

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

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

Pacific Gas and Electric Company

Docket Nos. ER03-409-000
ER03-409-001
ER03-409-002
ER03-409-003
ER03-666-000
ER03-666-001
ER03-666-002
ER03-666-003

ORDER APPROVING PARTIAL UNCONTESTED SETTLEMENT

(Issued August 9, 2004)

1. On April 30, 2004, Pacific Gas & Electric Company (PG&E) filed an offer of partial settlement and stipulation. The settlement resolves all issues in these proceedings except two reserved issues with two parties. Commission Trial Staff and PG&E filed initial and reply comments in support of the partial settlement. The California Department of Water Resources, State Water Project (SWP) filed comments seeking certain clarifications. The Presiding Administrative Law Judge found that the conditions and clarifications SWP sought already existed under a reasonable reading of the settlement. No other comments were filed. On June 14, 2004, the Presiding Administrative Law Judge certified the partial settlement to the Commission as uncontested.

2. The subject partial 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. The Commission retains the right to investigate the rates, terms and conditions under the just and reasonable and not unduly discriminatory or preferential standard of section 206 of the Federal Power Act, 16 U.S.C. section 824e (2000).

3. In addition, the rate schedules submitted as part of the settlement are in compliance with *Designation of Electric Rate Schedule Sheets*, Order No. 614, FERC Stats. & Regs., Preambles July 1996-December 2000 ¶ 31,096 (2000), and are accepted for filing as designated.

4. PG&E shall file a refund report with the Commission within 30 days of the date on which it has made refunds to Existing Transmission Contract and Transmission Owner wholesale customers, pursuant to the settlement.

5. Within 30 days after the California Public Utilities Commission's (CPUC) issuance of an order on the methodology for making retail refunds, PG&E shall file a refund report with the FERC informing it of the CPUC's orders and findings respecting the methodology and date by which such retail refunds are to be made.

6. This order terminates Docket Nos. ER04-409-001, ER04-409-002, ER04-409-003, ER03-666-001, ER03-666-002 and ER03-666-003 for all parties and issues, except for one issue pertaining to the City and County of San Francisco, and one pertaining to the Cogeneration Association of California and Energy Producers and Users Coalition, which two issues have be set for hearing in Docket Nos. ER03-409-000 and ER03-666-000.

By the Commission.

(S E A L)

Linda Mitry,
Acting Secretary.