

**BEFORE THE PUBLIC UTILITIES COMMISSION OF
THE STATE OF CALIFORNIA**

In the Matter of the of San Diego Gas and Electric Company for a Certificate of Public Convenience and Necessity Authorizing the Construction of the for the Otay Mesa Power Purchase Agreement Transmission Project	Application 04-03-008
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**OPENING COMMENTS OF THE
CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION
ON THE PROPOSED DECISION OF ALJ BROWN**

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Dated: June 16, 2005

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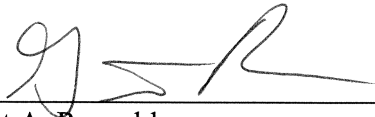
In accordance with Rule 77.2 of the Commission’s Rules of Practice and Procedure, the California Independent System Operator Corporation (“CAISO”) submits the following comments on the Proposed Decision (“PD”) of Administrative Law Judge (“ALJ”) Brown. The CAISO supports the PD’s approval of San Diego Gas & Electric Company’s (“SDG&E”) application for a Certificate of Public Convenience and Necessity (“CPCN”) for the construction of the Otay Mesa Power Plant Transmission Project (“Transmission Project”).

The PD found that the Transmission Project “is the appropriate upgrade to realize the full potential of Otay Mesa for grid reliability and [Reliability Must Run (“RMR”)] savings, to reduce congestion and to provide for expansion capability for load growth.” (PD at 61.) This finding is consistent with the conclusions reached by the CAISO. Equally important and as noted by the PD, the CAISO performed a thorough analysis of alternative electrical solutions prior to selecting the Transmission Project as the superior upgrade to achieving the benefits of the Otay Mesa Generating Plant. Accordingly, given the PD’s acknowledgment that the Commission determined in Decision 04-06-011 that the construction of the Otay Mesa

Generating Plant serves in the interests of SDG&E, the CAISO agrees with and supports the PD's conclusion that the Transmission Project satisfies the CPCN "need" requirement.

June 16, 2005

Respectfully Submitted:

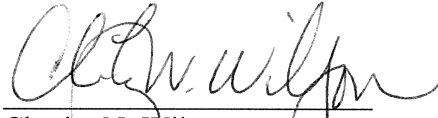
By: 

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PROOF OF SERVICE

I hereby certify that on June 16, 2005 I served, by electronic mail, the Opening Comments of the California Independent System Operator Corporation on the Proposed Decision of ALJ Brown in Docket #A.04-03-008.

DATED at Folsom, California on June 16, 2005.

A handwritten signature in cursive script, appearing to read "Charity N. Wilson", written over a horizontal line.

Charity N. Wilson
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