UNITED STATES OF AMERICA BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

Southern Energy Delta, L.L.C.) Docket No. ER00-936-000

MOTION FOR LEAVE TO FILE MOTION TO INTERVENE OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION ONE DAY OUT-OF-TIME

Pursuant to Rule 212 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.212, the California Independent System Operator Corporation ("ISO"), hereby moves for leave to file the attached Motion to Intervene one day out-of-time in the above entitled proceedings. By notice dated January 5, 2000, the Commission established a January 18, 2000, deadline for interventions in the above-captioned proceeding. On that date, counsel for the ISO attempted to file the enclosed Motion to Intervene with the Commission via courier. Although counsel anticipated delays caused by the adverse weather, the traffic congestion between counsel's office in Georgetown and the Commission's offices caused by the weather was far beyond expectations. The courier took an hour and fifteen minutes, and reached the Commission's offices slightly after closing.

No party would be prejudiced by the Commission's grant of this motion, because notice was served as if the Motion to Intervene had been timely filed, and the Motion to Intervene is only one day out-of-time. In addition, the ISO's participation is in the public interest. The ISO's use of the services provided under the rate schedule at issue ensures the reliability of the ISO Controlled Grid. Because the ISO is responsible for the maintenance of reliability and the nondiscriminatory operation of the ISO Controlled Grid, it can provide the Commission with important information regarding the impact of the proposed revisions on users of the ISO Controlled Grid.

WHEREFORE, the ISO respectfully requests that the Commission grant the ISO permission to file the attached Motion to Intervene one day out-of-time.

Respectfully submitted,

Michael E. Ward Swidler Berlin Sherref Friedman, LLP

Washington, DC 20007 Tel: 202-424-7588

Fax: 202-424-7645

Counsel for the California Independent System Operator Corporation

Date: January 19, 2000

UNITED STATES OF AMERICA BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

Southern Energy Delta, L.L.C.) Docket No. ER00-936-000

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

Pursuant to Rules 211 and 214 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission ("Commission"), 18 C.F.R. §§ 385.211, 385.214, the California Independent System Operator Corporation ("ISO") hereby protests and moves to intervene in the above-captioned proceeding. In support thereof, the ISO states as follows:

I. COMMUNICATIONS

Please address communications concerning this filing to the following persons:

Roger E. Smith, Senior Regulatory
Counsel
Deborah Le Vine, Director of
Contracts & Compliance
The California Independent System
Operator Corporation
151 Blue Ravine Road
Folsom, CA 95630

Tel: (916) 608-7135 Fax: (916) 608-7222 Edward Berlin
J. Phillip Jordan
Michael E. Ward
Swidler Berlin Shereff Friedman, LLP
3000 K Street, NW, Suite 300
Washington, DC 20007

Tel: (202) 424-7500 Fax: (202) 424-7643

II. BACKGROUND

On December 29, 1999, Southern Energy Delta, L.L.C. (Southern Delta) tendered for filing with the Commission two revised Must-Run Service Agreements between Southern Delta and the ISO. These agreements reflect the transfer of ownership of facilities from Pacific Gas and Electric Company to Southern Delta; and revise Schedules A, B, and C of

the RMR Agreements to specify Unit Characteristics, Contract Service Limits, and Unit Hourly Cap Heat Inputs for the year beginning January 1, 2000.

III. BASIS FOR MOTION TO INTERVENE

The ISO is a non-profit public benefit corporation organized under the laws of the State of California. It is responsible for the reliable operation of a grid comprising the transmission systems of Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company, as well as for the coordination of the competitive electricity market in California. The ISO is the sole purchaser of the services provided under the Must Run Agreement that is the subject of this proceeding. The ISO therefore has an interest in this proceeding. Further, because the ISO is charged with the nondiscriminatory operation of the ISO Controlled Grid, the ISO's participation in this proceeding is in the public interest. Accordingly, the ISO requests that it be permitted to intervene in this proceeding with full rights of a party.

IV. LIMITED PROTEST

Pursuant to sections I.C.2 and I.C.3 of the Stipulation and Agreement filed in Docket Nos. ER98-441-000, et al., and approved by the Commission on May 28, 1999, the right of Southern Delta under Sections 205 and 206 of the Federal Power Act (16 U.S.C. § 825d) to file to revise the Must Run Agreement is, with certain exceptions, suspended through December 31, 2001. Certain revisions proposed by Southern Delta are impermissible. In particular, the proposed new reservation for increased mitigation costs and the proposed changes to operating limits, Maximum Net Dependable Capacity, and start-up lead time do not fall into the specified exceptions. The proposed changes to the coefficients for fossil fuel heat input are only permissible with the agreement of the ISO,

which Southern Delta has not obtained, and the use of certain test procedures, which Southern Delta has not demonstrated.

The ISO cannot at this time waive its right to object under sections I.C.2 and I.C.3 to these changes. Southern Delta has not sought the concurrence of the ISO or of Pacific Gas and Electric Company, the utility to whom the ISO allocates the costs of the services under the Must Run Agreement at issue. The ISO notes that, in another recent filing, the ISO was willing to waive its objections under section I.C.2 because the Reliability Must Run Owners had worked out the revisions with the responsible utility.

The ISO therefore protests the revisions regarding the reservation for mitigation costs, operating limits, Maximum Net Dependable Capacity, start up lead time and coefficients for fossil fuel heat and requests their rejection at this time.

The ISO does not at this time object to Southern Delta's update of contract service limits and Schedule B values, which are included in the exceptions.

V. CONCLUSION

Wherefore, for the foregoing reasons, the ISO respectfully requests that the Commission permit it to intervene, that it be accorded full party status in this proceeding, and that the Commission reject the revisions to the Must Run Service Agreement as identified above.

Respectfully submitted,

Roger E. Smith, Senior Regulatory
Counsel
Deborah Le Vine, Director of
Contracts and Compliance
California Independent System
Operator Corporation
151 Blue Ravine Road
Folsom, CA 95630
Tel: (016) 608 7135

Tel: (916) 608-7135 Fax:(916) 608-7222

Date: January 18, 2000

Edward Berlin
J. Phillip Jordan
Michael E. Ward
Swidler Berlin Shereff Friedman, LLP
3000 K Street, NW, Suite 300
Washington, DC 20007

Tel: (202) 424-7500 Fax: (202) 424-7643

Counsel for the California Independent System Operator Corporation

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Washington, DC, on this 18th day of January, 2000.

Michael E. Ward

January 18, 2000

The Honorable David P. Boergers Secretary Federal Energy Regulatory Commission 888 First Street, NE Washington, DC 20426

> Re: Southern Energy Delta, L.L.C., Docket No. ER00-936-000

Dear Secretary Boergers:

Enclosed for filing are one original and 14 copies of the Motion to Intervene and Limited Protest of the California Independent System Operator Corporation in the above-referenced proceeding. Two additional copies of the filing are also enclosed. Please stamp the two additional copies with the date and time filed and return them to the messenger.

Thank you for your assistance in this matter.

Respectfully submitted,

Michael E. Ward Swidler Berlin Shereff Friedman, LLP 3000 K Street, NW, Suite 300 Washington, DC 20007 Tel: (202) 424-7500

Fax: (202) 424-7643

Counsel for the California
Independent System Operator Corporation