



FILED
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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Southern California Edison Company (U338-E) for Recovery of Peaker Costs.

Application 07-12-029
(Filed December 31, 2007)

ADMINISTRATIVE LAW JUDGE'S RULING CANCELLING EVIDENTIARY HEARINGS, SETTLEMENT CONFERENCE, AND BRIEFING, BUT OTHERWISE DENYING THE OCTOBER 26, 2009 MOTION FILED BY SOUTHERN CALIFORNIA EDISON COMPANY

1. Summary

This ruling cancels the evidentiary hearings, scheduled to begin on November 16, 2009. It also cancels the scheduled settlement conference and briefing but otherwise denies the motion and defers all other matters to a subsequent decision by the Commission.

2. Background

The outstanding issues in this application are to determine how much and how the Southern California Edison Company (Edison) should recover in rates its costs for four new peaker units. Decision (D.) 09-03-031 has already determined that the net capacity costs and resource adequacy benefits of the four peaker units developed, owned and operated by Edison are to be allocated to all benefiting customers as a one-time exception to D.06-07-029, and that this exception excludes an auction. The allocation authority expires in 10 years from the date of commercial operation for each unit, consistent with D.07-06-022, D.06-07-029, and D.08-09-012. (D. 09-03-031 at Ordering Para. 1.)

3. Motion

On October 26, 2009 Edison filed a motion “for a revision or clarification of the Ruling and Scoping Memorandum to eliminate its current requirements to hold a pre-hearing settlement conference, participate in the Evidentiary Hearings, and to file post-hearing briefs.” (Motion at 1.) The motion further asks that “the Commission find that [Edison’s] costs to acquire, install, operate, and maintain (through December 2008) the four peaker units are reasonable, and recoverable without adjustment.” (Motion at 1 - 2.)

4. Discussion

The motion’s request to cancel evidentiary hearings, settlement conference and briefing is reasonable because there are no contested issues raised by intervening parties. Edison’s requested finding that its costs “are reasonable, and recoverable without adjustment” is beyond the scope of a ruling. Edison still bears the burden of proof, i.e., “Edison bears the burden of proof to show that its requests are just and reasonable and the related ratemaking mechanisms are fair.” (Scoping Ruling and Memo at 3.) This finding requires a decision by the Commission. There is no need to wait for possible responses to the motion before ruling on its merits.

Therefore, **IT IS RULED** that:

1. The evidentiary hearings scheduled to begin on November 16, 2009 are cancelled.
2. The scheduled settlement conference and briefs are not required and are cancelled.

3. The Commission will determine by decision if Southern California Edison Company has met its burden of proof that its costs are reasonable, and if so, how they should be recovered.

Dated October 30, 2009, at San Francisco, California.

/s/ DOUGLAS M. LONG

Douglas M. Long
Administrative Law Judge

INFORMATION REGARDING SERVICE

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Dated October 30, 2009, at San Francisco, California.

/s/ GLADYS M. DINGLASAN
Gladys M. Dinglasan