

FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, D.C. 20426

California Independent System Operator  
Corporation  
Docket No. ER08-73-003  
**November 2, 2010**

Alston & Bird LLP  
The Atlantic Building  
950 F Street, N.W.  
Washington, DC 20004

Attention: Bradley R. Miliauskas, Esquire  
Counsel for California Independent System  
Operator Corporation

Reference: Compliance Filing – Revised Registered Cost Recovery Option  
Methodology

Dear Mr. Miliauskas:

On March 26, 2009, you submitted for filing, on behalf of the California Independent System Operator Corporation (CAISO), revised tariff sheets that reflect changes to the methodology to determine proxy gas costs for use in calculating Start-Up and Minimum Load caps for resources receiving such costs under the Registered Cost option<sup>1</sup> pursuant to market provisions in the Market Redesign and Technology Upgrade (MRTU) Tariff. Revisions to the Gas Price Component of the Projected Proxy Cost were filed to comply with Commission directives<sup>2</sup> which found that the CAISO must develop a geographically appropriate methodology for the cost of gas under the Registered Cost option. The proposed tariff sheets reflecting the revised gas price component are accepted for filing, effective March 31, 2009, as requested.

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<sup>1</sup> The Registered Cost option is a market-based recovery option under which a resource submits Start-Up and Minimum Load bids that need not be related to actual costs. The Projected proxy cost is a calculation of a resource's start-up and minimum load costs to determine maximum registered cost values (bid caps) for the resource.

<sup>2</sup> See California Independent System Operator Corporation, 126 FERC ¶ 61,165 (2009).

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The filing was noticed on April 1, 2009, with comments, protests, or motions to intervene due on or before April 16, 2009. No protests or comments were received. Notices of intervention, unopposed timely filed motions to intervene, and the untimely motion for leave to intervene are granted pursuant to the operation of Rule 214 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.214). Any opposed or untimely filed motion to intervene is also governed by the provisions of Rule 214.

This acceptance for filing shall not be construed as constituting approval of the referenced filing or of any rate, charge, classification, or any rule, regulation or practice affecting such rate or service provided for in the filed documents; nor shall such acceptance be deemed as recognition of any claimed contractual right or obligation associated therewith; and such acceptance is without prejudice to any findings or orders which have been or any which may hereafter be made by the Commission in any proceeding now pending or hereafter instituted by or against California Independent System Operator Corporation.

This action is taken pursuant to authority delegated to the Director, Division of Electric Power Regulation - West under 18 C.F.R. § 375.307. This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order, pursuant to 18 C.F.R. § 385.713.

Sincerely,

Steve P. Rodgers, Director  
Division of Electric Power  
Regulation -West

cc: All Parties

Document Content(s)

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