



August 22, 2005

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

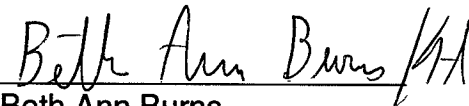
**Re: California Independent System Operator Corporation
Docket No. RT01-85-000**

Dear Secretary Salas:

Submitted herewith for filing in the above-referenced proceeding is the Response Of The California Independent System Operator Corporation To Order Terminating Proceedings.

Thank you for your attention to this matter.

Yours truly,


Beth Ann Burns

Counsel for the California Independent
System Operator Corporation

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

California Independent System Operator)
Corporation)

Docket No RT01-85-000

**RESPONSE OF THE
CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION
TO ORDER TERMINATING PROCEEDINGS**

Pursuant to the Order Terminating Proceedings issued August 1, 2005, the California Independent System Operator Corporation ("CAISO") submits this response and requests that the Commission not terminate the above-captioned docket. The CAISO requests that the docket remain open in order to afford CAISO management an opportunity to confer with the CAISO's current Board of Governors concerning the CAISO's application for status as a Regional Transmission Organization ("RTO"). The CAISO Board currently is scheduled to meet on September 7 and 8, 2005. The CAISO proposes to supplement this response no later than September 15, 2005 to advise the Commission concerning the CAISO's position on whether this proceeding should remain active.

I. Discussion

In Order No. 2000, the Commission established the requirement that each public utility that

owns, operates, or controls transmission [and] that . . . is a member of an existing transmission entity that the Commission has found to be in conformance with the Order

No. 888 eleven ISO . . .[is] required to make a filing no later than January 15, 2001 that (1) explains the extent to which the transmission entity in which it participates meets the minimum characteristics and functions of an RTO; (2) proposes to modify the existing institution to become an RTO; or (3) explain[s] efforts, obstacles and plans with respect to conforming these characteristics and functions.¹

Pursuant to that directive, the CAISO submitted a filing in this docket on January 16, 2001 that explained the CAISO's efforts and plans to conform to the RTO characteristics and functions set forth in Order No. 2000 and discussed the challenges yet to be overcome before a constructive, detailed RTO proposal could be submitted. On March 9, 2001, the CAISO responded to comments and protests related to that filing and agreed with numerous parties that Commission action on the CAISO filing at that point would be premature given pending jurisdictional and governance issues fundamental to the form of the CAISO.

On April 26, 2001, the Commission issued an Order that approved a mitigation plan for California, conditioned on the CAISO and the investor owned utilities filing an RTO proposal by June 1, 2001. The CAISO submitted the required filing under protest, but provided detailed plans to continue to function as a state-wide regional transmission organization and further explained how the CAISO satisfies, or will satisfy, the RTO requirements of Order No. 2000.

The CAISO's RTO filings in this matter remain pending. On August 1, 2005, the Commission issued an Order Terminating Proceedings, which provides for this docket to automatically terminate without further order unless the CAISO notifies the Commission within 21 days that the submittals have not been overtaken by superseding events.

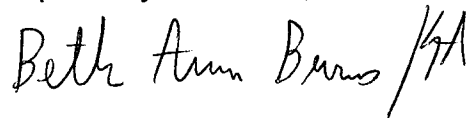
¹ Order No. 2000, FERC Stats. & Regs. ¶ 31, 089 at 31, 223.

The CAISO requests that this docket not be terminated. The issuance of the Order Terminating Proceedings and the due date for the CAISO's response fall between scheduled meetings of the CAISO Board of Governors. None of the Board members who provided direction to the CAISO with regard to the pending docket remains a member of the current Board and Management has not yet had the opportunity to discuss this matter with the current Board members, four out of five of whom have joined the Board within the past 10 months. The CAISO proposes to seek that input and submit a supplement to this response no later than September 15, 2005.

II. Conclusion

For the foregoing reasons, the CAISO requests that the Order Terminating Proceedings be rescinded for good cause and that this docket remain open pending further notification by the CAISO to be submitted no later than September 15, 2005. The CAISO requests that the Commission accept this response as being in compliance with the Order Terminating Proceedings and 18 C.F.R §385.217, or such other procedural rules or regulations as may apply.

Respectfully submitted,

Handwritten signature of Beth Ann Burns in cursive, followed by a vertical line and the initials 'BA'.

Charles F. Robinson
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Beth Ann Burns
Litigation Manager

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Operator Corporation
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CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of this document upon all parties listed on the official service list compiled by the Secretary in the above-captioned proceedings, in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.2010). Dated this 22nd day of August in the year 2005 at Folsom, in the State of California.


Beth Ann Burns