

November 27, 2006

Via Electronic Filing

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

> Re: San Diego Gas and Electric Company Palomar Energy Center Facility Docket No. ER07-167-000

Dear Secretary Salas:

Transmitted herewith for electronic filing in the above-referenced proceedings is the Motion to Intervene Out of Time of the California Independent System Operator Corporation.

Thank you for your attention to this matter.

Yours truly,

/s/ Sidney Mannheim Davies

Sidney Mannheim Davies Assistant General Counsel Counsel for the California Independent System Operator Corporation

Enclosure cc: Service List

UNITED STATES OF AMERICA BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

| San Diego Gas and Electric |) | Docket No. ER07-167-000 |
|----------------------------|---|-------------------------|
| Company |) | |

MOTION TO INTERVENE OUT OF TIME 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 November 7, 2006, Combined Notice of Filings, the California Independent System Operator Corporation ("CAISO") submits this Motion to Intervene Out of Time in the above captioned proceeding. In support thereof, the CAISO states as follows:

I. DESCRIPTION OF THE PROCEEDING

On November 1, 2006, San Diego Gas and Electric Company (SDG&E)

Palomar Energy Center ("Facility") tendered for filing its Notice of Cancellation of the Reliability Must Run ("RMR") Service Agreement between SDG&E and CAISO. SDG&E requests that this Agreement terminate effective as of midnight December 31, 2006.

By its Notice issued November 7, 2006, the Commission established November 22,2006, as the date motions to intervene are to be filed in the above-captioned proceeding.

II. DESCRIPTION OF THE CAISO AND COMMUNICATIONS

The CAISO is a non-profit public benefit corporation organized under the laws of the State of California with its principal place of business at 151 Blue

Ravine Road, Folsom, CA 95630. The CAISO is the Control Area operator responsible for the reliable operation of the electric grid comprising the transmission systems of a number of utilities including San Diego Gas & Electric Company ("SDG&E") as well as the coordination of the ancillary services and real-time electricity markets in California.

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

Sidney Mannheim Davies Assistant General Counsel California Independent System Operator Corporation 151 Blue Ravine Road Folsom, CA 95630 Tel: (916) 608-7144

Tel: (916) 608-7144 Fax: (916) 608-7222

E-mail: sdavies@caiso.com

Robert C. Kott
Manager of Model and Contract
Implementation
California Independent System
Operator Corporation

Operator Corporation 151 Blue Ravine Road Folsom, CA 95630 Tel: (916) 608-5804

Fax: (916) 351-2487 E-mail: rkott@caiso.com

III. CAISO'S INTEREST

Palomar Energy Center ("Facility") is located within SDG&E's transmission system and has been needed to maintain the reliability of the ISO Controlled Grid. As the Control Area operator and as the counter party to the RMR Agreements, the CAISO has a unique interest in any Commission proceeding that affects an RMR Agreement. Accordingly, the CAISO 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 CAISO's intervents in this proceeding, the CAISO's intervention is in the public interest and should be granted.

Based on the fact that SDG&E has procured adequate Local Area

Resource Adequacy Resources, the CAISO has determined that it no longer

needs this resource to provide reliability services under the RMR Agreement.

Accordingly, the CAISO notified SDG&E that it would not be extending the term

of the RMR Agreement and requested SDG&E to file a Notice of Cancellation, to

which the CAISO does not object.

IV. MOTION TO INTERVENE OUT OF TIME

Due to an administrative oversight, the CAISO failed to file this motion by

the date specified in the November 7, 2006, Combined Notice of Filings. Given

the early status of the proceeding, however, no party will be prejudiced by the

granting of the motion.

V. CONCLUSION

For the foregoing reasons, the CAISO respectfully requests that the

Commission grant this Motion to Intervene and make the CAISO a party in the

above-caption proceeding with full rights of participation.

Dated: November 27, 2006

Respectfully submitted

/s/ Sidney Mannheim Davies

Sidney Mannheim Davies

Counsel for the California Independent

System Operator Corporation

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CERTIFICATE OF SERVICE

I hereby certify that I have, this 27th day of November 2006, 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 Mannheim Davies Sidney Mannheim Davies