

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Cities of Anaheim, Azusa)	
Banning, Colton, and)	
Riverside, California)	
)	
v.)	Docket No. EL00-111-____
)	
California Independent System)	
Operator Corporation)	
)	
Salt River Project Agricultural)	
Improvement and)	
Power District)	
)	
v.)	Docket No. EL01-84-____
)	
California Independent System)	
Operator Corporation)	

[Not Consolidated]

MOTION TO INITIATE SETTLEMENT PROCEEDINGS

Pursuant to Rule 212 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (“Commission”), 18 C.F.R. § 385.212, the California Independent System Operator Corporation (“ISO”), on behalf of itself, the Cities of Anaheim, Azusa, Banning, Colton, and Riverside, California (“Southern Cities”), and Salt River Project Agricultural Improvement and Power District (“SRP”) (collectively, “Movants”), hereby moves that the Commission initiate, as soon as practicable, settlement proceedings concerning the issues

raised in the above-referenced dockets, in order to further resolution of those issues.

The Movants request that the settlement proceedings be limited to a 30-day period and commit to filing a status report with the Commission at the end of that period. The 30-day period would begin on July 9, 2001. Extension of the settlement proceedings beyond the 30-day period would require the mutual consent of the Movants. The Movants have tentatively agreed to commence the settlement proceedings on July 10, 2001.

The Movants ask that they be permitted to request that a particular facilitator from the Commission's Office of Administrative Law Judges or Office of Dispute Resolution, to be agreed upon by the Movants, participate in the settlement proceedings.

The Movants request that the Commission defer the issuance of an Order on the merits concerning the complaint filed by SRP on June 1, 2001 in Docket No. EL01-84-000, until after the settlement proceedings have been concluded. Additionally, the Movants note that several parties have filed requests for rehearing of the Commission's May 14, 2001 Order in Docket No. EL00-111-001, 95 FERC ¶ 61,197. The Movants request that the Commission defer the issuance of an Order on the merits concerning these requests for rehearing until after the settlement proceedings have been concluded. The Movants also request that the Commission issue a tolling Order concerning the requests for rehearing that ensures that the requests for rehearing will not be deemed to be denied automatically by operation of law.

The Movants state that the granting of this motion will have no effect on the ability of any or all of the Movants to submit, at any time, filings to the Commission concerning the above-referenced dockets.

Additionally, the Southern Cities and SRP state that their support of the initiation of settlement proceedings in no way indicates support by the Southern Cities or SRP of the ISO's position on the merits or characterizations with respect to the appropriateness or feasibility of refunds.

Wherefore, for the foregoing reasons, the ISO, on behalf of itself, the Southern Cities, and SRP, respectfully requests that the Commission initiate settlement proceedings as described above.

Respectfully submitted,

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