Decision 15-11-011 November 5, 2015

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Southern California Edison Company (U338E) for a Commission Finding that its Procurement-Related and Other Operations for the Record Period January 1 Through December 31, 2013 Complied with its Adopted Procurement Plan; for Verification of its Entries in the Energy Resource Recovery Account and Other Regulatory Accounts; and for Recovery of $6.619 Million Recorded in Three Memorandum Accounts.	Application 14-04-006 (Filed April 1, 2014)

DECISION ADOPTING SETTLEMENT BETWEEN SOUTHERN CALIFORNIA EDISON COMPANY AND THE OFFICE OF RATEPAYER ADVOCATES

Summary

By this decision, the California Public Utilities Commission approves the Settlement Agreement between Southern California Edison Company (SCE) and the Office of Ratepayer Advocates, regarding SCE's 2013 Energy Resource Recovery Account compliance application, as discussed herein.

1. Background

The California Public Utilities Commission (Commission) established the Energy Resource Recovery Account (ERRA) balancing account mechanism in Decision (D.) 02-10-062 to track fuel and purchased power billed revenues against actual recorded costs of these items. In the same decision, the Commission required regulated electric utilities in California to establish a fuel and purchased power revenue requirement forecast, a trigger mechanism (to address balances exceeding certain benchmarks), and a schedule for semiannual ERRA applications.

A compliance review looks at whether a utility has complied with all applicable rules, regulations, opinions, and laws, while a reasonableness review looks at not only a utility's compliance, but also whether the data or actions resulting from, for example, the calculation of a forecasted expense, are realistic, based on the methods and inputs used. In the annual ERRA forecast application, the utility requests adoption of the utility's forecast of what it expects its annual fuel and purchased power costs for the upcoming 12 months to be. In a separate annual ERRA compliance application, a utility requests a determination of whether it is in compliance with applicable rules governing energy resource contract administration, prudent maintenance of utility-retained generation, and least cost dispatch conducted during a prior year and therefore able to address any over-or under-collection in its ERRA balancing account. This decision resolves the Southern California Edison Company's (SCE) 2013 ERRA compliance. Application (A.) 14-04-006, its *Application of Southern California Edison Company (U338E) for a Commission Finding that its Procurement-Related and Other Operations for the Record Period January 1 Through December 31, 2013 Complied with its Adopted Procurement Plan; for Verification of its Entries in the Energy Resource Recovery Account and Other Regulatory Accounts; and for Recovery of $6.619 Million Recorded in Three Memorandum Accounts*. (Application)

On April 10, 2014, Resolution ALJ-176-3334 preliminarily determined that this proceeding was ratesetting and that hearings would be necessary. On May 5, 2014, a protest was filed by the Office of Ratepayer Advocates (ORA). On May 15, 2014, SCE filed a response to these protests.

On May 19, 2014 a prehearing conference (PHC) took place in San Francisco to establish the service list for the proceeding, discuss the scope of the proceeding, and develop a procedural timetable for the management of the proceeding. At the PHC, the assigned Administrative Law Judge (ALJ) added Pacific Gas and Electric

Company (PG&E) to the service list as Information Only. The assigned ALJ did not grant PG&E its requested party status, because at this point in the proceeding, PG&E did not plan to actively participate, but only monitor. The assigned ALJ told PG&E that if at some point in the future it would like to actively participate in this proceeding, it may request such through motion to intervene.

During the pendency of this proceeding, the assigned ALJ issued seven electronic mail (e-mail) rulings, resulting in the revision of the scope of this proceeding, removal of evidentiary hearings and the filing of briefs from the procedural schedule, and requiring the filing of Status Reports on efforts to settle this proceeding.

On August 7, 2015, SCE provided formal notice of a Settlement Conference, set for August 14, 2015. Subsequently, on August 14, 2015, SCE filed a *Motion for Approval of Settlement Agreement Between Southern California Edison Company (U338E) and the Office of Ratepayer Advocates* (Motion), on behalf of itself and ORA. Attached to the Motion is the *Settlement Agreement Between Southern California Edison Company (U338E) and the Office of Ratepayer Advocates* (Settlement Agreement).[1]

All rulings made by the assigned Commissioner and ALJ during the pendency of this proceeding are affirmed herein. All remaining motions are denied herein.

