

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

AES Huntington Beach, LLC

)

Docket No. ER13-351-000

**MOTION TO INTERVENE OF THE CALIFORNIA
INDEPENDENT SYSTEM OPERATOR CORPORATION**

Pursuant to Rule 214 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (“Commission”), 18 C.F.R. § 385.214 (2012), and the Commission’s November 13, 2012 Combined Notice of Filings, the California Independent System Operator Corporation (“ISO”) submits this Motion to Intervene in the above captioned proceeding. In support thereof, the ISO states as follows:

I. DESCRIPTION OF THE PROCEEDING

On November 9, 2012, AES Huntington Beach, LLC (“AES HB”) submitted on behalf of itself and the ISO,¹ pursuant to Section 205 of the Federal Power Act, revisions to certain Reliability Must-Run (“RMR”) Rate Schedules of its RMR Service Agreement with the ISO. AES HB has requested an effective date of January 1, 2013, subject to certain conditions precedent described in the filing.

By its Notice issued November 13, 2012, the Commission established November 28, 2012, as the date motions to intervene are to be filed in the above-captioned proceeding.

¹ Although the ISO signed the filing, and it was submitted jointly with AES HB, that does not appear to be reflected in the FERC docket. Thus, for the avoidance of doubt, the CAISO files this Motion to Intervene to assure that it is recognized as a party in this docket.

II. DESCRIPTION OF THE ISO AND COMMUNICATIONS

The ISO is a non-profit public benefit corporation organized under the laws of the State of California with its principal place of business at 250 Outcropping Way, Folsom, CA 95630. The ISO is the Balancing Authority Area Operator responsible for the reliable operation of the electric grid consisting of the transmission systems of a number of utilities, including Southern California Edison Company (“SCE”) and San Diego Gas & Electric Company (“SDG&E”), as well as the coordination of the day-ahead and real-time energy and ancillary services markets in California.

The ISO requests that all communications and notices concerning this motion and these proceedings be provided to:

| | |
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| Sidney M. Davies | Mary Anne Sullivan |
| Assistant General Counsel | HOGAN LOVELLS US LLP |
| CALIFORNIA INDEPENDENT SYSTEM | 555 Thirteenth Street, N.W. |
| OPERATOR | Washington, DC 20004 |
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III. ISO'S INTEREST

As the Balancing Authority Area Operator responsible for maintaining reliability of the SCE and SDG&E transmission systems that are part of the ISO controlled grid and as the counter party to the AES HB RMR Agreement, the ISO has a unique interest in any Commission proceeding that affects this RMR Agreement. Accordingly, the ISO has a direct and substantial interest in this proceeding and requests that it be permitted to intervene with full rights of a party. Because no other party can adequately represent the ISO's interests in this proceeding, the ISO's intervention is in the public interest and

should be granted.

The ISO intervenes in full support the RMR Agreement as filed. Specifically, under the RMR Agreement, AES HB will operate on a cost-of-service basis two synchronous condensers that are necessary to provide voltage support in the Los Angeles Basin and San Diego/Imperial Valley local areas that the ISO has determined is critically needed as the result of the unexpected long-term outage of San Onofre Nuclear Generating Station (“SONGS”) Units 2 and 3. The ISO has identified no other resource that could provide the same kind of dynamic voltage support required to avoid the risk of substantial load-shedding.

The rates, terms and conditions reflected in the RMR Agreement are the product of extensive negotiation and agreement both between AES HB and the ISO and with SCE and SDG&E. Those terms and conditions provided the basis for AES HB to begin contracting prior to the filing of this proceeding for the conversion of the existing AES HB generating units into the synchronous condensers that will provide the required RMR service in time to meet peak summer needs. The ISO believes those negotiations produced terms and conditions that are just and reasonable, and it therefore strongly supports the request that the Commission accept the rates, terms, and conditions that are provided for in the RMR Agreement and accompanying schedules, without modification or condition.

IV. CONCLUSION

For the foregoing reasons, the ISO respectfully requests that the Commission grant this Motion to Intervene and, to the extent the Commission has not already deemed the

ISO a party, make the ISO a party to the above-captioned proceeding with full rights of participation.

Respectfully submitted

/s/ Mary Anne Sullivan
Mary Anne Sullivan
HOGAN LOVELLS US LLP
555 Thirteenth Street, N.W.
Washington, DC 20004

Counsel for
California Independent System
Operator Corporation

Dated: November 28, 2012

CERTIFICATE OF SERVICE

I hereby certify that I have this 28th day of November, 2012 caused to be served a copy of the foregoing Motion to Intervene upon all parties listed on the official service list compiled by the Secretary of the Federal Energy Regulatory Commission in this proceeding.

/s/ Mary Anne Sullivan

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