

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Independent Energy Producers Association)	
)	
Complainant,)	
)	
v.)	Docket No. EL05-146-000
)	
California Independent System Operator Corporation)	
)	
)	
Respondent.)	

**JOINT MOTION TO CONTINUE DEFERRAL OF COMMISSION ACTION
PENDING SETTLEMENT DISCUSSIONS OF THE CALIFORNIA INDEPENDENT
SYSTEM OPERATOR CORPORATION AND
THE INDEPENDENT ENERGY PRODUCERS ASSOCIATION**

Pursuant to Rule 212 of the Federal Energy Regulatory Commission’s (“Commission”) Rules of Practice and Procedure, 18 C.F.R. § 385.212 (2005), the California Independent System Operator Corporation (“CAISO”) and the Independent Energy Producers Association (“IEP”) hereby submit this Joint Motion To Continue Deferral of Commission Action Pending Settlement Discussions in the above-captioned docket.

I. INTRODUCTION

Pursuant to Section 206 of the Federal Power Act, IEP filed a complaint against the CAISO on August 26, 2005. IEP sought an order from the Commission directing the CAISO to replace the existing Must-Offer Obligation (“MOO”) and related minimum load cost compensation tariff provisions with an interim set of Reliability Capacity Services Tariff (“RCST”) provisions, which would fairly compensate generators that are currently denied just and reasonable compensation for providing reliability capacity services to the CAISO under the

current MOO tariff provisions. Thereafter, parties filed interventions and comments in response to IEP's Complaint.

On November 8-9, 2005, Commission Staff convened a technical conference to discuss the issues raised in IEP's Complaint. On November 14, 2005, IEP filed a Motion for Deferral of Commission Action Pending Settlement Discussions. In the November 14 Motion, IEP requested that the Commission defer action until December 9, 2005. On December 9, 2005, CAISO and IEP filed a Joint Motion to Continue Deferral of Commission Action Pending Settlement Discussion. In the December 9 Motion, CAISO and IEP requested that the Commission defer action until December 16, 2005.

II. JOINT REQUEST TO CONTINUE DEFERRAL

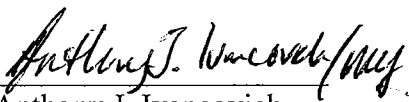
Since December 9, 2005, the parties to the above-captioned proceeding have spent a significant amount of time and effort toward reaching a settlement of the issues raised in the IEP Complaint. IEP and the CAISO believe that additional time is needed to continue the effort to pursue settlement. However, IEP and the CAISO recognize that time is of the essence in this matter. Therefore, IEP and the CAISO respectfully request that the Commission defer taking action on IEP's Complaint for an additional three weeks to give the parties the opportunity to continue the extensive settlement discussions and possibly resolve the issues raised in the Complaint in an expedited manner.¹ IEP and the CAISO submit that it is in the best interest of all parties to defer any Commission action regarding the Complaint at this time. IEP and CAISO

¹ See *California Power Exchange Corporation*, Order Providing Additional Time to Conduct Settlement Discussions, 108 FERC 61,199 (2004) (granting commenters request for the Commission to defer taking action in order for parties to conduct settlement negotiations); *Southern Natural Gas Company*, Order Granting Motion to Defer Commission Action, 64 FERC ¶ 61,048 (1993) (granting motion to defer Commission action to "facilitate settlement").

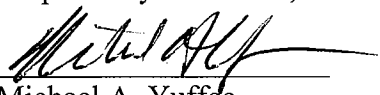
will provide the Commission with a status report updating the Commission on their settlement efforts by January 6, 2006.

III. CONCLUSION

WHEREFORE, IEP and the CAISO respectfully request that the Commission grant this motion to continue deferral of Commission action pending settlement discussions until January 6, 2006.


Anthony J. Ivancovich
Assistant General Counsel – Regulatory
California Independent System Operator Corp.
151 Blue Ravine Rd.
Folsom, CA 95630

*Counsel for
California Independent System Operator Corp.*

Respectfully submitted,

Michael A. Yuffe
McDermott Will & Emery
600 13th Street, NW
Washington, DC 20005-3096

*Attorney for
Independent Energy Producers Association*

Dated: December 19, 2005

CERTIFICATE OF SERVICE

Pursuant to Rule 2010 of the Commission's Rules of Practice and Procedure, I hereby certify that I have this day served copies of the foregoing document upon each person designated on the official Service List compiled by the Secretary in this proceeding.

DATED at Washington, D.C., this 19th day of December, 2005.


Michael A. Yuffee