

I. Background

The Gaming Show Cause Order required AEP to show cause why it should not be found to have engaged in Cutting Non-Firm and Circular Scheduling, as those practices were described in the Order. In the Agreement, AEP and Staff propose to settle as to both practices by having AEP pay \$45,240 (the “Settlement Amount”), all of AEP’s revenues identified by the CAISO as associated with transactions that potentially involved the practice of Cutting Non-Firm.

II. Discussion

The CAISO supports the Agreement. The Agreement states that payment of the Settlement Amount “constitutes complete and total satisfaction of the cause of action in the instant docket.” Agreement at ¶ 3.3. The CAISO notes that neither the Agreement, if approved by the Commission, nor payment of the Settlement Amount, will affect AEP’s potential liability under any other proceeding now ongoing, or prevent the institution of future Show Cause or other proceedings against AEP based on time periods, practices or transactions different from those made relevant to AEP in the Gaming Show Cause Order, nor does the Agreement purport to do so.

III. Conclusion

The CAISO urges the Presiding Administrative Law Judge to certify the Agreement to the Commission as in the public interest.

Respectfully submitted,

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Dated: September 26, 2003

CERTIFICATE OF SERVICE

In accordance with the order issued by the Presiding Administrative Law Judge I hereby certify that I have this day served the foregoing document by posting an electronic copy on the Listserv for this proceeding, as maintained by the Commission.

Dated at Washington, DC, on this 26th day of September, 2003.

/s/ J. Phillip Jordan
J. Phillip Jordan