In the provision of its regulated services, SCE must take all actions necessary to promote the safety, health, comfort, and convenience of utility patrons, employees, and the public.

[1] http://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=ALL&DocID=154225710

2. Summary of Parties' Positions

2.1. Uncontested Issues

After its review and analysis of SCE's request, ORA agreed with or did not contest the following SCE requests:

1. ORA accepted SCE's request for recovery of $8,737,035.14 regarding the Walnut Creek Non-Qualified Facilities (QF) Contract Administration Affiliate Transaction;

2. ORA approves of Transaction 1 of the bilaterally negotiated Resource Adequacy capacity and energy-only tolling agreement between SCE and Dynegy Moss Landing, LLC (DML Contract);

3. ORA recommends that the Commission find reasonable SCE's administration of its Public Utility Regulatory Policies Act (PURPA) and Combined Heat and Power (CHP) contracts during the Record Year 2013 and find reasonable costs of $1.018 billion in PURPA and CHP contract-related costs.

4. ORA does not object to SCE's California Independent System Operator-Related Costs.

5. ORA recommends that the Commission find that SCE's Greenhouse Gas (GHG) procurement activity for the Record Year 2013 was reasonable and within its GHG procurement authority.

6. ORA found that: a) SCE reasonably complied with the Commission's order to directly address Utility Owned Generation (UOG) nuclear outages and associated fuel costs in the ERRA compliance application and prepared testimony; and b) No specific imprudence was found in SCE's management of the operations and maintenance of its nuclear UOG facility at Palo Verde or in SCE's management or mitigation of associated outages.

7. ORA concludes that SCE's requested total net revenue increase in 2015 of $6.619 million, pertaining to the recorded costs and revenues of three balancing, memorandum, and

tracking accounts, is supported and correctly stated. ORA does not object to SCE's request for approval to recover the $6.619 million.

8. ORA recommends the Commission accept that the Calpine Pastoria Power Purchase Agreement (PPA) is in compliance with Decision (D.) 04-12-048.

2.2. Contested Issues

2.2.1. The Calpine Pastoria PPA

In testimony submitted on July 9, 2014 (Exhibit SCE-8), SCE explained that it had entered into a non-conforming power purchase agreement with Calpine Energy Services, L.P. (Calpine Pastoria PPA.) SCE argued that the Commission should approve the Calpine Pastoria PPA and the costs should be fully recoverable in ERRA. While ORA agreed that the Commission should approve the Calpine Pastoria PPA, it recommended the Commission order SCE to institute a series of quality control process improvements to help avoid future contractual mistakes.

2.2.2. The Appropriate Showing For SCE To Make In ERRA Proceedings With Respect To The Calculation Of The Maximum Disallowance Cap For A Standard Of Conduct (SOC) 4 Violation

ORA recommended that the Commission require SCE to provide the SOC 4 disallowance cap amount, along with a showing of its calculation, in future ERRA application and testimony filings. SCE maintained that such a showing is not necessary because it provides detailed supporting calculations and workpapers when requested in discovery, and because the disallowance cap is only relevant if a party proposes a procurement-related disallowance.

2.2.3. The Appropriate Showing For SCE To Make In ERRA Proceedings With Respect To The Least-Cost Dispatch Of SCE's Generation Resources

ORA recommended that the Commission direct SCE to include all dispatchable Demand Response (DR) resources in its annual Least-Cost Dispatch (LCD) compliance demonstration in ERRA, and recommended the adoption of DR-specific "metrics" for those showings. SCE's Rebuttal Testimony (Exhibit SCE-13) acknowledged that there was a then-pending interim ruling adopting ORA's recommendations regarding DR metrics for LCD compliance for the 2014 Record Period, but argued that the Commission should reconsider what constitutes appropriate treatment for DR resources in future years.

