

February 17, 2016

Ms. Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

Dear Ms. Bose:

Pursuant to Section 35.13 of the Federal Energy Regulatory Commission's ("Commission" or "FERC") Regulations under the Federal Power Act (18 C.F.R. § 35.13), Southern California Edison Company ("SCE" or "Participating TO") tenders for filing a Large Generator Interconnection Agreement ("LGIA") among NextEra Energy Resources, LLC ("Interconnection Customer"), SCE, and the California Independent System Operator Corporation ("CAISO") under SCE's Transmission Owner Tariff, FERC Electric Tariff, Volume No. 6.

The documents submitted with this filing consist of this letter of transmittal and all attachments hereto, and the LGIA.

Background

Interconnection Customer applied to the CAISO pursuant to the CAISO Generator Interconnection Procedures ("GIP") to interconnect its proposed 60 MW solar photovoltaic generating facility to be located in Lucerne Valley in San Bernardino County, California ("Ord Mountain Project") to the 220kV bus at SCE's new Calcite 220kV Substation¹ and transmit energy to the CAISO controlled grid. The proposed commercial operation date for the Ord

¹ Calcite Substation, formerly known as Jasper Switching Station, was triggered by earlier-queued generation projects in the CAISO's generator interconnection queue. The existing Lugo – Pisgah No. 1 220 kV transmission line will be looped-in to Calcite Substation forming the new Calcite - Pisgah and Calcite - Lugo 220 kV transmission lines.

Mountain Project is December 1, 2020. The requisite studies under the CAISO's GIP were performed which identified the system modifications and/or additions to SCE's electrical system that are necessary to interconnect the Ord Mountain Project.

LGIA

The LGIA utilizes the CAISO's currently-effective pro forma Large Generator Interconnection Agreement set forth in Appendix CC of the CAISO Tariff ("CAISO's pro forma LGIA") and specifies the terms and conditions pursuant to which: (a) SCE and CAISO will provide Interconnection Service; (b) SCE will design, procure, construct, own, operate and maintain the Participating TO's Interconnection Facilities and Participating TO's Reliability Network Upgrades; and (c) the Interconnection Customer will pay for such facilities. The Participating TO's Interconnection Facilities, as described in Section 1(b) of Appendix A to the LGIA, and the Participating TO's Reliability Network Upgrades, as described in Section 2(b)(i) of Appendix A to the LGIA, are those facilities necessary to interconnect the Ord Mountain Project safely and reliably to SCE's electric system.

Pursuant to the LGIA, the Interconnection Customer will be responsible for the Interconnection Facilities Payment and the Reliability Network Upgrades Payment. The Interconnection Facilities Payment compensates SCE for the capitalized costs incurred by SCE associated with the design, engineering, procurement, construction and installation of the Participating TO's Interconnection Facilities ("Interconnection Facilities Cost") and any non-capitalized costs associated with such facilities. The Reliability Network Upgrades Payment compensates SCE for the capitalized costs incurred by SCE associated with the design, engineering, procurement, construction and installation of the Participating TO's Reliability Network Upgrades ("Reliability Network Upgrades Cost") and any non-capitalized costs associated with such facilities. The Interconnection Facilities Payment is \$5,448,818.00, and the Reliability Network Upgrades Payment is \$4,238,825.00, both charges as set forth in Section 17 of Appendix A to the LGIA.

Following the completion date of the Participating TO's Interconnection Facilities, the Interconnection Customer will pay to SCE a monthly Interconnection Facilities Charge to recover the ongoing revenue requirement for the Participating TO's Interconnection Facilities. The Interconnection Facilities Charge will be \$20,705.51 per month and is calculated as the product of the Customer-Financed Monthly Rate and the Interconnection Facilities Cost (0.38% x \$5,448,818.00). This charge is set forth in Section 16(a) of Appendix A to the LGIA.

