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July 21, 2008

The Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

**Re: California Independent System Operator Corporation
Docket No. ES08-36-000**

Dear Secretary Bose:

On March 17, 2008, as supplemented on April 10, 2008, the California Independent System Operator Corporation ("CAISO") filed, in the above-referenced proceeding, an application under Section 204 of the Federal Power Act for a Commission order authorizing the ISO to issue bonds in an amount not to exceed \$215 million ("Application"). The Commission approved the Application by a letter order issued on May 1, 2008, 123 FERC ¶ 62,091 ("Order"). The bond offering took place on June 19, 2008.

As required by the Order and Sections 34.10 and 131.43 of the Commission's regulations, 18 C.F.R. §§ 34.10, 131.43, the CAISO hereby submits a "Report of Securities Issued" attached hereto as Exhibit 1.

The CAISO notes that, as required by the Order, the bond issuance and use of proceeds from the issuance will comply with the four restrictions set forth by the Commission in its *Westar* order.¹ The CAISO also notes that, as shown in Exhibit 1, the actual amount of net proceeds for the new money issue was approximately \$41.5 million on the closing date of the transaction, as compared with the \$60 million amount of net proceeds for the new money issue proposed in the Application. Upon the retirement of existing debt on July 1, additional funding

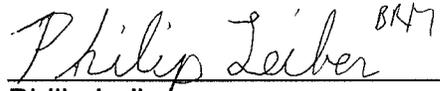
¹ *Westar Energy, Inc.*, 102 FERC ¶ 61,186, *order on reh'g*, 104 FERC ¶ 61,018 (2003).

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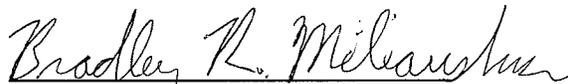
was made available to cover the balance of the originally anticipated new money need.

If the Commission should have any further inquiries concerning this matter, please contact me at (916) 351-2168.

Respectfully submitted,



Philip Leiber
Chief Financial Officer and Treasurer
California Independent System
Operator Corporation



Kenneth G. Jaffe
Bradley R. Miliauskas
Alston & Bird LLP

**Counsel for the California
Independent System Operator
Corporation**

EXHIBIT 1

California Independent System Operator Corporation
 REPORT OF SECURITIES ISSUED (ES08-36-000)

Reference:

Security Issuance Date: June 19, 2008

Description of security.....

California Infrastructure and Economic Development Bank
 Fixed Rate Bonds
 (California Independent System Operator Corporation Bonds)
 2008 Series A: \$196,970,000
 Fixed rate bonds, uninsured

Description	<u>Amount</u>	<u>Notes</u>
	<u>Series A</u>	
1. Face value or principal amount	196,970,000	
2. Plus premium or less discount	9,188,489	
3. Gross proceeds	206,158,489	
4. Underwriter's spread or commission	886,365	
5. Securities and Exchange Commission registration fee	NA	
6. State mortgage registration tax	NA	
7. State commission fee	-	included in Underwriter Expenses
8. Fee for recording indenture	NA	
9. United States document tax	NA	
10. Printing and engraving expenses	4,741	
11. Trustee's charges	7,000	
12. Counsel fees		
Bond Counsel	120,000	
Borrowers Counsel	60,000	
Regulatory Counsel	22,443	
Underwriter's Counsel	90,000	
Trustee Counsel	10,000	
Bank Counsel	20,959	
13. Accountant's fees	17,100	
14. Cost of listing		
Blue Sky Expense	13,800	
CUSIP	-	included in Underwriter Expenses
DTC	-	included in Underwriter Expenses
15. Miscellaneous expenses of issue		
Rating Agency Fees-1st Agency	78,788	
Rating Agency Fees-2nd Agency	67,500	
Financial Advisor Fee & Expenses	40,201	
Conduit Issuer Application Fee	1,000	
Conduit Issuer Fee	66,000	
Conduit Issuer Annual Fee	-	
Agent's Fee (State Treasurer's Office)	9,000	
Swap Termination Assurance	27,500	
Swap Advisory Fee	17,500	
Verification Agent	3,190	
Other Underwriter Expenses	45,000	
Miscellaneous	2,500	
16. Total deductions	1,610,587	
17. Net amount realized	204,547,903	
Less:		
Debt Service Reserve Fund on 2008 bonds	19,697,000	
Equals: Net funding available to California ISO	<u>184,850,903</u>	
Less: Escrow deposit to retire existing debt	140,321,639	
Capitalized interest	1,171,502	
Swap termination fee for retired bonds	1,825,000	
Net Deposit to 2008 Construction Fund upon closing of transaction	41,532,761	
Existing account balances related to Series 2000, 2004 and 2007 debt transferred to 2008 Construction Fund.	<u>35,563,709</u>	
2008 Construction Fund balance available upon retirement of debt	77,096,471	
Less:		
Debt service on bonds due 2/1/2009 (funds that CAISO had been sending to the Trustee for debt service on the 2000/2004/2007 bonds were deposited in this account)	5,992,000	
\$7.5 million of capital projects to be funded from the 2008 Construction Fund, previously to be funded from current revenues.	7,500,000	
Available for other capital expenditures in 2008-2010	<u>3,604,471</u>	
Originally proposed net proceeds for new money issue	60,000,000	

