

September 8, 1999

The Honorable David P. Boergers
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Re: Docket No. ER99-1971-____

Dear Secretary Boergers:

Enclosed please find an original and fourteen copies of a Notice of Implementation of Inter-Scheduling Coordinator Trades of Ancillary Services ("Notice") issued on September 8, 1999 by the California Independent System Operator Corporation ("ISO") pursuant to Amendment No. 14 to the California Independent System Operator Corporation FERC Electric Tariff ("ISO Tariff").

The ISO filed proposed Amendment No. 14 to the ISO Tariff in the above-captioned docket on March 1, 1999. Amendment No. 14 principally consisted of Phase I of the comprehensive redesign of the ISO's Ancillary Services markets, including Tariff revisions which would permit Scheduling Coordinators to engage in trades of Ancillary Services to provide them an alternative means of fulfilling their Ancillary Services obligations ("Inter-SC Trades of Ancillary Services").

Because implementation of the various elements of the ISO's Ancillary Services market redesign proposal, including Inter-SC Trades of Ancillary Services, depended upon the development and installation of extensive software modifications, the ISO requested that some of these elements be made effective on the later of May 1, 1999 or seven days after the ISO posted notice on the ISO Home Page that the software for that element was available for implementation

The Commission accepted the Tariff revisions and proposed effective dates in Amendment No. 14, with certain modifications, by order issued on May 26, 1999. California Independent System Operator Corporation, 87 FERC ¶ 61,208 (1999).

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The enclosed Notice specifies that the software required to implement Inter-SC Trades of Ancillary Services will be in place for Ancillary Service bids submitted in the Day-Ahead Market on Wednesday, September 15, 1999 for Trading Day Thursday, September 16, 1999. The ISO states that the enclosed Notice was e-mailed to Market Participants on September 7, 1999 and posted on the ISO Home Page, www.caiso.com, on September 8, 1999, to satisfy the notice requirements of Amendment No. 14. The ISO further states that it has served the Notice upon each person designated on the official service list for the above-captioned docket, as indicated in the attached certificate of service.

An extra copy of this filing is also enclosed. Please stamp this copy with the date and time filed and return it to the messenger.

Respectfully submitted

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CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing Notice upon each person designated on the service list compiled by the Secretary in the above-referenced docket.

Dated at Washington, DC, this 8th day of September, 1999.

Sean A. Atkins
Counsel for the California Independent
System Operator Corporation