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Via Electronic Filing

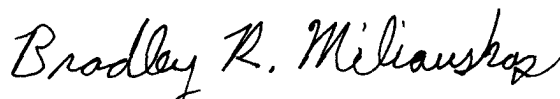
The Honorable Magalie R. Salas
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

**Re: San Diego Gas & Electric Company, et al.
Docket Nos. EL00-95-082 and EL00-98-070**

Dear Secretary Salas:

On December 15, 2003, the California Independent System Operator Corporation ("ISO") filed a Motion for Clarification, Request for Rehearing, Motion for Stay, and Motion for Expedited Consideration in the captioned proceedings. It has come to the ISO's attention that page 4 of that filing was inadvertently omitted when the filing was submitted to the Commission and was served on the parties in the proceedings. The missing page is attached. Please insert the attached page into the appropriate place in the filing. We apologize for any inconvenience this may have caused.

Respectfully submitted,



David B. Rubin
Bradley R. Miliauskas

Counsel for the California
Independent System Operator
Corporation

ATTACHMENT

scheduled to run.⁵ The Commission stated the must-offer requirement does not apply to power scheduled to run under bilateral agreements.⁶ As determined by these orders, the must-offer obligation has never applied to electricity sold under bilateral agreements with third parties. To the contrary, it only has required suppliers to make available previously uncommitted supply. This is reflected in Section 5.11.2 of the ISO Tariff, which defines "Available Generation" as generation from a non-hydroelectric Generating Unit calculated as:

(a) the Generating Unit's maximum operating level adjusted for any outages or reductions in capacity reported to the ISO in accordance with Section 2.3 or 5.11.3 and for any limitations on the Generating Unit's operation under applicable law, including contractual obligations, which shall be reported to the ISO, (b) minus the Generating Unit's scheduled operating point as identified in the ISO's Final Hour-Ahead Schedule, (c) minus the Generating Unit's capacity committed to provide Ancillary Services to the ISO either through the ISO's Ancillary Services market or through self provision by a Scheduling Coordinator, and (d) minus the capacity of the Generating Unit committed to deliver Energy or provide Operating Reserve to the Must-Offer Generators' Native Load.

Thus, the scope of a Generating Unit's output subject to the must-offer requirement and, accordingly, eligible for payment consistent with that requirement, has excluded capacity sold under bilateral contracts, capacity committed to the ISO as Ancillary Services, or capacity reserved for self-supply.

B. Clarification of the November 14 Order

In paragraph 17 of the November 14 Order, the Commission stated:

With respect to Mirant's concern regarding compensation for Minimum Load Costs when Scheduling Coordinators forward

⁵ *Id.* at 62,551.

⁶ *Id.*; *see also id.* at 62,554 ("This requirement applies to any non-hydroelectric resource whether owned or under contract only to the extent its output is not scheduled for delivery (or committed for minimum operating reserves) in the hour.").

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list for the captioned proceeding, in accordance with Rule 2010 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.2010).

Dated at Folsom, CA, on this 19th day of December, 2003.

Anthony J. Ivanovich ^{BRM}
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