

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

Pacific Gas and Electric Company) **Docket No. ER00-2075-000**
)
)

**MOTION TO INTERVENE OF THE CALIFORNIA INDEPENDENT SYSTEM
OPERATOR CORPORATION**

Pursuant to Rule 214 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission ("Commission"), 18 C.F.R. § 385.214, the Commission's April 7, 2000, Notice of Filing, and the Commission's April 14, 2000, Notice granting extension of time, the California Independent System Operator Corporation ("ISO") hereby moves to intervene in the above-captioned proceeding. In support thereof, the ISO states as follows:

I. COMMUNICATIONS

Please address communications concerning this filing to the following persons:

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II. BASIS FOR MOTION TO INTERVENE

On March 31, 2000, Pacific Gas and Electric Company ("PG&E") tendered for filing with the Commission amendments to numerous rate schedules for transmission service. PG&E states that the amendments are intended to make the rate

methodologies consistent with the methodology in PG&E's Transmission Owner Tariff ("TO Tariff") and to reflect PG&E's current cost of service. PG&E proposes that the amendments become effective only if the Commission approves a recommendation of Commission staff, in Docket No. ER99-4323, that the rates under the TO Tariff be determined by imputing to PG&E the revenues that would be received under the schedules in these proceedings if those schedules reflected the TO Tariff rate methodology and revenue requirement. PG&E states that staff's recommendation would otherwise occasion a revenue shortfall of \$13.5 million annually, which the amendment proposed in the instant matter are designed to recover.

The ISO is a non-profit public benefit corporation organized under the laws of the State of California and responsible for the reliable operation of a grid comprising the transmission systems of California's investor-owned utilities – PG&E, San Diego Gas & Electric Company, and Southern California Edison Company – as well as for the coordination of the competitive electricity market in California. Participating Transmission Owners, such as PG&E, who turn their facilities over to the ISO's control are compensated for the ISO's provision of transmission services on their facilities through the TO Tariff.

The ISO's enabling legislation contemplates that California's publicly owned utilities will also turn over control of their transmission facilities to the ISO. The ability of a transmission owner to recover fully its revenue requirements subsequent to becoming a Participating Transmission Owner will significantly affect its willingness to become a Participating Transmission Owner. The ISO therefore has an interest in this proceeding because it affects the ability of Participating Transmission Owners to

recover their revenue requirements. This interest cannot adequately be represented by any other party.

In addition, the ISO is responsible for ensuring nondiscriminatory access to the ISO Controlled Grid. The ISO's participation in this proceeding, which involves rates for transmission on the ISO Controlled Grid, is therefore in the public interest.

Accordingly, the ISO requests that it be permitted to intervene herein with full rights of a party. The ISO raises no substantive issues at the present time, but reserves the right to do so in any further aspects of the proceeding ordered by the Commission.

III. CONCLUSION

Wherefore, for the foregoing reasons, the ISO respectfully requests that the Commission permit it to intervene, and that it be accorded full party status in this proceeding.

Respectfully submitted,

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Counsel for the California Independent
System Operator Corporation

Date: April 26, 2000

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing documents upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Washington, DC, on this 26th day of April, 2000.

Michael E. Ward

April 26, 2000

The Honorable David P. Boergers
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Re: **Pacific Gas and Electric Company,
Docket No. ER00-2075-000**

Dear Secretary Boergers:

Enclosed for filing are one original and 14 copies of the Motion to Intervene of the California Independent System Operator Corporation in the above-referenced proceeding. Two additional copies of the filing are also enclosed. Please stamp the two additional copies with the date and time filed and return them to the messenger.

Thank you for your assistance in this matter.

Yours truly,

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