

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

**California Independent System) Docket No. ER05-154-____
Operator Corporation)**

**MOTION FOR LEAVE TO FILE ANSWER AND ANSWER OF THE
CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION
TO MOTIONS TO INTERVENE AND LIMITED PROTEST**

On November 1, 2004, the California Independent System Operator Corporation (“ISO”)¹ filed a Dynamic Scheduling Agreement for Scheduling Coordinators (“DSA”) between the ISO and Calpine Energy Services, LP (“CES”). In addition, the ISO filed notices of cancellation of the Participating Generator Agreement (“PGA”) and the Meter Service Agreement for ISO Metered Entities (“MSA-ISOME”) between the ISO and Calpine Construction Finance Company (“CCFC”). The purpose of the filing was to accommodate a planned change in Control Area boundaries related to the decision of the Western Area Power Administration – Sierra Nevada Region (“Western”) to join the Sacramento Municipal Utility District (“SMUD”) Control Area planned for January 1, 2005.

Parties submitted motions to intervene and a limited protest concerning the ISO’s filing.² Pursuant to Rules 212 and 213 of the Commission’s Rules of Practice and Procedure, 18 C.F.R. §§ 385.212, 385.213, the ISO hereby

¹ Capitalized terms not otherwise defined herein have the meaning set forth in the Master Definitions Supplement, Appendix A to the ISO Tariff.

² The following parties submitted the above-referenced filings: Calpine Corporation (“Calpine”), CES, and CCFC (collectively, “Calpine Parties”), and the Northern California Power Agency.

requests leave to file an answer, and files its answer, to the filings submitted in the above-captioned proceeding.³

The ISO does not oppose either of the motions to intervene. As explained below, however, the Commission should accept the ISO's filing as submitted, to permit the DSA and notices of cancellation of the PGA and MSA-ISOME to go into effect on January 1, 2005 as proposed in the filing.

I. ANSWER

The Calpine Parties state that they support Commission acceptance of the DSA, but protest the notices of cancellation of the PGA and MSA-ISOME for the limited purpose of requesting that the termination of those agreements be made effective when the issues raised in Docket Nos. ER05-149-000 and ER05-151-000 have been resolved and upon the effective date of Western's withdrawal from the ISO Control Area. Calpine Parties at 4-5. Today the ISO is submitting answers in those dockets to filings submitted by Calpine/CCFC (and other parties). The ISO refers the Commission to those answers; as explained therein, the arguments presented by Calpine/CCFC are without merit.

II. CONCLUSION

Wherefore, for the foregoing reasons, the ISO respectfully requests that the Commission accept the ISO's filing as submitted, to permit the DSA and

³ The ISO requests waiver of Rule 213(a)(2) (18 C.F.R. § 385.213(a)(2)) to permit it to make this answer to the Calpine Parties' limited protest. Good cause for this waiver exists here because the answer will aid the Commission in understanding the issues in the proceeding, provide additional information to assist the Commission in the decision-making process, and help to ensure a complete and accurate record in this case. See, e.g., *Entergy Services, Inc.*, 101 FERC ¶ 61,289, at 62,163 (2002); *Duke Energy Corporation*, 100 FERC ¶ 61,251, at 61,886 (2002); *Delmarva Power & Light Company*, 93 FERC ¶ 61,098, at 61,259 (2000).

notices of cancellation of the PGA and MSA-ISOME to go into effect on January 1, 2005 as proposed in the filing.

Respectfully submitted,

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Date: December 7, 2004

CERTIFICATE OF SERVICE

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

Dated at Folsom, CA, on this 7th day of December, 2004.

/s/ John Anders
John Anders