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November 21, 2005

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

Re: Delta Energy Center
ER03-510-_____

Dear Secretary Salas:

By letter order dated September 10, 2003, the Secretary of the Commission, acting at the direction of the Commission, approved the uncontested Offer of Settlement in *Delta Energy Center*, Docket Nos. ER03-510-000 and ER03-510-001 and terminated those sub-dockets.

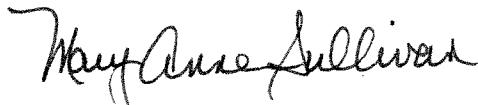
The nature of the settlement in question was an agreement to defer without prejudice further proceedings in this docket pending a final resolution of issues presented in another docket. Specifically, under the terms of the settlement, proceedings before the Commission in this Docket were to be reinstated under a new sub-docket within 90 days after the earlier of: (i) the date that the Commission issued an order on rehearing, or 30 days after an opinion if no rehearing was sought, of a Commission decision addressing the initial decision in *Pacific Gas and Elec. Co.*, Docket ER98-495-000 *et al.*; or (ii) October 1, 2005 (the so-called "Reinstitution Date"). If no such notice were given, the interim rates provided for by the settlement would become final. *See* Section II.D.1. The settlement further provided, however, that the Sponsoring Parties¹ could, by agreement, extend the time for giving notice of the reinstatement of proceedings. *See* Offer of Settlement, Section II.D.5.

¹ The Sponsoring Parties were Delta Energy Center, LLC (Delta), the California Independent System Operator Corporation (CAISO), and Pacific Gas and Electric Company (PG&E).

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On September 20, 2005, the Sponsoring Parties advised the Commission that they had agreed, as provided for under the Commission-approved settlement, to extend the period for reinstatement of proceedings for 60 additional days, to November 21, 2005, so that they could continue their efforts to reach a further and final settlement in this proceeding. Since shortly following the issuance of the final Commission Order on rehearing in Docket No. ER98-495-000, the Sponsoring Parties have been meeting in good faith in an effort to reach a further and final settlement in this proceeding. Those discussions have not yet produced a settlement, but the parties believe that a short period of additional discussions will allow them to determine whether it is likely they can reach a settlement. Accordingly, the Sponsoring Parties advise the Commission that this letter constitutes their written agreement, as provided under the Commission-approved settlement, to extend the period for reinstatement of proceedings through December 8, 2005. In the event a final settlement is not reached by December 8, 2005, the Sponsoring Parties will notify the Commission and either advise that the period for reinstatement has been extended further for a definite time or request a reinstatement of proceedings.

Respectfully submitted,



Mary Anne Sullivan
On behalf of the Sponsoring Parties

cc: Service List