**California Independent System Operator Corporation
 REPORT OF SECURITIES ISSUED (ES08-36-000)**

Reference:

Security Issuance Date: June 19, 2008

<u>Requirements:</u>	<u>Series A</u>
(a) Par or stated value of securities;	196,970,000
(b) Number of units (shares of stock, number of bonds) issued;	196,970
(c) Total dollar value of the issue;	206,158,489
(d) Life of the securities, including maximum life and average life of sinking fund issue;	
Average life of bonds (years)	2.954
Maximum life (years)	5.625
Duration (years)	2.765

Outstanding-Close of Business on:

6/19/2008	196,970,000
2/1/2009	165,970,000
2/1/2010	126,870,000
2/1/2011	84,620,000
2/1/2012	59,490,000
2/1/2013	23,465,000
2/1/2014	-

Redemptions

2/1/2009	31,000,000
2/1/2010	39,100,000
2/1/2011	42,250,000
2/1/2012	25,130,000
2/1/2013	36,025,000
2/1/2014	23,465,000

(e) Interest rate by maturity

	Coupon	Yield
2/1/2009	4.00	2.20
2/1/2010	5.00	2.74
2/1/2011	5.00	3.10
2/1/2012	5.00	3.33
2/1/2013	5.00	3.45
2/1/2014	5.00	3.58

**California Independent System Operator Corporation
REPORT OF SECURITIES ISSUED (ES08-36-000)**

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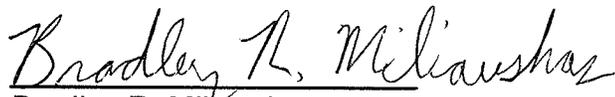
Security Issuance Date: June 19, 2008

<u>Requirements:</u>	<u>Series A</u>	
(f) Call provisions;	None	
(g) Sinking fund provisions;	The California ISO is required to have on deposit five days prior to the maturity dates noted above sufficient funds to pay that scheduled maturity.	
(h) Offering price by maturity		
	2/1/2009	101.094
	2/1/2010	103.547
	2/1/2011	104.736
	2/1/2012	105.642
	2/1/2013	106.559
	2/1/2014	107.163
(i) Discount or premium;		9,188,489
(j) Commission or underwriter's spread;		886,365
(k) Net proceeds to company for each unit of security and for the total issue;		
Per bond		1,042
Total (Issuance amount less underwriters discount)		205,272,124
(l) Net cost to the company for securities with a stated interest or dividend rate.	724,222	Issuance costs other than underwriter commission.

CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing documents upon all of the parties listed on the official service list for the above-referenced proceeding, in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.2010).

Dated at Washington, D.C. this 21st day of July, 2008.


Bradley R. Milkauskas