FEDERAL ENERGY REGULATORY COMMISSION WASHINGTON, DC 20426

OFFICE OF ENERGY MARKET REGULATION

California Independent System Operator Corporation Docket No. ER11-3387-000 **June 7, 2011**

California Independent System Operator Corporation 250 Outcropping Way Folsom, California 95630

Attention: John C. Anders

Senior Counsel

Reference: Adjacent Balancing Authority Operating Agreement and Notice of

Termination

Dear Mr. Anders:

On April 19, 2011, California Independent System Operator Corporation (CAISO) submitted for filing an Adjacent Balancing Authority Operating Agreement with the Balancing Authority of Northern California. CAISO also submitted a notice of termination for an Interconnected Control Area Operating Agreement with the Sacramento Municipal Utility District. Waiver of the Commission's notice requirements pursuant to section 35.11 of the Commission's regulations (18 C.F.R. § 35.11) is granted, and the agreement and notice of termination are accepted, effective May 1, 2011.

This filing was noticed on April 19, 2011, with comments, protests, or motions to intervene due on or before May 10, 2011. No protests or adverse comments were filed. Notices of intervention and unopposed timely filed motions 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 governed by the provisions of Rule 214.

¹ Central Hudson Gas & Electric Corporation, et al., 60 FERC \P 61,106, reh'g denied, 61 FERC \P 61,089 (1992), and Prior Notice and Filing Requirements Under Part II of the Federal Power Act, 64 FERC \P 61,139, clarified, 65 FERC \P 61,081 (1993).

This action does not constitute approval of any service, rate, charge, classification, or any rule, regulation, contract, or practice affecting such rate or service provided for in the filed documents; nor shall such action be deemed as recognition of any claimed contractual right or obligation affecting or relating to such service or rate; and such action is without prejudice to any findings or orders which have been or may hereafter be made by the Commission in any proceeding now pending or hereafter instituted by or against your company.

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