2.2.4. Certain SCE Showings Regarding Non-QF Contract Administration

ORA made four recommendations relating to SCE's contract administration for Non-QF: (a) the Commission should accept SCE's request for cost recovery for the Walnut Creek Affiliate Transaction; (b) the Commission should adopt the guidelines in D.90-09-088 for SCE's reporting and review of its affiliate-owned non-PURPA CHP projects; (c) the Commission should approve Transaction 1 of the tolling agreement between SCE and DML; and (d) the Commission should order SCE not to include any issues requiring an after-the-fact reasonableness review in future ERRA compliance filings.

SCE explained that (a) it was not requesting recovery of any payments made by SCE to Walnut Creek Energy during the Record Year; that (b) it agreed to use the D.90-09-088 reporting requirements for the review of its affiliate-owned non-PURPA CHP projects; (c) that the decision to execute Transaction 1 of the DML tolling agreement and present it for review in this ERRA proceeding while using the advice letter process for the review regarding Transaction 2 was in SCE's customers' best interests; and (d) that the Commission should reject ORA's

recommendation to order SCE to not include any issues requiring an after-the-fact reasonableness review in future ERRA compliance filings.

2.2.5. The Appropriate Demonstration Of GHG Compliance Instrument Procurement In The ERRA Review Proceedings

ORA recommended that SCE provide the following in future ERRA filings: "(1) the amount procured through GHG compliance instruments procured for the Record Year and whether this amount was within the authority of its Bundled Procurement Plan (BPP); and (2) where and how SCE procured the GHG compliance instruments and whether these purchases were within the authority of its BPP. Additionally, SCE should provide the following as appendices to testimony: (1) GHG Quarterly Compliance Report (QCR) material; (2) Procurement Review Group (PRG) GHG presentations; and (3) a confidential copy of its BPP."[2]

SCE disagreed with ORA's recommendations because it believed this proposal would result in a duplicative and inappropriate review process within ERRA. SCE stated that it had already demonstrated compliance with its Assembly Bill Bundled Procurement Plan (BPP) and Commission procurement rules in its QCR filings. As directed by the Commission, through its QCR filings, SCE demonstrates that GHG compliance instruments comply with the upfront standards and criteria in SCE's BPP. SCE's 2010 BPP, as amended and approved in Resolution E-4542, incorporates the GHG compliance standards established in D.12-04-046.

[2] *See* Exhibit ORA-1 at 1-5.

2.2.6. The Appropriate Showing For SCE To Make In ERRA Proceedings With Respect To Utility-Owned Generation Outages

ORA did not identify any instances in which SCE's Record Period UOG outages were allegedly imprudent or unreasonable. ORA also proposed a methodology for calculating replacement costs for UOG outages. Subsequent to the submission of ORA's Exhibit ORA-1 and SCE's Rebuttal Testimony, the Commission convened a workshop in SCE's 2012 Record Period ERRA Review proceeding (A.13-04-001). As a result of that workshop, SCE and ORA agreed to certain prospective changes SCE would make to its UOG showing, beginning with the 2014 Record Period.

SCE also argued in its Rebuttal Testimony that developing multiple pre-defined formulas for calculating UOG outages replacement costs was unnecessary and burdensome.

2.2.7. GHG Accounting Issues

Regarding GHG cost accounting, ORA recommended the Commission require SCE to implement the following: 1) accrual basis accounting; 2) Update/Correct inaccurate accounting books and records pertaining to GHG costs and inventory, through December 31, 2014; 3) update/correct all applicable balancing, memorandum, and other related balance sheet accounts; and 4) discontinue use of Accounts 2451035 - GHG Regulatory Liability and 4601010 – Provision.

SCE's Rebuttal Testimony noted that in Phase II of A.13-08-002, SCE agreed, from 2014 going forward, that cost recovery of direct GHG costs will be based on GHG compliance costs in the year the GHG emission obligations were incurred, with interest for cash outlays to meet GHG procurement compliance costs. The emission expense and interest expense is to be recorded in the ERRA. This accounting change from a cash to an accrual basis was adopted in D.14-10-033.

