safety services.[94]

38. San Francisco also objects to the Commission's reliance on PG&E's commitment to allocate "proportional" underfrequency load shedding obligations to San Francisco."[95] San Francisco states that PG&E's proposal will actually require disproportionately large curtailments of high-priority public health and safety loads when only small amounts of underfrequency load shedding obligations are required system-wide.[96]

b. Commission Determination

39. We continue to find that PG&E's underfrequency load shedding obligations set forth in the Transmission Interconnection Agreement are just and reasonable, and we therefore deny rehearing on this issue. As noted in PG&E's testimony and in Opinion No. 568, PG&E will allocate underfrequency load obligations consistent with the manner in which PG&E allocates such obligations to similarly situated counterparties with whom PG&E has an interconnection agreement.[97] PG&E has identified three such counterparties: the California Department of Water Resources, the Northern California Power Agency, and the Lathrop Irrigation District. PG&E explained that these entities, like San Francisco, own substations and take transmission service under CAISO's Tariff and interconnection service under a Transmission Interconnection Agreement with

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[92] *Id.* at 33-34.

[93] *Id.* at 34 (quoting Opinion No. 568, 169 FERC ¶ 61,128 at P 157).

[94] *Id.*

[95] *Id.* at 34 (quoting Opinion No. 568, 169 FERC ¶ 61,128 at P 157

[96] *Id.* at 35.

[97] Opinion No. 568, 117 FERC ¶ 61,154 at P 157.

PG&E.[98] While San Francisco alleges that these counterparties do not serve "important health and safety services," San Francisco has not provided any evidence in support of this claim. Indeed, San Francisco characterizes its own load as including "major public infrastructure facilities providing critical transportation, water supply, and wastewater treatment."[99] To the extent these are considered necessary for "important health and safety services," so too would this be the case for large public water supply facilities such as those managed by the California Department of Water Resources.

40. Accordingly, we agree with PG&E that San Francisco should not be relieved of its underfrequency load shedding obligations at each of these four load interconnections. Instead, as PG&E stated in its Brief on Exceptions, San Francisco "will have to coordinate with PG&E to establish an [underfrequency load shedding] program that is consistent with its obligations to the CAISO."[100]

2. Alleged Preemption of Requirements Imposed by the North American Electric Reliability Corporation (NERC)

a. Rehearing Request

41. San Francisco argues that the Commission erred in allowing PG&E to "contractually preempt" San Francisco's NERC-imposed Transmission Operator Requirements.[101] As the NERC-registered Transmission Owner/Transmission Operator at two of the transmission operator-to-transmission operator interconnections covered by the Transmission Interconnection Agreement, San Francisco states that it has independent obligations to comply with NERC requirements and coordinate directly with CAISO. San Francisco is concerned that, through certain provisions in the Transmission Interconnection Agreement, PG&E has "proposed to insert itself between San Francisco in the CAISO."[102] For example, San Francisco refers to Appendix C of the Transmission Agreement, which provides for operational coordination requirements between San Francisco and PG&E and specifically directs PG&E to "coordinate with the Balancing

[98] Exhibit SF-180, PG&E Response to March 21, 2016 Data Request of San Francisco.

[99] Rehearing Request at 233.

[100] PG&E Brief on Exceptions at 17.

[101] Rehearing Request at 35.

[102] *Id.*

Authority on behalf of both Parties."[103] San Francisco argues that this proposal: (1) fails to acknowledge the independent need for both PG&E and San Francisco to operate their respective systems consistent with NERC, Western Electricity Coordinating Council (WECC), and CAISO requirements; and (2) conflicts with San Francisco's obligation to comply with NERC requirements and coordinate directly with CAISO.[104]

42. San Francisco states that it had proposed separate operational and coordination provisions, with the appropriate references to the Reliability Coordinator and NERC standards, and contends that the Commission erred in rejecting these proposed revisions without explanation.

b. Commission Determination

43. We agree that San Francisco has independent obligations with respect to NERC, WECC, and CAISO and that these obligations should be protected under the Transmission Interconnection Agreements. We note that PG&E has recognized these obligations, having explained in its Brief Opposing Exceptions in this proceeding:

> . . .[San Francisco's] reading of the provisions appearing in PG&E's Replacement Agreements is mistaken: contrary to [San Francisco's] suggestions, the Transmission Interconnection Agreement . . . only documents [San Francisco's] obligations regarding [San Francisco's] interconnected facilities vis-à-vis PG&E, and does not interfere with or otherwise modify any of [San Francisco's] independent obligations to, or relationships with NERC, WECC, the CAISO or with [San Francisco's] Peak Reliability requirements.[105]

It therefore appears that there is a meeting of the minds on this issue. Nevertheless, to avoid a future misunderstanding, we grant rehearing in part by directing PG&E to submit a compliance filing, due within 60 days of the date of this order, with revisions to the Transmission Interconnection Agreement. These revisions should specify that the coordination provisions of the Transmission Interconnection Agreement do not interfere with or otherwise modify any of San Francisco's independent obligations to, or relationships with NERC, WECC, or CAISO.

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[103] *Id.* (citing Exhibit PGE-10 at 52).

[104] *Id.* at 35-36.

[105] PG&E Brief Opposing Exceptions at 16.

