FEDERAL ENERGY REGULATORY COMMISSION WASHINGTON, D.C. 20426

OFFICE OF ENERGY MARKET REGULATION

In Reply Refer To: California Independent System Operator Corporation Docket No. ER09-1630-000

October 22, 2009

Alston & Bird LLP The Atlantic Building 950 F Street, NW Washington, DC 20004-1404

Attention: Bradley R. Miliauskas Attorney for the California Independent System Operator Corporation

Reference: Rate Schedules Nos. 65 and 66

Dear Mr. Miliauskas:

On August 25, 2009, you submitted, on behalf of the California Independent System Operator Corporation (CAISO), the following agreements between the CAISO and the Bonneville Power Administration (BPA): (1) an Adjacent Balancing Authority Operating Agreement; (2) a revised Adjacent Balancing Authority Operating Agreement;¹ and (3) a letter agreement with BPA Power Services stipulating the process under which the CAISO and BPA will provide emergency power. Waiver of the notice requirements under section 35.11 of the Commission's regulations (18 C.F.R. § 35.11) is granted, and the agreements are accepted for filing, effective on May 13, 2008,² October 21, 2009, and August 14, 2009, respectively.

² The CAISO states that the Adjacent Balancing Authority Operating Agreement was executed on May 13, 2008. The agreement should have been previously filed in accordance with 18 C.F.R. § 35.1(a) and 18 C.F.R. § 35.3(a). The CAISO is reminded that it must submit required filings on a timely basis, or face possible sanctions by the Commission.

¹ The revised agreement supersedes the original agreement effective October 21, 2009.

The filing was noticed on August 27, 2009, with comments due on or before September 15, 2009. No protests or adverse comments were filed. Notices of intervention and unopposed timely filed motions to intervene are granted pursuant to the operation of Rule 214 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.214). Any unopposed or untimely filed motion to intervene is governed by the provisions of Rule 214.

This action does not constitute approval of any service, rate, charge, classification, or any rule, regulation, contract, or practice affecting such rate or service provided for in the filed documents; nor shall such action be deemed as recognition of any claimed contractual right or obligation affecting or relating to such service or rate; and such action is without prejudice to any findings or orders which have been or may hereafter be made by the Commission in any proceeding now pending or hereafter instituted by or against the CAISO.

This action is taken pursuant to the authority delegated to the Director, Division of Tariffs and Market Development – West, under 18 C.F.R. § 375.307. This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order, pursuant to 18 C.F.R. § 385.713.

Sincerely,

Steve P. Rodgers, Director Division of Tariffs and Market Development – West