

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

California Independent System Operator
Corporation
Docket Nos. ER06-354-002
ER06-354-003
EL06-44-002
EL06-44-003

February 12, 2009

Alston & Bird
601 Pennsylvania Avenue
North Building, 10th Floor
Washington, D.C. 20004-2601

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

Reference: Compliance Filings

Dear Mr. Miliauskas:

On February 2, 2006, and March 6, 2006, you submitted for filing, on behalf of the California Independent System Operator Corporation (CAISO), tariff sheets in compliance with three Commission orders issued in Docket Nos. ER06-354-000 and EL06-44-000.¹ As directed by those orders, the CAISO revised section 39.2 of its tariff² to state that the bid cap on energy bids is \$400/MWh, that it is a “soft cap”, and that the cap on Adjustment Bids used in the CAISO congestion management markets is a “hard” \$400/MWh bid cap, effective January 13, 2006. Additionally, section 39.2 was revised to

¹ *Cal. Indep. Sys. Operator Corp.*, 114 FERC ¶ 61,026 (2006) (January 13 Order); *Cal. Indep. Sys. Operator Corp.*, 114 FERC ¶ 61,135 (2006) (February 13 Order); *Cal. Indep. Sys. Operator Corp.*, 114 FERC ¶ 61,194 (2006) (February 23 Order).

² CAISO’s February 2, 2006 compliance filing revised section 28.1.2 of its tariff; section 28.1.2 corresponds to section 39.2 of the CAISO’s Simplified & Reorganized tariff.

raise the “soft” cap for bids in the CAISO’s Ancillary Service Capacity markets from \$250/MWh to \$400/MWh, effective February 13, 2006. The proposed tariff sheets are accepted for filing effective January 13, 2006, and February 13, 2006, respectively, as specified by the Commission orders in these proceedings.

These compliance filings were noticed on February 10 and March 10, 2006, with protests, comments, or motions to intervene due on or before February 23 and March 27, 2006. No protests or comments were filed. Notices of intervention and untimely 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 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 rate or service 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 made or any which may hereafter be made by the Commission in any proceeding now or pending or hereafter instituted by or against the California Independent System Operator Corporation.

This action is taken pursuant to the authority delegated to the Director, 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

cc: All Parties