3. Adverse Impacts Provision in the WDT Interconnection Agreement

a. Rehearing Request

44. San Francisco argues that the WDT Interconnection Agreement places an asymmetrical burden on San Francisco to avoid adverse impacts on PG&E's system but places no corresponding obligation on PG&E.[106] San Francisco contends that the Commission erred in adopting this "Adverse Impacts" provision based on the allegedly incorrect understanding that PG&E owns and operates the only distribution system in San Francisco and therefore is the only entity that can suffer adverse impacts. According to San Francisco, the record demonstrates that San Francisco does in fact own and operate distribution facilities and intends to operate more of them in the future.[107] San Francisco claims that these distribution facilities may be adversely impacted by PG&E's distribution facilities and therefore deserve reciprocal protection from adverse impacts.[108]

b. Commission Determination

45. We grant rehearing on this issue. As a preliminary matter, we note that the Presiding Judge did not opine on the parties' dispute over the adverse impacts provision. In Opinion No. 568, the Commission stated that it was persuaded by PG&E's argument that the provision is not reciprocal "because PG&E owns and operates the only distribution system in San Francisco, and thus only PG&E's distribution facilities can suffer adverse effects."[109] While the record supports the position that San Francisco does not own and operate a distribution *system*,[110] we recognize that San Francisco does operate distribution *facilities*,[111] and there is evidence in the record to suggest that these

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[106] Rehearing Request at 37.

[107] *Id*.

[108] *Id.* at 38.

[109] Opinion No. 568, 117 FERC ¶ 61,154 at P 161.

[110] PG&E Brief Opposing Exceptions at 20 (citing Rubin Direct and Answering Testimony, PGE-1 at 3:5-12; 3:22-4:4).

[111] Rehearing Request at 37 (citing Meal Rebuttal Testimony, Ex. No. SF-144, at 8:7–11:21; Summary of San Francisco Retail Deliveries, Ex. No. SF-146 (showing that San Francisco uses its own distribution facilities to serve various loads); Hale Rebuttal Testimony, Ex. SF-100, at 10:9-11 (noting that San Francisco serves the Hunters Point development and the Transbay Transit Center, and Treasure Island "using its own distribution facilities")).

facilities could suffer adverse impacts from PG&E because, as San Francisco submits through its testimony, "[i]n many cases, power flows from PG&E's distribution grid to San Francisco distribution facilities."[112] Accordingly, we direct PG&E to submit in a compliance filing, due within 60 days of the date of this order, revisions to the Adverse Impact provision of the WDT Interconnection Agreement. The revisions should specify that PG&E has a reciprocal obligation to avoid or fully mitigate adverse impacts to San Francisco's distribution facilities.

4. Previously Agreed-upon Revisions

a. Rehearing Request

46. San Francisco asserts that, despite PG&E's agreement in its Reply Brief to revise certain provisions in the replacement agreements, neither the Initial Decision nor the Commission in Opinion No. 568 directed PG&E to implement these changes.[113] For example, San Francisco notes that PG&E agreed to revise the arbitration clause in its WDT Interconnection Agreement such that it was no longer mandatory.[114] San Francisco also lists a number of other discrete revisions that PG&E agreed to make but that were not specifically addressed by the Initial Decision or the Commission.[115] San Francisco requests that, on rehearing, the Commission direct PG&E to revise each of the previously agreed-upon provisions.

b. Commission Determination

47. We agree that PG&E should make each of the revisions that it had previously committed to make and hereby grant this aspect of San Francisco's rehearing request.

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[112] Meal Rebuttal Testimony, Ex. No. SF-144, at 10:17-18.

[113] Rehearing Request at 38 (citing PG&E Reply Brief at Appendices A-D).

[114] *Id*.

[115] *Id.* at 38-39 n.40 ("The list of revisions PG&E agreed to make includes provisions on California Public Utilities Code Section 2828 (Attachment B, line 51), default (Attachment B, line 66), liability for interruptions (Attachment C, line 44), material breach (Attachment D, line 3), Hetch Hetchy project description (Attachment D, line 6), PG&E Fresno reliability transmission project SPS equipment at Warnerville substation reference (Attachment D, line 9), access to equipment at Newark substation (Attachment D, line12), interconnection facilities at Millbrae (Attachment D, line 13), Crystal Springs TFA's superseding of prior TFA (Attachment D, line 14), and Crystal Springs interconnection facilities (Attachment D, line 15).").

We note that, in its January 20, 2020 compliance filing, PG&E appeared amenable to these changes, stating:

> PG&E notes that there are corresponding revisions to Appendix B of the TIA set forth in the 2017 Stipulations that were not ordered by the Commission to be made in this compliance filing. PG&E will include those revisions in a future filing along with other revisions agreed to [by] the Parties but not included in the Order, including removing the mandatory arbitration clause and replacing it with a voluntary approach.[116]

We therefore direct PG&E to submit a compliance filing within 60 days of the date of this order to implement each of the revisions that it had agreed upon in its Reply Brief and joint stipulations filed by the parties on August 11, 2016 and December 20, 2017, including a revision to the WDT Interconnection Agreement that replaces the mandatory arbitration clause with a voluntary approach.

The Commission orders:

(A) San Francisco's request for rehearing is hereby denied in part and granted in part, as discussed in the body of this order.

(B) PG&E is hereby ordered to submit a compliance filing within 60 days of the issuance of this order, as discussed in the body of this order.

By the Commission.

(S E A L)

Nathaniel J. Davis, Sr.,
Deputy Secretary.

[116] *Pac. Gas & Elec. Co.*, Compliance Filing, Docket Nos. ER15-705-005 (filed Jan. 13, 2020).