

FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, D.C. 20426

OFFICE OF ENERGY MARKET REGULATION

California Independent System  
Operator Corporation  
Docket No. ER12-77-000  
**January 6, 2012**

California Independent System  
Operator Corporation  
250 Outcropping Way  
Folsom, CA 95630

Attention: David L. Zlotlow, Esq.  
Counsel for California Independent System Operator Corporation

Reference: Disposition of Proceeds of Penalty Assessments

Dear Mr. Zlotlow:

On October 13, 2011, the California Independent System Operator Corporation (CAISO) submitted for filing, a petition seeking Commission approval for the disposition of proceeds of penalty assessments (Distribution Plan) collected pursuant to section 37 (Rules of Conduct) of the CAISO tariff. CAISO also states that it proposes to distribute these proceeds in accordance with the allocation method set forth in the CAISO tariff. The proposed Distribution Plan is accepted for filing, effective December 12, 2011.

This filing was noticed on October 14, 2011, with comments, protests or motions to intervene due on or before November 3, 2011. No adverse comments or protests were filed. Notices of intervention and unopposed timely filed motions to intervene are granted pursuant to the operation of Rule 211 and Rule 214 of the Commission's Rules of Practice and Procedure (18 C.F.R § 385.211 and § 385.214). Any opposed or untimely filed motion to intervene is governed by the provisions of Rule 214.

This acceptance for filing shall not be construed as constituting approval of the referenced filing or of any rate, charge, classification, or any rule, regulation, or practice affecting such rates or services provided for in the filed documents; nor shall such acceptance be deemed as recognition of any claimed contractual right or obligation associated therewith; and such acceptance is without prejudice to any

findings or orders which have been or any which may hereafter be made by the Commission in any proceeding now pending or hereafter instituted by or against your CAISO.

This action is taken pursuant to authority delegated to the Director, Division of Electric Power Regulation - 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 Electric Power  
Regulation -West

cc: All Parties