FEDERAL ENERGY REGULATORY COMMISSION WASHINGTON, D.C. 20426

OFFICE OF ENERGY MARKET REGULATION

California Independent System Operator Corporation Docket No. ER16-545-000

February 2, 2016

California Independent System Operator Corporation 250 Outcropping Way Folsom, CA 95630

Attention: John C. Anders

Lead Counsel

Reference: Adjacent Balancing Authority Operating Agreement

Dear Mr. Anders:

On December 17, 2015, the California Independent System Operator Corporation (CAISO) submitted for filing a third amendment to the Adjacent Balancing Authority Operating Agreement (Amended ABAOA) between CAISO and Nevada Power Company (Nevada Power) in order to accommodate the project schedule of Nevada Power and San Diego Gas & Electric Company to complete transition of the Merchant Substation, located near Boulder City, Nevada, from the Nevada Power balancing authority area (BAA) to the CAISO BAA. The Amended ABAOA includes proposed changes to its Schedule A balancing authority points of interconnection to reflect the elimination of an intertie and related scheduling point as a result of fully incorporating the Merchant facilities into the CAISO BAA. 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 Amended ABAOA is accepted for filing, effective December 18, 2015, as requested.

¹ Central Hudson Gas & Electric Corporation, et al., 60 FERC ¶ 61,106, reh'g denied, 61 FERC ¶ 61,089 (1992).

² California Independent System Operator Corporation, FERC FPA Electric Tariff, CAISO Rate Schedules, Rate Schedule No. 72, ABAOA Between CAISO and Nevada Power Company, 3.0.0.

The filing was noticed on December 18, 2015, with comments, protests, or interventions due on or before January 7, 2016. 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 opposed 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 of any rate, charge, classification or any rule, regulation or practice affecting such rate or service contained in your 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 CAISO.

This action is taken pursuant to the authority delegated to the Director, Division of Electric Power Regulation - 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,

Steve P. Rodgers, Director Division of Electric Power Regulation – West