

II. BACKGROUND

On November 30, 2001, as described in the Notice of Filing, Electric Generation LLC (“Electric Generation”) filed a Power Purchase and Sale Agreement (“PSA”) between Electric Generation and Pacific Gas and Electric Company (“PG&E”). The PSA is part of the plan of reorganization filed by PG&E with the Bankruptcy Court on September 20, 2001. It provides the Reorganized PG&E with the right to dispatch and receive all energy, capacity and Ancillary Services from an approximately 7,100 MW portfolio of resources currently owned or contracted for by PG&E. The PSA is expected to go into effect on January 1, 2003 and last for twelve years.

III. BASIS FOR MOTION TO INTERVENE

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 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. As the operator of this grid, the ISO believes that it has a unique interest in any Commission proceeding concerning the PG&E agreements described above.

IV. CONCLUSION

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: January 30, 2002

CERTIFICATE OF SERVICE

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

Dated at Washington, D.C. this 30th day of January, 2002.

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January 30, 2002

The Honorable Magalie Roman Salas
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

**Re: Electric Generation LLC
Docket No. ER02-456-000**

Dear Secretary Salas:

Enclosed for filing in the above-captioned proceeding are the original and fourteen copies of the Motion to Intervene of the California Independent System Operator Corporation. Two additional copies of the filing are also enclosed. I would appreciate your stamping the additional copies with the date filed and returning it to the messenger.

Respectfully submitted,

David B. Rubin
Counsel for the California Independent
System Operator Corporation