UNITED STATES OF AMERICA BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

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Mirant Delta, LLC and Mirant Potrero, LLC Docket No. ER04-227-001

COMMENTS OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION,

Pursuant to the January 25, 2005 Notice of Compliance Filing issued by the Federal Energy Regulatory Commission ("Commission"), the California Independent System Operator Corporation ("CAISO") submit these brief comments in response to the January 24, 2005 refund report submitted by Mirant Delta, LLC and Mirant Potrero, LLC ("Mirant"), which Mirant submitted in compliance with the Commission's letter order issued October 28, 2004. The Commission's October 28, 2004 letter order approved the August 23, 2004 Offer of Settlement ("2004 Settlement") related to the 2004 Reliability Must-Run ("RMR") contract year and directed Mirant to submit a refund report that provides sufficient detail to permit verification of the accuracy of amounts refunded pursuant to the 2004 Settlement.

The CAISO has reviewed Mirant's refund report and determined that the underlying values are accurate, but that the interest amount identified on the RMR Invoice submitted by Mirant to the CAISO to implement the 2004 Settlement was not correct due to use of an inaccurate interest rate. This error, which involves less than \$50 is attributable to the fact that the interest rate for the first guarter of 2005 was not available at the time Mirant submitted its RMR

Invoice. Mirant has agreed to fix the interest rate for the first quarter of 2005 on the next submittal of their RMR Invoice later this month. This is acceptable to the CAISO. Accordingly, the CAISO believes that the Commission should accept

Mirant's compliance filing.

Dated: February 14, 2005

Respectfully submitted,

/s/ Sidney L. Mannheim

Sidney L. Mannheim Senior Regulatory Counsel California Independent System Operator Corporation 151 Blue Ravine Road Folsom, CA 95630

Counsel for California Independent System Operator Corporation



February 14, 2005

Via Electronic Filing

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

Re: Mirant Delta, LLC and Mirant Potrero, LLC Docket No. ER04-227-001

Dear Secretary Salas:

Enclosed please find the Comments of the California Independent Operator submitted today in the above- captioned proceeding.

Thank you for your attention to this matter.

Respectfully Submitted,

/s/ Sidney L. Mannheim

Sidney L. Mannheim

Senior Regulatory Counsel California Independent System Operator Corporation

Enclosure

cc: Service List

CERTIFICATE OF SERVICE

I hereby certify that I have this 14th day of February, 2005 caused to be served a copy of the forgoing document upon all parties listed on the official service list compiled by the Secretary of the Federal Energy Regulatory Commission in these proceedings.

> <u>/s/ Sidney L. Mannheim</u> Sidney L. Mannheim