The Customer-Financed Monthly Rate is 0.38%. This rate is the rate most recently adopted by the California Public Utilities Commission ("CPUC") for application to SCE's retail electric customers for customer-financed added facilities which does not compensate SCE for the replacement of added facilities. Use of the CPUC rate is consistent with the SCE rate methodology accepted for filing by the Commission in prior generator interconnection agreement dockets. SCE provided cost justification for this rate in Docket No. ER16-773-000.

Because the first interconnection facilities payment is not due until more than 12 months following the date of this filing, a table showing the estimated revenues SCE will collect under the LGIA during the first 12 billing months is not provided.

SCE is upfront financing the new Calcite Substation and loop-in of the existing Lugo – Pisgah No. 1 220 kV transmission line pursuant to Section 12.2.2 of the GIP.² While the Interconnection Customer does not have financial responsibility for such facilities, the Ord Mountain Project will not be allowed to interconnect until such time as Calcite Substation and all related upgrades are placed in service. SCE has committed to develop Calcite Substation provided that the Interconnection Customer meets certain milestones set forth in Appendix A, Section 18 of the LGIA with respect to the development of the Ord Mountain Project. These

² Section 12.2.2 of the GIP requires, in relevant part, that the Participating TO will be responsible for financing and constructing any network upgrades necessary to support the interconnection of a generating facility whenever the network upgrades were included in the interconnection base case data for a Phase II interconnection study on the basis that they were network upgrades associated with generating facilities of interconnections customers that have an executed generator interconnection agreement but the network upgrades will not otherwise be completed because such generator interconnection agreement was subsequently terminated. The construction of Calcite Substation was included in the generator interconnection agreement for the Granite Mountain Project submitted to FERC in Docket No. ER11-2177. Such generator interconnection agreement was subsequently terminated and the notice of cancellation was filed with the FERC in Docket No. ER15-846.

milestones ensure that SCE is being prudent in incurring cost for developing transmission only if the generation is also concurrently being developed.

As set forth in Article 2.1, the LGIA will become effective upon execution subject to acceptance by the Commission.

Waiver

SCE respectfully requests, pursuant to Section 35.11 (18 C.F.R. § 35.11) of the Commission's regulations, waiver of the 60-day prior notice requirements specified in Section 35.3 (18 C.F.R. § 35.3), and requests the Commission to assign an effective date of February 18, 2016 to the LGIA, which is one day after filing. Such waiver would be consistent with the Commission's policy set forth in Central Hudson Gas & Electric Corp., et al., 60 FERC ¶ 61,106 (1992), *reh'g denied*, 61 FERC ¶ 61,089 (1992), that waiver of the 60-day prior notice requirement will generally be granted where good cause is shown and the agreement is filed prior to the commencement of service. Good cause exists in that such waiver will expedite the interconnection of the generating facility to the CAISO controlled grid, thus facilitating the availability of power to customers in Southern California. The granting of such waiver will not have any impact of SCE's other rate schedules.

Other Filing Requirements

No expenses or costs included in the rates tendered herein have been alleged or judged in any administrative or judicial proceeding to be illegal, duplicative, or unnecessary costs that are demonstrably the product of discriminatory employment practices.

SCE believes that the data contained in this letter provides sufficient information upon which to accept this filing; however, to the extent necessary, SCE requests that the Commission waive its filing requirements contained in Sections 35.5 and 35.13 (18 C.F.R. § 35.5 and 35.13) of the Commission's regulations.

SCE believes this filing conforms to any rule of general applicability and to any Commission order specifically applicable to SCE, and has made copies of this letter and all attachments hereto available for public inspection in SCE's principal office located in Rosemead, California. SCE has mailed copies to those persons whose names appear on the mailing list attached hereto.

SCE requests that all correspondence, pleadings, and other communications concerning this filing be served upon:

Erin Moore
Senior Attorney
Southern California Edison Company
P.O. Box 800
2244 Walnut Grove Avenue
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Erin.Moore@sce.com

SCE also requests that an additional copy of any correspondence and orders be sent to the undersigned at James.Cuillier@sce.com.

Very truly yours,



JAMES A. CUILLIER

FEDERAL ENERGY REGULATORY COMMISSION

Mailing List

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