In light of the Phase 2 Decision adopting the accrual method of accounting for GHG compliance instrument costs, SCE argued that ORA's recommendation requiring SCE to update the ERRA and all other related balance sheet accounts no later than December 31, 2014 is now moot. After issuance of D.14-10-033, SCE switched to the accrual method for 2014 and made a one-time adjustment for prior years. In addition, SCE discontinued the use of the 2451035 - GHG Regulatory Liability and 4601010 – Provision accounts, since they are no longer necessary under accrual accounting.

3. Summary of Settlement

3.1. The Settling Parties Agree That All Of SCE's Uncontested Or Agreed-Upon Proposals Should Be Adopted By The Commission

As noted above, ORA either agreed with or did not take exception to many of the proposals in SCE's application and testimony. The Settlement Agreement provides that in such instances, the Commission should approve those proposals. When there is no disagreement between the parties, and when the applicant has set forth sufficient testimony satisfying its burden of proof, the Commission should adopt the applicant's proposals. The Settlement Agreement makes clear that except as expressly modified by the Settlement Agreement itself, the Commission should approve all of the relief requested in SCE's Application, Amended Application, and various exhibits of supporting testimony.

3.2. The Settling Parties Agree That the Commission Should Approve The Calpine Pastoria PPA And SCE Should Implement Corrective Measures

SCE and ORA[3] agree that the Commission should accept and approve the Calpine Pastoria PPA and its costs should be recoverable from customers through ERRA. SCE also agrees with a series of quality control process improvements for SCE to use in future procurement solicitations. After further consideration, SCE agrees with ORA's recommendations as prudent measures.

3.3. The Settling Parties Agree That SCE Should Set Forth the SOC 4 Maximum Disallowance Cap In Future ERRA Proceedings

The Settling Parties agree that SCE include the SOC 4 maximum disallowance cap in its direct testimony in support of future ERRA Review applications.

3.4. The Settling Parties Agree On Certain Prospective Changes SCE Will Make To Its UOG Outages Showings In Future ERRA Review Proceedings

As a result of the workshop held in A.13-04-001, SCE and ORA agreed to certain prospective changes SCE would make to its UOG showing, beginning with the 2014 Record Period. That agreement, known as the *Results of SCE's 2013 ERRA UOG Outage Reporting Workshop* (UOG Workshop Report), was approved by the Commission in D.15-03-023. The UOG Workshop Report imposes certain reporting requirements on SCE, and also memorializes the Settling Parties' intent to continue negotiations and discussions about potential future changes to SCE's UOG outage showings. As a result of those continued negotiations, the Settling Parties also agree that in future ERRA Review proceedings, beginning with the application for

[3] Jointly referred to as Settling Parties.

the 2015 Record Period (to be filed on April 1, 2016), that for the purposes of calculating potential "replacement power" costs for UOG outages, the formulas attached as an exhibit to the Settlement Agreement will be used as a starting point for discussion in the Parties' testimony. SCE will not be obligated to include such calculations or discussion in its direct testimony.

3.5. SCE's Showings Regarding Non-Qualifying Facilities Contract Administration Are No Longer in Dispute

ORA agrees with SCE's proposals regarding Non-QF contract administration, and to withdraw ORA's recommendation in this proceeding to prohibit any after-the-fact reasonableness review in ERRA proceedings. ORA is not barred from making this argument in future ERRA Review proceedings.

3.6. The Settling Parties Agree That ORA Will Withdraw Its Recommendations On The Appropriate Demonstration Of GHG Compliance Instrument Procurement In ERRA Review Proceedings

ORA agrees to withdraw its recommendation in this proceeding on the appropriate demonstration of GHG compliance instrument procurement. ORA is not barred from making this argument in future ERRA Review proceedings.

3.7. The Settling Parties Agree On Certain Prospective Changes SCE Will Make To Its LCD Showing In Future ERRA Review Proceedings

The Settling Parties agree that for SCE's future ERRA Review proceedings starting with the 2014 Record Period (which was filed on April 1, 2015), unless and until there is additional guidance from the Commission, SCE's LCD demonstration showing shall be governed by the requirements of D.15-05-007. ORA agrees to withdraw its recommendations as to the insufficiency of SCE's testimony on this issue and ORA has no further objection to SCE's claim that its 2013 Record Period LCD showing is adequate, complete, and compliant with Commission precedent and standards.

