

November 15, 2004

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. ER05-32-000

Dear Secretary Salas:

Transmitted herewith for electronic filing in the above-referenced proceeding is the Errata to the Motion to Intervene and Protest of the California Independent System Operator Corporation.

Thank you for your attention to this matter.

Respectfully Submitted,

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

Regulatory Counsel
California Independent
System Operator Corporation

Enclosure

cc: Service List

UNITED STATES OF AMERICA BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

Mirant Delta, LLC)	Docket No.	ER05-32-000
Mirant Potrero, LLC)		

ERRATA TO THE MOTION TO INTERVENE AND PROTEST OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION

The California Independent System Operator Corporation ("ISO") submits this Errata to the Motion to Intervene and Protest filed in the above captioned proceeding on November 2, 2004. The ISO's November 2, 2004 protest concerns the proposed effective date of certain changes to the Ramp Rate values set forth in Schedule A of the Reliability Must Run ("RMR") Agreements between the ISO and Mirant Delta, LLC and Mirant Potrero, LLC (collectively "Mirant") in Mirant's October 12, 2004 submission pursuant to Section 205 of the Federal Power Act.

On page four of the November 2, 2004 protest, the ISO discussed the fact that it had not revised the ramp rate values in the ISO's Master File as of October 1, 2004 to match the Ramp Rate values set forth in Schedule A of the RMR Agreements as required by Amendment 54 and further explained that it had notified owners of RMR units of this error and "suggested that owners that desired to use their existing Master File rates in lieu of their existing RMR Schedule A Ramp Rate values make a section 205 filling to adopt the Master File values as the relevant values for Schedule A." Page four of the ISO's November 2, 2004 protest also included an erroneous footnote, footnote 1, describing a Market Notice shortly to be issued by the ISO proposing to settle RMR dispatches using the Ramp Rate values in Schedule A of the RMR Agreement for dispatches occurring from October 1 until such time as the Ramp Rate

values in Schedule A of the RMR Agreement match the values in the ISO's Master File for RMR Unit owners.¹

The ISO did not issue the market notice described in footnote 1. Instead, the ISO issued a Market Notice on November 15, 2004 stating that the ISO proposed to use the Master File values for all market and RMR dispatches during this period as follows:

CAISO proposes to settle transactions between October 1, 2004 and the date that the Schedule A Ramp Rate values matched the values in the CAISO's Master File using the effective Ramp Rates in the CAISO's Master File, not the values in Schedule A of the applicable RMR Agreement.

A true and correct copy of the November 15, 2004 Market Notice is attached hereto.

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The erroneous footnote is set forth below:

By a market notice issued on or about the date of this intervention and protest, the ISO has advised RMR owners of its proposal for settling transactions between October 1, 2004 and the date on which the Schedule A Ramp Rate value match the values in the ISO's Master File as follows: 1) the expected energy calculations included on the Conformed Dispatch Notices ("CDN") and used to validate the RMR Invoices will use the effective Ramp Rate in Schedule A of the RMR Agreement for the payment of ramping energy (no penalty will be imposed as a result of complying with the Master File ramp rate that is lower than the value declared in the RMR Agreement) and 2) market dispatches will be settled using the ramp rates in the ISO's Master File actually used by the ISO in dispatches from October 1-12 or until such time as the Ramp Rate values in Schedule A of the RMR Agreement match the values in the ISO's Master File for RMR Unit owners that amend Schedule A to values different from the values in the ISO's Master File.

This change in the ISO's proposal for dealing with delayed implementation of this aspect of Amendment 54 does not affect the substance of the ISO's November 2, 2004 protest of the proposed effective dates of Mirant's changes to Schedule A of its RMR Agreements. The ISO apologizes for any confusion the erroneous footnote in its November 2 protest may have caused.

Respectfully submitted

Sidney L. Mannheim

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

Dated: November 15, 2004

CERTIFICATE OF SERVICE

I hereby certify that I have this 15th day of November, 2004 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 this proceeding.

/s/ Karen Voong

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----Original Message-----**From:** CRCommunications

Sent: Monday, November 15, 2004 10:22 AM

To: ISO Market Participants

Subject: CAISO: Market Rules and Market Design\Phase 1B Implementation Ramp Rate for RMR Units

CAISO MARKET NOTICE

Requested Client Action: Information Only

Categories: Market Rules and Market Design

Subject: Phase 1B Implementation Ramp Rate for RMR Units

Summary:

Implementation of the Amendment 54 provision of CAISO's Tariff (A-54) requiring use of the ramp rate valued set forth in Schedule A of the RMR Agreements in the ISO's Master File was delayed until trade date October 13, 2004. This Market Notice describes how the ISO intends to settle transactions from October 1, 2004 through October 12, 2004.

Main Text:

The implementation of A-54 requires the ISO to import the ramp rates values declared in Schedule A of the RMR Agreements into CAISO's Master File for use in all market transactions (as well as RMR dispatches). CAISO did not fully implement this change until trade date October 13, 2004. As a result, the dispatches for RMR Units issued by CAISO during the period from October 1 through October 12, 2004 were based on the ramp rate values in CAISO's Master File for this period, not the values in Schedule A of the applicable RMR Agreement.

Beginning on October 13, 2004, the ramp rates used for dispatches to the applicable RMR Units will be the ramp rate values declared in Schedule A of the applicable RMR Agreement as required by A-54. An exception would be if the RMR owner has elected to adopt new Schedule A ramp rate values in a Section 205 filing with FERC that are inconsistent with the values in CAISO's Master File, in which case the effective date will be determined in the FERC proceeding.

CAISO proposes to settle transactions between October 1, 2004 and the date that the Schedule A ramp rate values matched the values in CAISO's Master File using the effective ramp rates in CAISO's Master File, not the values in Schedule A of the applicable RMR Agreement.

For More Information Contact:

If you have any questions or concerns regarding this proposal, please contact Robert Kott at (916) 608-5804 or email to rkott@caiso.com with a courtesy copy (Cc) to your Account Manager.

Client Relations Communications.0531

<u>CRCommunications@caiso.com < mailto:CRCommunications@caiso.com > </u>

The California ISO strives to be the preferred provider of superior electrical transmission services for the benefit of our customers in California and the West.