

November 16, 2010

**COMMENTS ON BEHALF OF THE CITIES OF ANAHEIM, AZUSA, BANNING,
COLTON, PASADENA, AND RIVERSIDE, CALIFORNIA REGARDING
REVISED CAPACITY PROCUREMENT MECHANISM DRAFT TARIFF LANGUAGE**

In response to the ISO's request, the Cities of Anaheim, Azusa, Banning, Colton, Pasadena, and Riverside, California (collectively, the "Six Cities") submit the following comments on the November 9, 2010 revised Capacity Procurement Mechanism Draft Tariff Language.

The final paragraph of Draft Section 43.2.6 provides that prior to issuing a CPM designation for a resource at risk of retirement, the ISO will prepare a report explaining the need for the designation and allow no less than 7 days for stakeholders to review and comment on the report and no less than 30 days for an LSE to procure Capacity from the resource. The Cities remain concerned that these periods are too brief to allow meaningful comment on the ISO's report or adequate time to arrange to procure capacity from the resource. Without waiving objections to designation of CPM capacity for resources at risk of retirement and as an alternative to extending the time periods for stakeholder input or procurement following the ISO's report on a request for a CPM designation, the Cities suggest that the ISO post a market notice of a request for a CPM designation, with the supporting information, within five days after the request for a CPM designation is submitted. This will allow stakeholders to evaluate the designation request and to pursue alternative possibilities for procurement of capacity in parallel with the ISO's analysis of the request.

In Draft Section 34.9, in the shaded language added to the second half of the section, the phrase "is likely to" should be changed to "may".

In Draft Section 43.2(3), "and" should be changed to "an".

Submitted by

Bonnie S. Blair
Thompson Coburn LLP
1909 K Street N.W.
Suite 600
Washington, D.C. 20006-1167
bblair@thompsoncoburn.com
202-585-6905

Attorney for the Cities of Anaheim, Azusa,
Banning, Colton, Pasadena, and Riverside,
California