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June 30, 2006

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

**Re: California Independent System Operator Corporation
Docket No. ER06-____-000**

Dear Secretary Salas:

Pursuant to Section 205 of the Federal Power Act ("FPA"), 16 U.S.C. § 824d, the California Independent System Operator Corporation ("ISO")¹ submits for Commission filing and acceptance an amendment to the Responsible Participating Transmission Owner Agreement ("RPTOA") between the ISO and Pacific Gas and Electric Company ("PG&E"). The ISO requests that this filing be made effective as of June 30, 2006.

The currently effective RPTOA was submitted by the ISO as a compliance filing on July 2, 2003 in Docket No. ER02-2489-002. It was accepted by letter order dated May 3, 2004 and was designated as Rate Schedule FERC No. 37. On November 1, 2004, the ISO submitted revisions to Appendix A to the RPTOA in Docket No. ER05-152-000, which the Commission accepted by letter order dated December 20, 2004. On October 11, 2005, the ISO submitted further revisions to Appendix A to the RPTOA in Docket No. ER06-24-000, which the Commission accepted in *California Independent System Operator Corporation*, 113 FERC ¶ 61,250 (2005). On December 30, 2005, the ISO submitted

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

additional revisions to Appendix A to the RPTOA in Docket No. ER06-434-000, which the Commission accepted by letter order issued in that docket on February 13, 2006.

I. The Amendment

The RPTOA enables PG&E and the ISO to implement Sections 16.1 and 16.2 (formerly Sections 2.4.3 and 2.4.4) of the ISO Tariff and the Protocols of the ISO Tariff as they may relate to those Existing Contracts for which the Responsible PTO will operate under the ISO Tariff and SC Agreement so as to enable it to honor Existing Contracts as contemplated by Sections 16.1 and 16.2 of the ISO Tariff.

The purpose of the Amendment is to modify the endnotes of Appendix A to the RPTOA to state that, on June 30, 2006, PG&E and the City and County of San Francisco ("CCSF") filed a joint motion with the Commission in Docket Nos. ER00-565-000, *et al.* to extend – from June 30, 2006, to November 30, 2006 – the deadline approved in that proceeding for CCSF to designate a Scheduling Coordinator other than PG&E for all of its existing transmission services with PG&E, in order to facilitate operational issues arising from the Scheduling Coordinator transition. The endnotes of Appendix A to the RPTOA have also been modified to state that, pursuant to the extension described above, PG&E will stop operating as CCSF's Scheduling Coordinator no later than November 30, 2006.

As PG&E and CCSF explain in their joint motion, the parties are currently finalizing the development of an implementation agreement for the Scheduling Coordinator transition. The details contained in the CCSF-PG&E agreement are necessary to allow a smooth transition from one Scheduling Coordinator to another without unnecessary disruption in CCSF's ability to serve its load. CCSF and PG&E anticipate that they will finalize the agreement promptly and will make a further filing with the Commission by no later than July 21, 2006. CCSF and PG&E also anticipate that there may be certain conditions precedent that will need to be met before the Scheduling Coordinator transition can occur. Therefore, in their motion, CCSF and PG&E do not propose a specific date for the transition to occur, but seek an extension until such time as the conditions precedent are met, but not later than November 30, 2006.

II. Request for Waiver

The ISO respectfully requests a waiver of the Commission's 60-day prior notice requirement, pursuant to Section 35.11 of the Commission's regulations, 18 C.F.R. § 35.11, to allow the enclosed materials to become effective as of June 30, 2006. Granting the waiver will permit the changes to Appendix A to the

RPTOA to become effective consistent with the extension of the deadline described in that Appendix A. Granting the requested waiver, therefore, is appropriate.

III. Expenses

No expense or cost associated with this filing has been alleged or judged in any judicial or administrative proceeding to be illegal, duplicative, unnecessary, or demonstratively the product of discriminatory employment practices.

IV. Service

Copies of this filing have been served on PG&E, CCSF, the California Public Utilities Commission, the California Electricity Oversight Board, and all entities that are on the official service lists for Docket Nos. ER00-565-000, *et al.*, ER02-2489-002, ER05-152-000, ER06-24-000, and ER06-434-000. In addition, the filing has been posted on the ISO's website.

Enclosed for filing are six copies of each of the following:

- (1) this letter of transmittal;
- (2) the rate schedule sheet in the RPTOA that is revised by the Amendment (Attachment A); and
- (3) a black-lined document showing the changes to the currently effective RPTOA contained in the Amendment (Attachment B).

Also enclosed are two additional copies of this filing to be date-stamped and returned to our messenger.

