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October 19, 2005

The Honorable Magalie Roman Salas
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

**Re: California Independent System Operator Corporation
Cancellation of Rate Schedule FERC No. 58
Docket No. ER06-____-000**

Dear Secretary Salas:

Pursuant to Sections 35.15 and 131.53 of the Commission's regulations, 18 C.F.R. §§ 35.15, 131.53 (2005), the California Independent System Operator Corporation ("ISO")¹ hereby provides notice to the Commission of the cancellation of ISO Rate Schedule FERC No. 58, the Interim Operations Agreement ("Turlock Interim Operations Agreement") between the ISO and the Turlock Irrigation District ("Turlock"). The purpose of the cancellation is to allow Turlock to become an independent Control Area effective December 1, 2005, as Turlock has requested. That change in Control Area status is one of several planned modifications to the current ISO Control Area footprint that are scheduled to occur on December 1, 2005.²

The Turlock Interim Operations Agreement was filed on December 30, 2004, in Docket No. ER05-405-000. The Commission accepted it, subject to modification, in *California Independent System Operator Corporation*, 110 FERC ¶ 61,196, at Ordering Paragraphs (A), (B), and (D) *reh'g denied*,

¹ Capitalized terms not otherwise defined herein have the meanings set forth in the Master Definitions Supplement, Appendix A to the ISO Tariff.

² The planned modifications are described further in the ISO's September 30, 2005 filing in Docket No. ER05-1522-000, at page 2.

111 FERC ¶ 61,360 (2005), effective January 1, 2005. The ISO submitted the required modification on March 30, 2005, in Docket No. ER05-405-001, and the Commission accepted it by letter order issued June 3, 2005.

Section 3.2(a) of the Turlock Interim Operations Agreement provides that the agreement may be terminated as of "[t]he date [Turlock] begins operation as its own Control Area provided the ISO has been provided with 45 days advance written notice." The transfer of Turlock from the ISO Control Area to its own Control Area is proposed to be implemented by means of an Interconnected Control Area Operating Agreement between the ISO and Turlock, which agreement the ISO is filing today with the Commission and regarding which the ISO is also requesting an effective date of December 1, 2005. Attachment A to the present filing contains the advance written notice that Turlock provided to the ISO.

Communications and Service

Communications regarding this filing should be addressed to the following persons, whose names should be entered on the official service list maintained by the Secretary for the docket established with respect to this filing:

John Anders*
Corporate Counsel
California Independent System
Operator Corporation
151 Blue Ravine Road
Folsom, CA 95630
Tel: (916) 351-4400
Fax: (916) 608-7222

Bradley R. Miliauskas*
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* Individuals designated for service pursuant to Rule 203(b)(3),
18 C.F.R. § 203(b)(3).

Effective Date and Waiver

The ISO respectfully requests waiver of the Commission's sixty-day prior notice requirement, pursuant to Section 35.15 of the Commission's regulations, 18 C.F.R. § 35.15, to permit an effective date for the cancellation of December 1, 2005. Granting the waiver requested herein will permit Turlock to become an independent Control Area as it has requested.³ No harm will result to any entity

³ On the same day that the ISO is submitting the present filing, the ISO is also unilaterally submitting an Interconnected Control Area Operating Agreement ("ICAOA") with Turlock, in order to provide for the coordinated operation and maintenance of the interconnected ISO and Turlock Control Areas when Turlock becomes an independent Control Area. The ISO has requested an effective date of December 1, 2005 for the ICAOA. Section ICAA 1.3.1 of the ICAOA provides

from the December 1, 2005 effective date, and the cancellation will not result in any increase in rates or charges. Granting the requested waiver, therefore, is appropriate.

Further, the information submitted with this filing substantially complies with the requirements of Part 35 of the Commission's regulations applicable to filings of this type. The ISO therefore requests waiver of any applicable requirement of Part 35 for which waiver is not specifically requested, if necessary, in order to permit this filing to become effective as proposed.