3.8. SCE And ORA Agree On GHG Accounting Issues

ORA agrees with SCE's proposals regarding GHG accounting issues, and they are no longer in dispute.

4. Request for Adoption of the Settlement Agreement

4.1. Standard of Review for Settlement Agreement

We review this settlement pursuant to Rule 12.1(d) of the Commission's Rules of Practice and Procedure (Rules), which provides that, prior to approval, the Commission must find a settlement "reasonable in light of the whole record, consistent with the law, and in the public interest." We find the Settlement Agreement meets the Rule 12.1(d) criteria, and discuss each of the three criteria below.

4.2. Settlement Agreement is Reasonable in Light of the Whole Record

The Settlement Agreement is signed by both active parties to this proceeding. SCE and ORA reached a Settlement Agreement after good faith discussions, negotiations, and considerations of proposals to resolve the issue. The Settling Parties represent a broad array of affected interests. The record also shows that the Settlement Agreement was reached after substantial give-and-take between the parties which occurred during settlement conferences. This give-and-take is demonstrated by the positions initially taken by parties and the final positions agreed upon in the Settlement Agreement. The Settlement Agreement thus represents a reasonable compromise of the contested issues of the adverse parties.

The Settlement Agreement is also consistent with Commission decisions on settlements, which express the strong public policy favoring settlement of disputes if they are fair and reasonable in light of the whole record. This policy supports many worthwhile goals, including reducing the expense of litigation, conserving scarce Commission resources, and allowing parties to reduce the risk that litigation will produce unacceptable results. Here, the Settlement Agreement resolves all

issues in dispute between ORA and SCE, which avoids further litigation in this matter. No party to this proceeding protested the Settlement Agreement.

4.3. Settlement Agreement is Consistent with Law

The Settling Parties believe that the terms of the Settlement Agreement comply with all applicable statutes. These include, e.g., Pub. Util. Code § 451, which requires that utility rates must be just and reasonable, and Pub. Util. Code § 454, which prevents a change in public utility rates unless the Commission finds such an increase justified. We agree that the required showings under Pub. Util. Code §§ 451 and 454 have been made. Further, nothing in the Settlement Agreement contravenes statute or prior Commission decisions.

4.4. Settlement Agreement is in the Public Interest

The Settlement Agreement is in the public interest and in the interest of the SCE's customers. The Settlement Agreement resolves all issues in dispute. Thus, we conclude the Settlement Agreement is reasonable.

Approval of the Settlement Agreement avoids the cost of further litigation, and reduces the use of valuable resources. Application 14-04-006 contains sufficient information for us to determine the reasonableness of the Settlement Agreement and for us to discharge any future regulatory obligations with respect to this matter. For these reasons, we approve the Settlement Agreement as proposed.

5. Other Procedural Matters

5.1. Change in Determination of Need for Hearings

In Resolution ALJ 176-3334, dated April 10, 2014, the Commission preliminarily categorized A.14-04-006 as ratesetting, and preliminarily determined that hearings were necessary. In the Scoping Memo, the assigned Commissioner scheduled evidentiary hearings, though eventually it was determined that hearings were not necessary. Given that no hearings were held in the current proceeding,

we change our preliminary and Scoping Memo determination regarding hearings, to no hearings necessary.

5.2. Motions for Confidential Treatment

5.2.1. SCE

Pursuant to D.06-06-066 and Rule 11.5, SCE requests leave to treat as confidential its Exhibits SCE-1C, -2C, -4C, -6C, -8C, -9aC (clean), -9bC (redlined), and -10C. SCE states that these documents contain information that complies with the confidentiality requirements of the above listed decision and Rule, and should therefore be treated confidentially. No party commented on SCE's request.

Rule 11.5 addresses sealing all or part of an evidentiary record; and D.06-06-066 addresses our practices regarding confidential information, such as electric procurement data (that may be market sensitive) submitted to the Commission.

