UNITED STATES OF AMERICA BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

Sierra Pacific Power Company) Docket No. EL03-174-000

ANSWER OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION TO MOTION TO DISMISS SHOW CAUSE PROCEEDING

On August 28, 2003, Commission Trial Staff ("Staff") filed a Motion To Dismiss Show Cause Proceeding ("Motion"), in resolution of all issues related to Sierra Pacific Power Company ("Sierra Pacific") set for hearing in *American Electric Power Service Corp.*, et al., 103 FERC ¶ 61,345 (2003) ("the Gaming Show Cause Order" or "Order"). Pursuant to Rule 213 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.213, and to the Commission's "Notice of Extension of Time" in this docket, dated September 8, 2003, the California Independent System Operator Corporation ("CAISO") timely submits this answer to the Motion.

I. Background

The Gaming Show Cause Order required Sierra Pacific to show cause why it should not be found to have engaged in Cutting Non-Firm, as that practice was described in the Order. In the Motion, Staff requested that Sierra Pacific be dismissed from the Show Cause proceeding established by the Order, that this

docket be terminated, and that Sierra Pacific be relieved from further obligation with respect to this docket.

II. Discussion

The CAISO does not object to relieving Sierra Pacific from further obligation to respond on the issue of Cutting Non-Firm. As noted in the Motion, the dismissal relates only to matters raised in this docket, see Motion at ¶ 5.3; it does not affect any other proceeding, any pending rehearing or clarification requests with respect to the Order, or the possibility of subsequent proceedings against Sierra Pacific based on the outcome of those requests, or on different time periods, different practices or different transactions.

The CAISO respectfully suggests that, on balance, and contrary to the request in the Motion, see Motion at ¶ 5.1, it is preferable not to close the docket or to relieve Sierra Pacific of all further obligations. Rather, the docket should remain open until all of the Show Cause proceedings have been concluded, and Sierra Pacific should remain subject to discovery as a party if it has information relevant to potential gaming by others. There would be no prejudice to Sierra Pacific, and it would serve the interests of efficiency, especially in light of the short discovery periods in these proceedings, to avoid the cumbersome process of obtaining discovery from a non-party.

III. Conclusion

The CAISO does not object to relieving Sierra Pacific of further obligation to respond to the Gaming Show Cause Order. However, the docket should remain open and Sierra Pacific should be subject to discovery as a party.

Respectfully submitted,

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Dated: September 26, 2003

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CERTIFICATE OF SERVICE

In accordance with the order issued by the Presiding Administrative Law Judge I hereby certify that I have this day served the foregoing document by posting an electronic copy on the Listserv for this proceeding, as maintained by the Commission.

Dated at Washington, DC, on this 26th day of September, 2003.

J. Phillip Jordan

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