Documents Enclosed

Enclosed are six copies of the following documents:

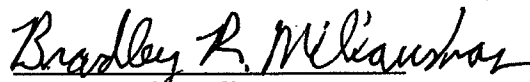
1. This letter of transmittal;
2. Written notice from Turlock that it intends to begin operating its own Control Area effective December 1, 2005 (Attachment A);
3. A Notice of Cancellation concerning the Turlock Interim Operations Agreement, in conformance with Section 131.53 of the Commission's regulations (Attachment B); and
4. A rate schedule sheet implementing the cancellation of the Turlock Interim Operations Agreement, designated pursuant to Order No. 614, *Designation of Electric Rate Schedule Sheets*, FERC Stats. and Regs. ¶ 31,096 (2000) (Attachment C).

that the ICAOA will be effective as of the latest of: (a) the date of execution of the ICAOA, (b) the date the ICAOA is accepted for filing and made effective by the Commission, or (c) the date that the WECC and NERC authorize Turlock to operate the Turlock Control Area. The ISO anticipates that, prior to the requested effective date of December 1, 2005, the ICAOA will be executed by Turlock and the WECC and NERC will provide their authorizations to Turlock. The ISO will inform the Commission once those events have occurred.

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Also enclosed are two additional copies of this filing to be date-stamped and returned to our messenger. This filing has been served upon Turlock, the California Public Utilities Commission, the California Electricity Oversight Board, and all entities that are on the official service list for Docket No. ER05-405. In addition, the filing has been posted on the ISO's website. Please contact the undersigned with any communications or questions concerning this filing.

Respectfully submitted,



Kenneth G. Jaffe
Bradley R. Miliauskas
Alston & Bird LLP
601 Pennsylvania Avenue, NW
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Washington, DC 20004-2601

Charles F. Robinson
General Counsel
John Anders
Corporate Counsel
California Independent System
Operator Corporation
151 Blue Ravine Road
Folsom, CA 95630

Attorneys for the California Independent
System Operator Corporation

ATTACHMENT A



TURLOCK IRRIGATION DISTRICT

333 EAST CANAL DRIVE
POST OFFICE BOX 949
TURLOCK, CALIFORNIA 95381
(209) 863-8300

Don Pedro Dam and
Powerhouse

October 11, 2005

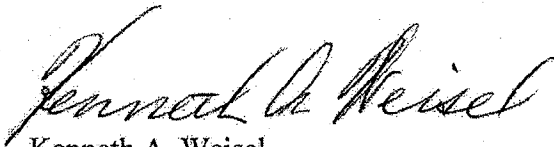
Thomas Doughty
California ISO
151 Blue Ravine Road
Folsom, CA 95630

Dear Sir:

I am writing to inform you of Turlock Irrigation District's intention to begin control area operation at 00:00 December 1, 2005.

This letter serves as Turlock Irrigation District's notice per Section 3.2 (a) of the California Independent System Operator and Turlock Irrigation District Interim Operations Agreement. Said agreement will terminate when TID begins operation of its Control Area.

Sincerely,



Kenneth A. Weisel
Assistant General Manger – Energy Resources

cc: D Le Vine, J Detmers, M Dozier



ATTACHMENT B

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

California Independent System
Operator Corporation

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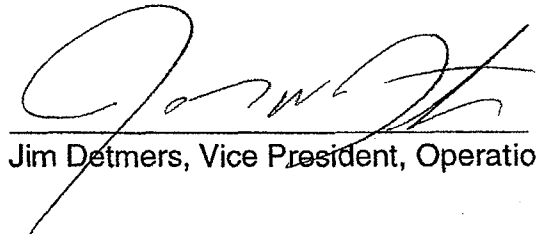
Docket No. ER06-____-000

NOTICE OF CANCELLATION

Notice is hereby given that effective the 1st day of December, 2005, Rate Schedule FERC No. 58 and all supplements thereto, effective January 1, 2005, and filed with the Federal Energy Regulatory Commission by the California Independent System Operator Corporation is to be cancelled. Notice of the proposed cancellation has been served upon the Turlock Irrigation District, the California Public Utilities Commission, the California Electricity Oversight Board, and all entities that are on the official service list for Docket No. ER05-405.

CALIFORNIA INDEPENDENT SYSTEM
OPERATOR CORPORATION

By:



Jim Detmers, Vice President, Operations

Dated: October 13, 2005

ATTACHMENT C

**Cancels Rate Schedule FERC No. 58
And All Supplements Thereto**

NOTICE OF CANCELLATION

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing documents as described in those documents, in accordance with Rule 2010 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.2010.

Dated at Folsom, California, on this 19th day of October, 2005.

John Anders ^{BRM}

John Anders