SCE has been granted similar requests in previous ERRA recovery decisions. We agree that the information contained in these exhibits is market-sensitive, electric procurement-related information. Therefore, pursuant to D.06-06-066 and Rule 11.5, we grant SCE's request to treat as confidential its Exhibits SCE-1C, -2C, -4C, -6C, -8C, -9aC (clean), -9bC (redlined), and -10C as detailed in the ordering paragraphs of this decision. The confidential version of each of these exhibits will be denoted by a "C" after the number of the exhibit.

5.2.2. ORA

Pursuant to Rules 11.4 and 11.5, D.06-06-066, and General Order (GO) 66-C, ORA requests leave to treat as confidential its Exhibits ORA-1C and ORA-2C (Attachment to Exhibit ORA-1C). Rule 11.4 addresses confidentiality of filed documents. Because ORA's testimony was served, not filed, we do not use Rule 11.4. GO 66-C addresses access to records in the Commission's possession. No party commented on ORA's request. Since ORA's request addresses

information that we have deemed confidential in Section 5.2.1 above, and is in compliance with applicable rules, general orders, and decisions, we grant ORA's request to file the confidential version of its Exhibits ORA-1C and ORA-2C.

5.3. Admittance of Testimony and Exhibits into the Record

Since evidentiary hearings were not held in A.14-04-006 there was no opportunity to enter prepared testimony and exhibits into the record. In order to fairly assess the record, it is necessary to include all testimony and exhibits served by SCE and ORA.

In its motion of September 2, 2015, SCE requested, pursuant to Rule 13.8(c), that the Commission receive the public and confidential versions of its Exhibits SCE-1 through 13 into the record of A.14-04-006. We identify the public and confidential versions of SCE's supporting testimony to its Application as Exhibits SCE-1 through 13. Given the necessity of SCE's testimony to our assessment of the proposals put forth, we admit into evidence the public and confidential versions of SCE's Exhibits SCE-1 through -13.

In its motion of September 3, 2015, ORA requested, pursuant to Rules 11.1 and 13.8(c) that the Commission receive the public and confidential versions of its Exhibits ORA-1 and ORA-2 into the record of A.14-04-006. The Commission identifies the public and confidential versions of ORA's Exhibits ORA-1 and ORA-2. Given the necessity of ORA's testimony to our assessment of the Settlement Agreement, we admit into evidence the public and confidential versions of ORA's Exhibits ORA-1 and ORA-2.

5.4. Compliance with the Authority Granted Herein

In order to implement the authority granted herein, SCE must file a Tier 1 Advice Letter within 30 days of the date of this decision. The tariff sheets filed in these Advice Letters shall be effective on or after the date filed subject to the Commission's Energy Division determining they are in compliance with this decision.

6. Waiver of Comment Period

This is an uncontested matter in which the decision grants the relief requested. Accordingly, pursuant to Pub. Util. Code § 311(g)(2) and Rule 14.6, the otherwise applicable 30-day period for public review and comment is waived.

7. Assignment of Proceeding

Michel Peter Florio is the assigned Commissioner and Seaneen M. Wilson is the assigned ALJ in this proceeding.

Findings of Fact

1. On August 14, 2015, SCE and ORA filed their motion requesting adoption of the all-party Settlement Agreement, resolving all issues in dispute in A.14-04-006.

2. The evidentiary record of A.14-04-006, including the Settlement Agreement, contains sufficient information for us to determine the reasonableness of the Settlement Agreement and for us to discharge any future regulatory obligations with respect to this matter.

3. Rule 12.1(d) provides that, prior to approval, the Commission must find a settlement "reasonable in light of the whole record, consistent with the law, and in the public interest."

4. SCE and ORA reached the Settlement Agreement after discovery, careful analysis of the issues, serving of testimony by SCE and ORA, and substantial give-and-take between the parties which occurred during settlement conferences.