V. Correspondence

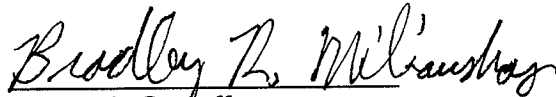
The ISO requests that all correspondence, pleadings and other communications concerning this filing be served upon the following:

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

Respectfully submitted,



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ATTACHMENT A

Appendix A

Parties for Whom PG&E Will Act as Scheduling Coordinator

6/30/2006

	<u>Existing Rightholder</u>	<u>Contracts/RS#</u>
1.	Bay Area Rapid Transit	<ul style="list-style-type: none"> • Service Agreement No. 42 under FERC Electric Tariff, First Revised Volume No. 12 • Service Agreement No. 43 under FERC Electric Tariff, First Revised Volume No. 12
2.	Modesto Irrigation District	<ul style="list-style-type: none"> • Interconnection Agreement - PG&E Rate Schedule FERC No. 116¹ • Midway Transmission Service / South of Tesla Principles - PG&E Rate Schedule FERC No. 143^{1,2}
3.	Northern California Power Agency	<ul style="list-style-type: none"> • Castle Rock-Lakeville CoTenancy Agreement - PG&E Rate Schedule FERC No. 139 • Midway Transmission Service / South of Tesla Principles - PG&E Rate Schedule FERC No. 143²
4.	Redding (City of)	<ul style="list-style-type: none"> • Midway Transmission Service / South of Tesla Principles - PG&E Rate Schedule FERC No. 143²
5.	San Francisco (City and County of)	<ul style="list-style-type: none"> • Interconnection Agreement - PG&E Rate Schedule FERC No. 114³

ENDNOTES

- ¹ As provided in PG&E's filing with FERC dated August 3, 2005 in Docket No. ER05-1286-000, Modesto Irrigation District (MID) will designate a Scheduling Coordinator other than PG&E for all of its existing transmission services with PG&E no later than December 1, 2005. No later than December 1, 2005, PG&E will no longer operate as MID's Scheduling Coordinator for the identified agreements.
- ² Midway Transmission Service/South of Tesla Principles (SOTP) - PG&E Rate Schedule FERC No. 143 is an agreement between PG&E and the Transmission Agency of Northern California (TANC). TANC's entitlement to 300 MW of transmission service under that agreement has been allocated to the Cities of Santa Clara, doing business as Silicon Valley Power (SVP), and Redding, MID, Turlock Irrigation District (TID), Sacramento Municipal Utility District (SMUD), and Northern California Power Agency (NCPA). As of September 1, 2002, SVP and NCPA serve as their own Scheduling Coordinators for their SOTP service. PG&E does not have a control area services agreement with Redding, since Redding's electric system is not directly connected with the ISO Controlled Grid. As of January 1, 1999, pursuant to Section 2.4 of PG&E's RPTO Agreement, the Western Area Power Administration was appointed the Scheduling Coordinator for Redding's SOTP service. As of June 18, 2002, concurrent with the commencement of operation of SMUD's control area, Automated Power Exchange, Inc. became the Scheduling Coordinator for SMUD's SOTP service. Under the Path 15 Operating Instructions (see FERC Docket ER-99-1770-000), PG&E acts as Path 15 ETC Facilitator for all of TANC's members' SOTP service by arranging for transfers of the TANC members' power across Path 15, but PG&E only reports the associated load where it acts as a TANC member's Scheduling Coordinator as described above. The Path 15 Operating Instructions are incorporated in Exhibit B-1 to PG&E's Appendix B to the Transmission Control Agreement with the ISO (see FERC Docket No ER03-219-000).
- ³ As provided in the Partial Settlement Agreement filed with FERC on May 23, 2005 PG&E and the City and County of San Francisco (CCSF) reached a settlement in FERC Docket Nos. ER00-565-000, ER04-1233-000 and ER05-480-000. The Partial Settlement Agreement, which was approved by FERC on July 6, 2005, states that CCSF will designate a Scheduling Coordinator other than PG&E for all of its existing transmission services with PG&E no later than December 31, 2005. On December 20, 2005, PG&E and CCSF filed a joint motion with FERC in Docket No. ER00-565-000, *et al.* to extend the December 31, 2005 deadline to June 30, 2006 to facilitate operational issues arising from the SC transition. On June 30, 2006, PG&E and CCSF filed a further joint motion with FERC in Docket No. ER00-565-000, *et al.* to extend the June 30, 2006 deadline to November 30, 2006 to facilitate operational issues arising from the SC transition. The parties also indicated that CCSF will assume Scheduling Coordinator responsibilities earlier than November 30, 2006, if certain conditions in an agreement between CCSF and PG&E are met. Therefore, no later than November 30, 2006, PG&E will no longer operate as CCSF's Scheduling Coordinator for the identified agreement.
- ⁴ As provided in PG&E's letter dated May 30, 2002, PG&E and SMUD have executed Amendment #7 to the PG&E-SMUD Interconnection Agreement dated August 29, 1990 which provides, among other things, that SMUD will designate a Scheduling Coordinator other than PG&E for its existing transmission services with PG&E. PG&E will provide operating instructions under separate notice to the ISO in accordance with Section 2.4.4.4 of the ISO Tariff.
- ⁵ As provided in PG&E's filing with FERC dated April 26, 2005, of a Settlement Agreement between PG&E and TID, FERC Docket ER05-390-000, TID plans to form a new Control Area separate from the ISO Control Area. The Settlement Agreement, which was approved by FERC on June 27, 2005, includes an amendment to the PG&E-TID Interconnection Agreement which provides, among other things, that TID will designate a Scheduling Coordinator other than PG&E for all of its existing transmission services with PG&E no later than December 1, 2005. Therefore, no later than December 1, 2005, PG&E will no longer operate as TID's Scheduling Coordinator for the identified agreements.
- ⁶ In PG&E's letter to the CAISO dated February 24, 1998, PG&E amended Appendix A of the RPTO Agreement to include Western/PG&E Existing Contracts. Additionally, effective April 1, 1998, pursuant to Section 2.4 of PG&E's RPTO Agreement, the California Power Exchange (CAPX) was appointed as Scheduling Coordinator for all schedules submitted under the Western/PG&E contracts listed above. Following the cessation of operation of the CAPX, PG&E

