



February 17, 2005

VIA ELECTRONIC FILING

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

**Re: Gilroy Energy Center, LLC
Docket No. ER05-504-000**

Dear Secretary Salas:

Transmitted herewith for electronic filing in the above-referenced proceeding is the Motion to Intervene and Comment of the California Independent System Operator Corporation.

Thank you for your attention to this matter.

Yours truly,

/s/ Sidney L. Mannheim
Sidney L. Mannheim
Senior Regulatory Counsel

Counsel for the California Independent
System Operator Corporation

Enclosure

cc: Service List

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

Gilroy Energy Center, LLC)
)
) **Docket No. ER05-504-000**
)

**MOTION TO INTERVENE AND COMMENT 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, and the Commission’s February 1, 2005 Notice of Filing, the California Independent System Operator Corporation (“ISO”) submits this Motion to Intervene and Comment in the above captioned proceeding. In support thereof, the ISO states as follows:

I. DESCRIPTION OF THE PROCEEDING

On January 27, 2005, Gilroy Energy Center, LLC (Gilroy) submitted a revised rate schedule for the Reliability Must-Run Service Agreement between Gilroy and the ISO to correct the Ramp Rate values contained in Schedule A to match the values in the ISO’s Master File. Gilroy has requested a February 1, 2005 effective date.

By its Notice issued February 1, 2005, the Commission established February 17, 2005, as the date motions to intervene are to be filed in the above-captioned proceeding.

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 operation of the electric grid comprising the transmission systems of a number of utilities including Pacific Gas and Electric Company (“PG&E”), as well as the coordination of the 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:

Sidney L. Mannheim
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California Independent System
Operator Corporation
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III. ISO’S INTEREST

Gilroy’s RMR Units are located within PG&E’s transmission system and are needed to maintain the reliability of the ISO Controlled Grid. As the Control Area operator and as the counter party to the RMR Agreement, the ISO has a unique interest in any Commission proceeding that affects an RMR Agreement. Accordingly, the ISO has a direct and substantial interest in this proceeding and requests that it be permitted to intervene. 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.

IV. COMMENT

The CAISO has reviewed Gilroy's revised rate sheets and confirms that the proposed ramp rate values match the values in the ISO's Master File. The CAISO has no objection to a February 1, 2005, effective date and urges the Commission to accept Gilroy's rate filing.

V. CONCLUSION

For the foregoing reasons, 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.

Dated: February 17, 2005

Respectfully submitted

/s/ Sidney L. Mannheim

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Operator Corporation
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CERTIFICATE OF SERVICE

I hereby certify that I have this 17th day of February, 2005 caused to be served a copy of the forgoing document upon all parties listed on the official service list compiled by the Secretary of the Federal Energy Regulatory Commission in this proceeding.

/s/ Sidney L. Mannheim
Sidney L. Mannheim