

111 FERC ¶ 61,202
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. ER04-415-003
ER04-415-004

ORDER GRANTING CLARIFICATION

(Issued May 9, 2005)

1. In this order we grant the clarification sought by Pacific Gas and Electric Company (PG&E) of a previous order directing that the interconnection agreements at issue comply with Order No. 2003.¹ Because Order No. 2003 has not yet become effective for interconnections to transmission facilities subject to the operational control of the California Independent System Operator Corporation (California ISO), PG&E may continue to use the existing form of agreement for these interconnections. This action benefits customers because it assures that the terms, conditions, and rates for interconnection service are just and reasonable.
2. In the previous order in this proceeding, the Commission accepted several Generator Specific Facilities Agreements (GSFAs) and Generator Interconnection Agreements (GIAs) between PG&E and Berry Petroleum Company-Tannehill Cogen (Berry Tannehill), Berry Petroleum Company – University Cogen (Berry University), and Big Creek Water Works, Ltd. (Big Creek). We also accepted PG&E's Interim Special Facilities Agreement and Interim Parallel Operating Agreement with Big Creek. Each of the generators at issue is a qualifying facility under the Public Utility Regulatory Policies Act of 1978, and was interconnected with PG&E's transmission system under contracts dating back to 1986. Each of the generators subsequently elected to engage in sales of electric power in wholesale markets, which led to the agreements being filed with the Commission. The GSFAs govern the facilities that interconnect the generators to PG&E's transmission systems and the GIAs establish the operating protocols and business relationship between the generators and PG&E.
3. While the November 2004 Order accepted the agreements, because they were filed after the effective date of the Commission's Order No. 2003, the final rule on large

¹ *Pacific Gas & Electric Co.*, 109 FERC ¶ 61,242 (2004) (November 2004 Order).

generator interconnections,² the Commission directed PG&E to comply with Order No. 2003.

4. In its request for clarification, PG&E explains that Order No. 2003 has not yet been made effective in California. It seeks clarification that the Commission did not intend to require PG&E to conform the agreements to the standard *pro forma* agreement in Order No. 2003. PG&E also argues that it is appropriate to continue to use pre-Order No. 2003 procedures and forms of agreement since they were already approved by the Commission and there has been no claim of undue discrimination in their application. Moreover, PG&E also states that the agreements do not involve new interconnections, so there is no need to mandate conformity with the requirements of Order No. 2003.

5. The Commission grants the requested clarification. Pre-Order No. 2003 interconnection procedures and agreements remain in effect in California for interconnections to facilities subject to the operational control of the California ISO.³ The agreements at issue here thus may continue in their present form, effective March 21, 2004.

6. In light of our granting PG&E's requested clarification, PG&E's compliance filing in Docket No. ER04-415-004 is no longer required and will be dismissed.

The Commission orders:

PG&E's request for clarification is hereby granted and its compliance filing is hereby dismissed, for the reasons discussed above.

By the Commission.

(S E A L)

Linda Mitry,
Deputy Secretary.

² See *Standardization of Generator Interconnection Agreements and Procedures*, Order No. 2003, 68 Fed. Reg. 49,845 (Aug. 19, 2003), FERC Stats. & Regs. ¶ 31,146 (2003), *order on reh'g*, Order No. 2003-A, 69 Fed. Reg. 15,932 (Mar. 26, 2004), FERC Stats. & Regs. ¶ 31,160 (2004), *order on reh'g*, Order No. 2003-B, 70 Fed. Reg. 265 (Jan. 4, 2005), FERC Stats. & Regs. ¶ 31,171 (2004), *reh'g pending*; see also *Notice Clarifying Compliance Procedures*, 106 FERC ¶ 61,009 (2004).

³ See *Southern California Edison Co.*, 109 FERC ¶ 61,375 at P 10 (2004).