ATTACHMENT B

Appendix A

Parties for Whom PG&E Will Act as Scheduling Coordinator

126/430/20065

	<u>Existing Rightholder</u>	<u>Contracts/RS#</u>
1.	Bay Area Rapid Transit	<ul style="list-style-type: none">• Service Agreement No. 42 under FERC Electric Tariff, First Revised Volume No. 12• Service Agreement No. 43 under FERC Electric Tariff, First Revised Volume No. 12
2.	Modesto Irrigation District	<ul style="list-style-type: none">• Interconnection Agreement - PG&E Rate Schedule FERC No. 116¹• Midway Transmission Service / South of Tesla Principles - PG&E Rate Schedule FERC No. 143^{1,2}
3.	Northern California Power Agency	<ul style="list-style-type: none">• Castle Rock-Lakeville CoTenancy Agreement – PG&E Rate Schedule FERC No. 139• Midway Transmission Service / South of Tesla Principles - PG&E Rate Schedule FERC No. 143²
4.	Redding (City of)	<ul style="list-style-type: none">• Midway Transmission Service / South of Tesla Principles - PG&E Rate Schedule FERC No. 143²
5.	San Francisco (City and County of)	<ul style="list-style-type: none">• Interconnection Agreement - PG&E Rate Schedule FERC No. 114³

	<u>Existing Rightholder</u>	<u>Contracts/RS#</u>
6.	Santa Clara (City of)	<ul style="list-style-type: none"> • Mokelumne Settlement and Grizzly Development Agreement - Service Agreement No. 20 under FERC Electric Tariff, Sixth Revised Volume No. 5 • Castle Rock-Lakeville CoTenancy Agreement – PG&E Rate Schedule FERC No. 139 • Midway Transmission Service / South of Tesla Principles - PG&E Rate Schedule FERC No. 143²
7.	Sacramento Municipal Utility District	<ul style="list-style-type: none"> • Interconnection Agreement – PG&E Rate Schedule FERC No. 136⁴ • EHV Transmission Agreement – PG&E Rate Schedule No. 37⁴ • Camp Far West Transmission Agreement – PG&E Rate Schedule FERC No. 91⁴ • Slab Creek Transmission Agreement – PG&E Rate Schedule FERC No. 88⁴ • Midway Transmission Service / South of Tesla Principles – PG&E Rate Schedule FERC No. 143²
8.	Turlock Irrigation District	<ul style="list-style-type: none"> • Interconnection Agreement - PG&E Rate Schedule FERC No. 213⁵ • Midway Transmission Service / South of Tesla Principles - PG&E Rate Schedule FERC No. 143^{2,5}

	<u>Existing Rightholder</u>	<u>Contracts/RS#</u>
9.	Western Area Power Administration	<ul style="list-style-type: none">• Transmission Service for San Luis Unit Contract No. 14-06-200-2207A – PG&E Rate Schedule FERC No. 227⁶• Transmission Service for New Melones Project Contract No. 8-07-20-P0004 - PG&E Rate Schedule FERC No. 60⁶

ENDNOTES

¹ As provided in PG&E's filing with FERC dated August 3, 2005 in Docket No. ER05-1286-000, Modesto Irrigation District (MID) will designate a Scheduling Coordinator other than PG&E for all of its existing transmission services with PG&E no later than December 1, 2005. No later than December 1, 2005, PG&E will no longer operate as MID's Scheduling Coordinator for the identified agreements.

