

June 30, 2010

The Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

**Re: California Independent System Operator Corporation
Filing of Termination of Service Agreement No. 583
Docket No. ER10-_____-000**

Dear Secretary Bose:

The California Independent System Operator Corporation (“ISO”) provides notice to the Commission of the pending termination of the existing Meter Service Agreement for ISO Metered Entities (“MSA”) between the ISO and the City of Corona, California.¹ The ISO submits the instant filing to reflect the replacement of the MSA with a meter service agreement that conforms to the ISO’s current *pro forma* version of that agreement effective as of the date of the planned transfer from Corona to the City of Riverside, California of a power plant (“Clearwater Plant”) currently owned and operated by Corona.² The ISO proposes that the termination of the MSA be made effective on the closing date for the transfer of the Clearwater Plant. Although the exact closing date for the transfer has not yet been finalized, the ISO, Corona, and Riverside anticipate that it will occur on or about July 1, 2010.

¹ The ISO is also sometimes referred to as the CAISO. Capitalized terms not otherwise defined herein have the meanings set forth in the Master Definitions Supplement, Appendix A to the ISO tariff. The ISO submits the notice of termination of the MSA pursuant to Section 205 of the Federal Power Act, 16 U.S.C. § 824d, and Section 35.15 of the Commission’s regulations, 18 C.F.R. § 35.15.

² The ISO and Corona are also bound by other contractual arrangements besides the MSA that need to be modified to reflect that the Clearwater Plant will no longer be part of Corona’s electric system. The ISO made most of those modifications in the documents filed in Docket No. ER10-1289-000 on May 21, 2010 and will make others in a future filing or filings.

I. Notice of Termination of the Corona MSA

The Corona MSA sets forth the terms and conditions on which Corona, as the owner of facilities required to have ISO-certified and -polled revenue metering, will make meter data available to the ISO's revenue meter data acquisition and processing system and by which the ISO will certify Corona's revenue quality metering. The MSA is designated as ISO Service Agreement No. 583. It became effective on December 15, 2004.³

On June 24, 2010, the ISO and Corona executed a Meter Service Agreement for CAISO Metered Entities conforming to the ISO's current *pro forma* version of that agreement and omitting the listing of meters for the Clearwater Plant. The ISO and Corona executed this new agreement with the understanding that it would replace Service Agreement No. 583 effective as of the closing date of the transfer of the Clearwater Plant from Corona to Riverside, in recognition of the change in the listing of meters effective as of that date. Pursuant to this understanding, and the provisions in Section 2.2.2 of the MSA stating that the MSA will terminate upon Commission acceptance of a notice of termination filed by the ISO, the ISO now files a notice of termination of the MSA.⁴

II. Effective Date and Request for Waiver

The ISO requests that the notice of termination of the Corona MSA be made effective on the closing date for the transfer of the Clearwater Plant from Corona to Riverside. The exact closing date for the transfer has not yet been finalized, but the ISO, Corona, and Riverside anticipate that it will occur on or about July 1, 2010.

The ISO requests waiver, pursuant to Section 35.11 of the Commission's regulations (18 C.F.R. § 35.11), of the 60-day notice requirement set forth in Section 35.3 of the Commission's regulations (18 C.F.R. § 35.3), and to the extent necessary, the ISO respectfully requests that the Commission grant any other waivers of Part 35 of its regulations that may be required in connection with the requested effective date. Although the exact closing date for the transfer of the Clearwater Plant has not been finalized, it is the effective date that the ISO, Riverside, and Corona have agreed upon and its acceptance is consistent with the Commission's prior approval of effective dates keyed to the occurrence of

³ *California Independent System Operator Corp.*, 110 FERC ¶ 61,078, at Ordering Paragraph (A) (2005).

⁴ Section 2.2.2 of the MSA also states that Corona may terminate the MSA upon giving the ISO at least 90 days' written notice and that the ISO will file a notice of termination within 30 days of receipt of such a request. Pursuant to Section 11.3 of the MSA, the ISO and Corona have agreed that waiver of these provisions is appropriate.

specified events.⁵ Granting the requested effective date and waiver, therefore, is appropriate.

III. Expenses

No expense or cost associated with this filing has been alleged or judged in any judicial or administrative proceeding to be illegal, duplicative, unnecessary, or demonstratively the product of discriminatory employment practices.

IV. Service

Copies of this filing have been served upon Corona, Riverside, the California Public Utilities Commission, and the California Energy Commission. In addition, the filing has been posted on the ISO website.

Enclosed for filing are six copies of each of the following:

- (1) this letter of transmittal; and
- (2) the notice of termination of the Corona MSA (Attachment A).

Also enclosed are two additional copies of this filing to be date-stamped and returned to our messenger.

⁵ See, e.g., *Trans Bay Cable LLC*, 129 FERC ¶ 61,225, at P 1 (2009) (“This order accepts Trans Bay’s TRR [Transmission Revenue Requirement] and suspends it, subject to refund, to become effective on the date the Project commences commercial operation and is turned over to the operational control of the CAISO.”); *Iroquois Gas Transmission System, L.P.*, 125 FERC ¶ 61,107, at P 1 n.1 (2008) (“the Commission in this order is . . . establishing an effective date for those tariff sheets of the later of November 1, 2008, or the date the new compressor station at Brookfield becomes operational”).

V. Correspondence

The ISO requests that all correspondence, pleadings, and other communications concerning this filing be served upon the following:

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18 C.F.R. § 385.203(b)(3).

Respectfully submitted,

/s/ Michael D. Dozier

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System Operator Corporation

Attachment A
Notice of Termination

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

**California Independent System
Operator Corporation**

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Docket No. ER10-____-000

NOTICE OF TERMINATION

Notice is hereby given that effective upon the closing date for the transfer of the Clearwater Power Plant from the City of Corona, California to the City of Riverside, California, Service Agreement No. 583, effective December 15, 2004 and filed with the Federal Energy Regulatory Commission by the California Independent System Operator Corporation in Docket No. ER05-292-000, is to be terminated. Notice of the proposed termination has been served upon the City of Corona, California, the City of Riverside, California, the California Public Utilities Commission, and the California Energy Commission.

**CALIFORNIA INDEPENDENT SYSTEM
OPERATOR CORPORATION**

By:



James W. Detmers
Vice President of Operations

Dated: June 29, 2010