5. The Settling Parties comprise all active parties in this proceeding.

6. No party responded to the motion requesting adoption of the Settlement Agreement.

7. Rule 11.5 addresses sealing all or part of an evidentiary record.

8. D.06-06-066 addresses our practices regarding confidential information.

9. Rule 11.4 addresses confidentiality of filed documents. Because ORA's testimony was served, not filed, we do not use Rule 11.4.

10. GO 66-C addresses access to records in the Commission's possession.

Conclusions of Law

1. The Motion to adopt the Settlement Agreement proposed by SCE and ORA should be granted and that Settlement Agreement should be adopted.

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2. Adoption of the Settlement Agreement is in the public interest.

3. Adoption of the Settlement Agreement is reasonable in light of the record, is consistent with law, is in the public interest, and is in the interest of SCE's customers.

4. The Settlement Agreement is consistent with Commission decisions on settlements, which express the strong public policy favoring settlement of disputes if they are fair and reasonable in light of the whole record.

5. The terms of the Settlement Agreement comply with all applicable statutes, and do not contravene statute or prior Commission decisions.

6. Approval of the Settlement Agreement avoids the cost of further litigation, and reduces the use of valuable resources of the Commission and the parties.

7. Given that no hearings were held in the current proceeding, we change our determination regarding hearings to no hearings necessary.

8. In order to implement the authority granted herein, SCE should file a Tier 1 Advice Letter within 30 days of the date of this decision.

9. The prepared testimony of SCE and ORA should be identified and received into evidence.

10. SCE's request to seal the confidential versions of its testimony should be granted, as detailed herein.

11. ORA's request to seal the confidential version of its testimony should be granted, as detailed herein.

ORDER

IT IS ORDERED that:

1. The *Motion for Approval of Settlement Agreement Between Southern California Edison Company (U338E) and the Office of Ratepayer Advocates* is granted.

2. The *Settlement Agreement Between Southern California Edison Company (U338E) and the Office of Ratepayer Advocates* filed on August 14, 2015 is adopted.[4]

3. Southern California Edison Company's (SCE) request to treat as confidential, its Exhibits SCE-1C, -2C, -4C, -6C, -8C, -9aC (clean), -9bC (redlined), and -10C is granted. These exhibits shall remain sealed and confidential for a period of three years after the date of this order, and shall not be made accessible or disclosed to anyone other than the Commission staff or on further order or ruling of the Commission, the assigned Commissioner, the assigned Administrative Law Judge (ALJ), the Law and Motion Judge, the Chief ALJ, or the Assistant Chief ALJ, or as ordered by a court of competent jurisdiction. If SCE believes that it is necessary for this information to remain under seal for longer than three years, SCE may file a new motion stating the justification of further withholding of the information from public inspection. This motion shall be filed at least 30 days before the expiration of this limited protective order.

[4] http://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=ALL&DocID=154225710.

4. The Office of Ratepayer Advocates (ORA) request to treat Exhibits ORA-1C and ORA-2C as confidential, is granted. These exhibits shall remain sealed and confidential for a period of three years after the date of this order, and shall not be made accessible or disclosed to anyone other than the Commission staff or on further order or ruling of the Commission, the assigned Commissioner, the assigned Administrative Law Judge (ALJ), the Law and Motion Judge, the Chief ALJ, or the Assistant Chief ALJ, or as ordered by a court of competent jurisdiction. If ORA believes that it is necessary for this information to remain under seal for longer than three years, ORA may file a new motion stating the justification of further withholding of the information from public inspection. This motion shall be filed at least 30 days before the expiration of this limited protective order.

5. Southern California Edison's request for receipt of the public and confidential versions of its Exhibits SCE-1 through -13 into the record is approved.

6. The Office of Ratepayer Advocates request for receipt of the public and confidential versions of its Exhibits ORA-1 and -2 into the record is approved.

7. No hearings are necessary in this proceeding.

8. Application 14-04-006 is closed.

This order is effective today.

Dated November 5, 2015, at San Francisco, California.

MICHAEL PICKER
President
MICHEL PETER FLORIO
CATHERINE J.K. SANDOVAL
CARLA J. PETERMAN
LIANE M. RANDOLPH
Commissioners