

SWIDLER BERLIN SHEREFF FRIEDMAN, LLP

THE WASHINGTON HARBOUR
3000 K STREET, NW, SUITE 300
WASHINGTON, DC 20007-5116
TELEPHONE (202) 424-7500
FACSIMILE (202) 424-7647
WWW.SWIDLAW.COM

BRADLEY R. MILIAUSKAS
DIRECT DIAL: (202) 295-8431
FAX: (202) 424-7643
BRMILIAUSKAS@SWIDLAW.COM

NEW YORK OFFICE
THE CHRYSLER BUILDING
405 LEXINGTON AVENUE
NEW YORK, NY 10174
TEL. (212) 973-0111
FAX (212) 891-9598

January 12, 2004

VIA ELECTRONIC FILING

The Honorable Magalie R. Salas
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

**Re: Los Esteros Critical Energy Facility, LLC
Docket No. ER04-323-000**

Dear Secretary Salas:

Enclosed is the Motion to Intervene of the California Independent System Operator Corporation, submitted in the above-captioned proceeding. Please contact the undersigned if you have any questions regarding this filing.

Respectfully submitted,

/s/ Bradley R. Miliauskas

J. Phillip Jordan
Bradley R. Miliauskas

Counsel for the California
Independent System Operator
Corporation

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

**Los Esteros Critical
Energy Facility, LLC**

)
)

Docket No. ER04-323-000

**MOTION TO INTERVENE OF THE
CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION**

Pursuant to Rule 214 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission ("Commission"), 18 C.F.R. § 385.214 (2003), and the Commission's December 31, 2003 Notice of Filing, the California Independent System Operator Corporation ("ISO")¹ submits this Motion to Intervene in the captioned proceeding.²

I. Description of the Proceeding

On December 22, 2003, Los Esteros Critical Energy Facility, LLC ("Los Esteros") filed an unexecuted Must-Run Service Agreement and accompanying schedules ("RMR Agreement") between Los Esteros and the ISO setting forth the rates, terms, and conditions under which Los Esteros will provide reliability must-run services to the ISO.

II. Description of the ISO and Communications

The ISO is a non-profit public benefit corporation organized under the laws of the State of California with a principal place of business at 151 Blue Ravine Road, Folsom, CA 95630. The ISO is the Control Area operator responsible for the reliable

¹ Capitalized terms not otherwise defined herein are used in the sense given in the Master Definitions Supplement, Appendix A to the ISO Tariff, as filed August 15, 1997, and subsequently revised.

² The ISO is filing today, together with Pacific Gas and Electric Company and under separate cover, a Joint Provisional Protest in this proceeding.

operation of a grid comprising the transmission systems of Pacific Gas and Electric Company (“PG&E”), Southern California Edison Company, San Diego Gas & Electric Company, and the Cities of Vernon, Anaheim, Azusa, Banning, and Riverside, California, as well as for the coordination of the competitive ancillary services and real-time electricity markets in California.

The ISO requests that all communications and notices concerning this motion and these proceedings be provided to:³

Sidney L. Mannheim
Regulatory Counsel
California Independent System
Operator Corporation
151 Blue Ravine Road
Folsom, CA 95630
916-351-4400 (tel)
916-608-7222 (fax)

Deborah A. Le Vine
Director of Contracts
California Independent System
Operator Corporation
151 Blue Ravine Road
Folsom, CA 95630
916-351-4400 (tel)
916-608-7222 (fax)

J. Phillip Jordan
Bradley R. Miliauskas
Swidler Berlin Shereff Friedman, LLP
3000 K Street, NW, Suite 300
Washington, DC 20007
202-424-7500 (tel)
202-424-7897 (fax)

III. ISO’s Interest

Los Esteros’ Reliability Must-Run Units are located within PG&E’s transmission system and are needed to maintain the reliability of the PG&E transmission system. As the Control Area operator responsible for maintaining reliability in the PG&E transmission system and as the counter party to the RMR Agreement, the ISO has a unique interest in any Commission proceeding concerning an

³ Pursuant to 18 C.F.R. § 385.101(e), the ISO requests waiver of the Commission’s limit on persons to be served, as set forth in 18 C.F.R. § 385.203(b)(3).

RMR Agreement. Accordingly, the ISO has a direct and substantial interest in the proposed RMR Agreement in this proceeding and requests that it be permitted to intervene with full rights of a party. Because no other party can adequately represent the ISO's interests in this proceeding, the ISO's intervention is in the public interest and should be granted.

WHEREFORE, the ISO respectfully requests that the Commission grant this Motion to Intervene and make the ISO a party in the above-caption proceeding with full rights of participation.

Respectfully submitted

/s/ J. Phillip Jordan

J. Phillip Jordan
Bradley R. Miliauskas
Swidler Berlin Shereff Friedman, LLP
3000 K Street, NW, Suite 300
Washington, DC 20007

Counsel for
California Independent System
Operator Corporation

Dated: January 12, 2004

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list for the captioned proceeding, in accordance with Rule 2010 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.2010).

Dated at Folsom, CA, on this 12th day of January, 2004.

/s/ Sidney L. Mannheim
Sidney L. Mannheim