² Midway Transmission Service/South of Tesla Principles (SOTP) - PG&E Rate Schedule FERC No. 143 is an agreement between PG&E and the Transmission Agency of Northern California (TANC). TANC's entitlement to 300 MW of transmission service under that agreement has been allocated to the Cities of Santa Clara, doing business as Silicon Valley Power (SVP), and Redding, MID, Turlock Irrigation District (TID), Sacramento Municipal Utility District (SMUD), and Northern California Power Agency (NCPA). As of September 1, 2002, SVP and NCPA serve as their own Scheduling Coordinators for their SOTP service. PG&E does not have a control area services agreement with Redding, since Redding's electric system is not directly connected with the ISO Controlled Grid. As of January 1, 1999, pursuant to Section 2.4 of PG&E's RPTO Agreement, the Western Area Power Administration was appointed the Scheduling Coordinator for Redding's SOTP service. As of June 18, 2002, concurrent with the commencement of operation of SMUD's control area, Automated Power Exchange, Inc. became the Scheduling Coordinator for SMUD's SOTP service. Under the Path 15 Operating Instructions (see FERC Docket ER-99-1770-000), PG&E acts as Path 15 ETC Facilitator for all of TANC's members' SOTP service by arranging for transfers of the TANC members' power across Path 15, but PG&E only reports the associated load where it acts as a TANC member's Scheduling Coordinator as described above. The Path 15 Operating Instructions are incorporated in Exhibit B-1 to PG&E's Appendix B to the Transmission Control Agreement with the ISO (see FERC Docket No ER03-219-000).

³ As provided in the Partial Settlement Agreement filed with FERC on May 23, 2005 PG&E and the City and County of San Francisco (CCSF) reached a settlement in FERC Docket Nos. ER00-565-000, ER04-1233-000 and ER05-480-000. The Partial Settlement Agreement, which was approved by FERC on July 6, 2005, states that CCSF will designate a Scheduling Coordinator other than PG&E for all of its existing transmission services with PG&E no later than December 31, 2005. On December 20, 2005, PG&E and CCSF filed a joint motion with FERC in Docket No. ER00-565-000, *et al.* to extend the December 31, 2005 deadline to June 30, 2006 to facilitate operational issues arising from the SC transition. On June 30, 2006, PG&E and CCSF filed a further joint motion with FERC in Docket No. ER00-565-000, *et al.* to extend the June 30, 2006 deadline to November 30, 2006 to facilitate operational issues arising from the SC transition. The parties also indicated that CCSF will assume Scheduling Coordinator responsibilities earlier than November 30, 2006, if certain conditions in an agreement between CCSF and PG&E are met. Therefore, no later than ~~June~~November 30, 2006, PG&E will no longer operate as CCSF's Scheduling Coordinator for the identified agreement.

⁴ As provided in PG&E's letter dated May 30, 2002, PG&E and SMUD have executed Amendment #7 to the PG&E-SMUD Interconnection Agreement dated August 29, 1990 which provides, among other things, that SMUD will designate a Scheduling Coordinator other than PG&E for its existing transmission services with PG&E. PG&E will provide operating instructions under separate notice to the ISO in accordance with Section 2.4.4.4 of the ISO Tariff.


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⁶ In PG&E's letter to the CAISO dated February 24, 1998, PG&E amended Appendix A of the RPTO Agreement to include Western/PG&E Existing Contracts. Additionally, effective April 1, 1998, pursuant to Section 2.4 of PG&E's RPTO Agreement, the California Power Exchange (CAPX) was appointed as Scheduling Coordinator for all schedules submitted under the Western/PG&E contracts listed above. Following the cessation of operation of the CAPX, PG&E resumed acting as the Scheduling Coordinator for the Western/PG&E contracts except where footnoted otherwise.

CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing document as described in that document, in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.2010).

Dated at Folsom, California this 30th day of June, 2006.


John Anders
John Anders