

FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, D.C. 20426

OFFICE OF ENERGY MARKET REGULATION

California Independent System  
Operator Corporation  
Docket No. ER12-1637-000  
**June 8, 2012**

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

Attention: John Anders, Esquire  
Senior Counsel for the California Independent  
System Operator Corporation

Reference: Pseudo Tie Agreement

Dear Mr. Anders:

On April 27, 2012, the California Independent System Operator Corporation (CAISO) submitted for filing: (1) a Pseudo-Tie Agreement among CAISO, the Balancing Authority of Northern California (BANC), the Western Area Power Administration – Sierra Nevada Region (Western), and Pacific Gas and Electric Company (PG&E), and (2) a Notice of Cancellation of the current Pilot Pseudo-Tie Implementation Agreement (Pilot Agreement).<sup>1</sup> The CAISO states that the current Pilot Agreement sets forth the terms and conditions under which the New Melones generating facility owned, operated and marketed by the United States through the Bureau of Reclamation and Western would pseudo-tie from CAISO's balancing authority area to the BANC balancing authority area. CAISO states that the parties now intend these commitments to be replaced with the proposed Pseudo-Tie Agreement. CAISO also states that the proposed Pseudo-Tie Agreement is necessary for the continuation of the pseudo-tie consistent with dynamic transfer provisions of the CAISO tariff. Further, CAISO states the replacement Pseudo-Tie Agreement is largely based on its predecessor, the Pilot Agreement, with the primary difference being references to CAISO's tariff instead of references to a schedule in the agreement. The proposed Pseudo-

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<sup>1</sup> See FERC Docket No. ER06-1470-000.

Tie Agreement and the Notice of Cancellation of the Pilot Agreement are accepted for filing, effective June 28, 2012, as requested.

This filing was noticed on April 27, 2012 with comments, protests, or motions to intervene due on or before May 18, 2012. No protests or adverse comments were filed. Notices of intervention and unopposed timely 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 contained in your tariff; 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 the California Independent System Operator Corporation.

This action is taken pursuant to the 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