

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

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

Southern California Edison Company

Docket No. ER04-1176-000

ORDER APPROVING UNCONTESTED SETTLEMENT

(Issued March 23, 2005)

1. On January 14, 2005, Southern California Edison Company (SCE) filed an offer of settlement (settlement) negotiated between SCE, the California Department of Water Resources, State Water Project (SWP), the Metropolitan Water District of Southern California (MWD), Trial Staff, the California Electricity Oversight Board (CEOB), Arizona Electric Power Cooperative, Inc. (AEPCO), and Southwest Transmission Cooperative (SWTC). On February 2, 2005, SWP filed comments stating that it did not oppose the settlement. On February 3, 2005, Trial Staff submitted comments supporting the settlement. On February 11, 2005, reply comments were filed by SCE. The California Independent System Operator Corporations (CAISO) intervened in the proceeding, but did not participate in the settlement procedures. On February 28, 2005, the presiding settlement judge certified the uncontested settlement to the Commission.

2. The settlement resolves SCE's revenue requirement and associated rates under its tariff for reliability services. The subject settlement is in the public interest and is hereby approved. The tariff sheets contained in the settlement in the referenced case are in compliance with Order No. 614 and are made effective as noted in the Settlement *Designation of Electric Rate Schedule Sheets*, Order No. 614, 65 Fed. Reg. 18,221, (FERC Statutes and Regulations, Regulations Preambles July 1996 – December 2000 ¶ 31,096 (2000)). 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. § 824e (2000).

3. Refunds will be made in accordance with paragraph two of the settlement.

4. This order terminates Docket No. ER04-1176-000.

By the Commission.

(S E A L)

Linda Mitry,
Deputy Secretary.