FEDERAL ENERGY REGULATORY COMMISSION WASHINGTON, D.C. 20426

California Independent System Operator Corporation Docket No. ER06-41-000 December 1, 2005

Alston & Bird LLP 601 Pennsylvania Avenue, N.W. North Building, 10th Floor Washington, D.C. 20004-2601

Attention: Bradley R. Miliauskas, Esquire

Counsel for California Independent System

Operator Corporation

Reference: Notice of Cancellation

Dear Ms. Miliauskas:

On October 14, 2005, you filed, on behalf or the California Independent System Operator Corporation (CAISO), a Notice of Cancellation of the Interim COTP Operations Agreement (Interim COTP Agreement) between the CAISO and the Transmission Agency of Northern California (TANC), on behalf of the COTP Participants that are not Participating Transmission Owners (Participating TOs). The CAISO states that the purpose of the cancellation is to facilitate the transfer of the 500kV COTP transmission line from the CAISO control area to the control area of the Sacramento Municipal Utility District (SMUD). Waiver of the Commission's notice requirements pursuant to section 35.11 of the Commission's rules and regulations (18 C.F.R. §35.11) is granted and the Notice of Cancellation of the Interim COTP Agreement is accepted for filing effective December 1, 2005, as requested. The designation included in your submittal is correct.

Notice of this filing was issued on October 21, 2005, with protests, comments, or

¹ The COTP Participants that are not Participating TOs are: California Department of Water Resources, Carmichael Water District, San Juan Suburban Water District, Shasta Dam Area Public Utility District, TANC, and Western Area Power Administration – Sierra Nevada Region. The COTP Participants that are Participating TOs are Pacific Gas and Electric Company, and the City of Vernon, California. The Western Area Power Administration – Sierra Nevada Region is a partial Participating TO with regard to the Path 15 Upgrade Project.

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motions to intervene due on or before November 4, 2005. 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 unopposed or untimely filed motion to intervene is governed by the provisions of Rule 214.

This acceptance for filing shall not be construed as constituting approval of the referenced filing or any rate, charge, classification or any rule, regulation or practice affecting such rate or service provided for in the filed documents; nor shall such acceptance be deemed as recognition of any claimed contractual right or obligation associated therewith; and such acceptance is without prejudice to any findings or orders which have been or any which may hereafter be made by the Commission in any proceeding now pending or hereafter instituted by or against the California Independent System Operator Corporation.

This action is taken pursuant to the authority delegated to the Director, Division of Tariffs and Market Development – 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,

John Carlson, Acting Director Division of Tariffs and Market Development – West

cc: All Parties