



March 2, 2005

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

**Re: California Independent System Operator Corporation
Compliance Filing
Docket Nos. ER98-997-003, ER98-1309-002, ER02-2297-002, and
ER02-2298-002**

Dear Secretary Salas:

The California Independent System Operator Corporation (“ISO”)¹ respectfully submits six copies of this filing in compliance with the Commission’s “Order on Compliance Filing” issued on February 11, 2005, in the above-identified dockets, 110 FERC ¶ 61,122 (2005). In the Order on Compliance Filing, the Commission conditionally accepted the ISO’s proposed revisions to its *pro forma* Participating Generator Agreement designed for Qualifying Facilities (“QF PGA”) and directed the ISO to make certain specific revisions to Section 4.1.2 of the *pro forma* QF PGA.

With respect to Section 4.1.2, the Commission ordered that the ISO delete the phrase “and peak MW value of the Self-provided Load served by the Net Scheduled QF.” As Attachment A hereto, the ISO is submitting a substitute original sheet number 396E of the ISO Tariff incorporating the revised version of Section 4.1.2. The ISO is also providing, as Attachment B, a blackline of the change included in this filing.

Attachment C to this filing contains a form notice of this filing, suitable for publication in the Federal Register, along with a computer diskette containing the Notice.

¹ Capitalized terms not otherwise defined herein are used in the sense given in the Master Definitions Supplement, Appendix A to the ISO Tariff.

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Two additional copies of this compliance filing are enclosed to be date-stamped and returned to our messenger. The ISO is serving copies of this filing on all parties on the official service list for the captioned dockets. In addition, the ISO is posting this filing on the ISO Home Page. If there are questions concerning the filing, please contact the undersigned.

Respectfully submitted,



Charles F. Robinson
General Counsel
Geeta O. Tholan
Regulatory Counsel
California Independent System
Operator Corporation
151 Blue Ravine Road
Folsom, CA 95630
Tel: (916) 351-7500
Fax: (916) 608-7222

Counsel for the California Independent
System Operator Corporation

ATTACHMENT A

3.2 Termination

- 3.2.1 Termination by ISO.** Subject to Section 5.2, the ISO may terminate this Agreement by giving written notice of termination in the event that the Participating Generator commits any material default under this Agreement and/or the ISO Tariff which, if capable of being remedied, is not remedied within thirty (30) days after the ISO has given, to the Participating Generator, written notice of the default, unless excused by reason of Uncontrollable Forces in accordance with Article X of this Agreement. With respect to any notice of termination given pursuant to this Section, the ISO must file a timely notice of termination with FERC. The filing of the notice of termination by the ISO will be considered timely if: (1) the request to file a notice of termination is made after the preconditions for termination have been met, and (2) the ISO files the notice of termination within 30 days after receipt of such request. This Agreement shall terminate upon acceptance by FERC of such a notice of termination.
- 3.2.2 Termination by Participating Generator.** In the event that the Participating Generator no longer wishes to schedule Energy or provide Ancillary Services through a Scheduling Coordinator over the ISO Controlled Grid, it may terminate this Agreement, on giving the ISO ninety (90) days written notice, provided, however, that in accordance with Section 4.1.3, the Participating Generator may modify Schedule 1 to eliminate generating resources which it no longer owns or no longer has contractual entitlement to and such modification shall be effective upon receipt by the ISO. With respect to any notice of termination given pursuant to this Section, the ISO must file a timely notice of termination with FERC. The filing of the notice of termination by the ISO will be considered timely if: (1) the request to file a notice of termination is made after the preconditions for termination have been met, and (2) the ISO files the notice of termination within 30 days of receipt of such request. This Agreement shall terminate upon acceptance by FERC of such a notice of termination.

ARTICLE IV GENERAL TERMS AND CONDITIONS

4.1 Net Scheduled QFs

- 4.1.1 Identification of Net Scheduled QF.** The Participating Generator has identified the Net Scheduled QF that it owns, operates or has a contractual entitlement to, in Schedule 1, as required by Section 5.3 of the ISO Tariff.
- 4.1.2 Technical Characteristics.** The Participating Generator shall provide to the ISO the required information regarding operating contacts, rated capacity, and operating characteristics of the Net Scheduled QF. Pursuant to Section 2.5.25 of the ISO Tariff, and the Existing QF Contract, if any, associated with that Net Scheduled QF, the ISO may verify, inspect and test the capacity and operating characteristics of the Net Scheduled QF. The performance of such inspection or test shall be conducted at a time mutually agreed upon by the Parties, which agreement shall not unreasonably be withheld.
- 4.1.3 Notification of Changes.** Sixty (60) days prior to changing any technical information in Schedule 1, the Participating Generator shall notify the ISO of the proposed changes. Pursuant to Section 2.5.25 of the ISO Tariff, the ISO may verify, inspect and test the capacity and operating characteristics; provided that the performance of such inspection or test is conducted at a time mutually agreed upon by the Parties, which agreement shall not unreasonably be withheld. The ISO shall post on the ISO Home Page a schedule showing, for at least one year in advance: (i) the proposed dates on which the ISO's Master File will be updated, which dates shall occur at least every three months; (ii) the dates on which the information contained in the revised Master File will become effective; and (iii) the deadlines by which changed technical information must be submitted to the ISO in order to be tested and included in the next scheduled update of the ISO's

ATTACHMENT B

4.1.2 Technical Characteristics. The Participating Generator shall provide to the ISO the required information regarding operating contacts, rated capacity, and operating characteristics of the Net Scheduled QF, ~~and peak MW value of the Self-provided Load served by the Net Scheduled QF.~~ Pursuant to Section 2.5.25 of the ISO Tariff, and the Existing QF Contract, if any, associated with that Net Scheduled QF, the ISO may verify, inspect and test the capacity and operating characteristics of the Net Scheduled QF. The performance of such inspection or test shall be conducted at a time mutually agreed upon by the Parties, which agreement shall not unreasonably be withheld.

ATTACHMENT C

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 the above-captioned proceeding.

Dated at Folsom, California, on this 2nd day of March, 2005.

Geeta O. Tholan ^{BOA?}
Geeta O. Tholan