UNITED STATES OF AMERICA BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

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Pacific Gas and Electric Company Southern Energy Delta, L.L.C. Docket No. ER99-1857-000

MOTION TO INTERVENE ONE DAY OUT-OF-TIME, MOTION TO CONSOLIDATE, AND MOTION FOR CLARIFICATION OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION

Pursuant to Rules 212 and 214 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission ("Commission"), 18 C.F.R. §§ 385.212 and 385.214, and the Commission's February 22, 1999, Notice of Filing, the California Independent System Operator Corporation ("ISO") hereby moves to intervene one day out-of-time in the above-captioned proceeding. The ISO also moves to consolidate the above proceeding with the ongoing proceeding in <u>Pacific Gas and Electric</u>, Docket Nos. ER98-495-000, <u>et al</u>. Additionally, the ISO seeks clarification that Southern Energy Delta, L.L.C., does not intend to modify the contracts and violate the settlement in principle among Pacific Gas and Electric Company ("PG&E"), the ISO, Commission staff, California Public Utilities Commission staff, and other participants in FERC Docket Nos. ER98-495-000, ER98-1614-000, and ER98-2145-000. In support thereof, the ISO states as follows:

I. BASIS FOR MOTION TO INTERVENE ONE DAY OUT-OF-TIME

In accordance with the Commission's February 22, 1999, Notice of Filing, yesterday, on March 9, 1999, the ISO attempted to file with the Commission its Motion to Intervene, Motion to Consolidate, and Motion for Clarification in the above-captioned proceeding. Due to inclement weather, however, the Commission was closed, and the ISO was unable to make its filing. The ISO respectfully requests that the Commission grant it leave to file its Motion to Intervene, Motion to Consolidate, and Motion for Clarification one day out-of-time.

II. COMMUNICATIONS

Please address communications concerning this filing to the following persons:

N. Beth Emery Vice President and General Counsel Roger E. Smith, Regulatory Counsel The California Independent System Operator Corporation 151 Blue Ravine Road Folsom, CA 95630 Tel: (916) 351-2334 Fax: (916) 351-2350 J. Phillip Jordan Mark R. Klupt Sara C. Weinberg Swidler Berlin Shereff Friedman, LLP 3000 K Street, NW, Suite 300 Washington, DC 20007 Tel: (202) 424-7500 Fax: (202) 424-7643

III. BACKGROUND

On February 17, 1999, Southern Energy Delta, L.L.C. ("Southern Delta") tendered for filing pursuant to Section 205 of the Federal Power Act (16 U.S.C. § 824d), an amendment to the jurisdictional Reliability Must-Run Agreements applicable to the Pittsburg and Contra Costa Power Plants (collectively "Delta RMR Agreements"). The Delta RMR Agreements were originally filed in Docket No. ER98-495-000 by PG&E on October 31, 1997, and subsequently amended on January 29, 1998, and March 6, 1998. Pursuant to its filing, Southern Delta proposes to adopt the Delta RMR Agreements as its own, subject to any revisions or amendments that it may propose (subject to contractual limitations) following its acquisition of and assumption of control over the Pittsburg and Contra Costa Power Plants. Southern Delta has requested that the amendment become effective as of the date it acquires the plants, which will be on or about April 1, 1999.

IV. BASIS FOR MOTION TO INTERVENE

The ISO is a non-profit public benefit corporation organized under the laws of the State of California and responsible for the reliable operation of a grid comprising the transmission systems of SDG&E, Southern California Edison Company, and Pacific Gas and Electric Company, as well as for the coordination of the competitive electricity market in California.

At issue in this proceeding are two RMR Agreements to which the ISO is a party and that could affect the reliability of the ISO-Controlled Grid. The ISO therefore has an interest in this proceeding that cannot be represented by any other party. Accordingly, the ISO requests that it be permitted to intervene herein with full rights of a party.

The ISO raises no substantial issues at the present time but reserves the right to do so in any further aspects of the proceeding ordered by the Commission.

- 3 -

V. BASIS FOR MOTION TO CONSOLIDATE

The ISO moves to consolidate this proceeding with the ongoing proceeding in <u>Pacific Gas and Electric</u>, Docket Nos. ER98-495-000, <u>et al</u>. Consolidation is appropriate as the proceeding in Docket Nos. ER98-495-000, <u>et al</u>., has been established to resolve all outstanding issues regarding PG&E's RMR Agreements. As Southern Delta notes in its February 17, 1999, filing letter, it will assume the Delta RMR Agreements subject to the settlement in principle among the participants in Docket Nos. ER98-495-000, <u>et al</u>.¹ The ISO submits that in light of the related nature of the two proceedings, PG&E's assignment of the Delta RMR Agreements should be subject to the resolution of Docket Nos. ER98-495-000, et al.

VI. BASIS FOR MOTION FOR CLARIFICATION

The ISO requests that Southern Delta clarify that it does not intend to modify the Delta RMR Agreements and violate the settlement in principle. Southern Delta should clarify its intent to execute the settlement agreement upon the agreement's completion. In the alternative, absent Southern Delta's clarification, the ISO requests that the Commission clarify that Southern Delta should be obligated to do so.

¹ Also note that on March 15, 1999, in Docket Nos. ER98-495-000, <u>et al</u>., various parties are scheduled to submit a stipulation and agreement which constitutes a partial settlement related to the terms, conditions, and rates under which RMR services have and will be provided to the ISO. As part of the filing, a new <u>pro forma</u> RMR Agreement will be submitted. As a party to this stipulation and agreement, Southern Delta should also assume the Delta RMR agreements subject to the outcome of the proceeding.

VII. CONCLUSION

Wherefore, for the foregoing reasons, the ISO respectfully requests (1) that the Commission permit it to intervene one day out-of-time, and that it be accorded full party status in this proceeding; (2) that the ISO obtain clarification that Southern Delta does not intend to modify the contracts and violate the settlement in principle; and (3) that the Commission consolidate this proceeding with Docket Nos. ER98-495-000, et al.

Respectfully submitted,

Sara C. Weinberg Swidler Berlin Shereff Friedman, LLP 3000 K Street, NW, Suite 300 Washington, DC 20007 Tel: (202) 424-7500 Fax: (202) 424-7643 Attorney for the California Independent System Operator Corporation

Date: March 10, 1999

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Washington, DC, on this 10th day of March, 1999.

Sara C. Weinberg

March 10, 1999

The Honorable David P. Boergers Secretary Federal Energy Regulatory Commission 888 First Street, NE Washington, DC 20426

Re: Pacific Gas and Electric Company Southern Energy Delta, L.L.C. Docket No. ER99-1857-000

Dear Secretary Boergers:

Enclosed for filing are one original and 14 copies of the Motion to Intervene One Day Out-Of-Time, Motion to Consolidate, and Motion for Clarification of the California Independent System Operator Corporation in the above-referenced proceeding. An additional copy of the filing is also enclosed. Please stamp the additional copy with the date and time filed and return it to the messenger.

Thank you for your assistance in this matter.

Respectfully submitted,

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Attorney for the California Independent System Operator Corporation

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