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October 21, 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
Compliance Filing
Docket No. ER05-1025-____**

Dear Secretary Salas:

The California Independent System Operator Corporation ("ISO")¹ submits six copies of the present filing in compliance with the Commission's September 23, 2005 order in the captioned docket, 112 FERC ¶ 61,323 ("September 23 Order").

The September 23 Order directed the ISO to include, in the *pro forma* Small Utility Distribution Company ("SUDC") Operating Agreement, the provisions contained in Section 4.7 of the *pro forma* Utility Distribution Company Operating Agreement concerning Critical Protective Systems. September 23 Order at P 26. The ISO has amended the *pro forma* SUDC Operating Agreement to comply with the Commission's directive.

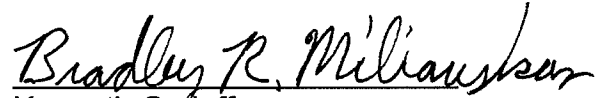
The tariff changes described above are incorporated into the revised sheet provided in Attachment A to the present filing, and are shown in black-line format in Attachment B to the present filing.

¹ Capitalized terms not otherwise defined herein have the meanings set forth in the Master Definitions Supplement, Appendix A to the ISO Tariff.

The Honorable Magalie R. Salas
October 21, 2005
Page 2

Two additional copies of this filing are enclosed to be date-stamped and returned to our messenger. If there are any questions concerning the filing, please contact the undersigned.

Respectfully submitted,



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ATTACHMENT A

- 4.5 Interconnection Operation Standards.** The ISO and SUDC shall maintain stable established operating parameters and control power and reactive flow within standards stated in Schedule 6.
- 4.6 Records, Information and Reports.** The Parties are required to maintain such records, to share information, and to make such reports as are stated in Section 31.1.2, 31.6 and 31.8 of the ISO Tariff, and the ISO Operating Procedures identified in Schedule 9 and the ISO Specifications identified in Schedule 6. In accordance with Schedule 7, the SUDC will cooperate with the ISO regarding its collection, study and transmittal of system data, information, reports, and forecasts, provided that the SUDC need only provide available information to the ISO. Upon the request of the ISO, the SUDC will cooperate with the ISO regarding any ISO review following a major Outage and provide any requested information that is available.
- 4.7 Critical Protective Systems.** The SUDC shall (in accordance with Section 11.2 of this Operating Agreement) notify the ISO as soon as is reasonably practicable of any condition that it becomes aware of that may compromise the ISO Controlled Grid Critical Protective Systems.
- 4.8 SUDC Distribution System.** The ISO shall (in accordance with Section 11.2 of this Operating Agreement) notify the SUDC as soon as is reasonably practicable of any condition which the ISO becomes aware that may compromise the operation and reliability of the SUDC Distribution System.

ARTICLE V ACCESS TO FACILITIES

- 5.1 Access Rights.** Pursuant to Section 31.9.1 of the ISO Tariff and Schedule 8 of this Operating Agreement, the ISO and the SUDC shall each have the right to install or to have installed equipment or other facilities, including metering equipment, on the electric utility property of the other necessary for the implementation of this Operating Agreement. The ISO's installation of equipment on the property of the SUDC shall comply with Local Regulatory Authority regulations, except where compliance with Local Regulatory Authority regulations would cause the ISO to violate the ISO Tariff, and with all relevant safety standards. In such case, the SUDC and ISO will work together to resolve the conflict between the Local Regulatory Authority regulations and the ISO Tariff.
- 5.2 Meter Testing.** The SUDC shall, at the request of the ISO and upon reasonable notice, provide access to its facilities necessary to permit the ISO or an ISO-approved meter inspector to perform such testing as necessary in accordance with Section 31.9.2 or 31.9.4 of the ISO Tariff and the procedures set forth in Schedule 8. For meters that are not owned by the SUDC, the ISO will obtain approval from the meter owner in advance of accessing SUDC's Facilities. Such approval shall be provided to the SUDC upon request.
- 5.3 Emergency Access Rights.** The ISO shall have a right to access the SUDC's equipment or other facilities during a System Emergency in accordance with Section 31.9.3 of the ISO Tariff. In a System Emergency, the SUDC shall have a right of access to ISO equipment on SUDC property and SUDC equipment on ISO property without notice.

ARTICLE VI COSTS

- 6.1 SUDC Operating and Maintenance Costs.** The SUDC shall be responsible for all costs incurred in connection with procuring, installing, operating and maintaining its facilities identified in Schedule 1 for the purpose of meeting its obligations under this Operating Agreement.

ATTACHMENT B

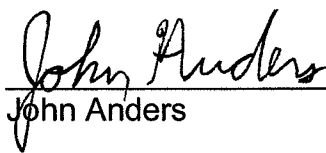
4.7 Critical Protective Systems. The SUDC shall (in accordance with Section 11.2 of this Operating Agreement) notify the ISO as soon as is reasonably practicable of any condition that it becomes aware of that may compromise the ISO Controlled Grid Critical Protective Systems.

4.87 SUDC Distribution System. The ISO shall (in accordance with Section 11.2 of this Operating Agreement) notify the SUDC as soon as is reasonably practicable of any condition which the ISO becomes aware that may compromise the operation and reliability of the SUDC Distribution System.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing documents as described in those documents, in accordance with Rule 2010 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.2010.

Dated at Folsom, California, on this 21st day of October, 2005.

 ^{BRM}

John Anders