



July 13, 2005

Via Electronic Filing

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
Docket Nos. ER04-115-000 & EL04-47-000**

**Pacific Gas and Electric Company
Docket Nos. ER04-242-000 & EL04-50-000**

Dear Secretary Salas:

The California Independent System Operator (“ISO”) respectfully submits for electronic filing in the above-referenced proceeding this errata to correct two text errors in the ISO’s July 8, 2005 Reply Comments (“July 8 Reply Comments”).¹

The first error is located in section I ‘*The Offer of Settlement is Uncontested*’. The final sentence of the first paragraph reads:

In the absence of substantive objection to the Offer of Settlement in principle, the Commission should regard the Offer of Settlement as ‘uncontested’ and to approve it as such. (With a footnote incorporated)

Unfortunately, the text is missing certain words and the correct version should read:

In the absence of substantive objection to the Offer of Settlement in principle, the Commission should regard the Offer of Settlement as ‘uncontested’ and, assuming it finds the settlement to be fair and reasonable and in the public interest, should approve it as such. (With the incorporated footnote unchanged)

¹ The July 8 Reply Comments were submitted pursuant to the June 28, 2005 Comments of various parties (as detailed in the July 8 Reply Comments) in these dockets.

Second, in section II 'Reply and Answers to Comments' the fourth bullet under subsection A. reads:

Provided that the ISO's revenue requirement does not exceed the Revenue Requirement cap established in the Offer of Partial Settlement, the proposed treatment of the GMC refund to SDG&E will not cause a change in the GMC rate in effect for 2005 or 2006. (With a footnote incorporated)

The correct version should read:

Provided that the ISO's revenue requirement does not exceed the Revenue Requirement cap established in the Offer of Partial Settlement, the proposed treatment of the GMC refund to SDG&E will not cause a change in the GMC rate in effect for 2005. For 2006, any differential that exists will be incorporated within the Revenue Requirement, along with anticipated overall corporate cost reductions. (With the incorporated footnote unchanged)

If there are any questions concerning this filing, please contact the undersigned.

Thank you for your attention to this matter.

Respectfully Submitted,

/s/ Stephen A.S. Morrison

Stephen A.S. Morrison

Counsel for the California Independent
System Operator Corporation

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of this document upon all parties listed on the official service list compiled by the Secretary in the above-captioned proceedings, in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.2010). Dated this 13th day of July in the year 2005 at Folsom in the State of California.

/s/ Stephen A.S. Morrison
Stephen A.S. Morrison