

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

Automated Power Exchange, Inc.) Docket No. EL03-140-000

**COMMENTS OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR
CORPORATION ON AGREEMENT AND STIPULATION**

To: Presiding Administrative Law Judge Carmen A. Cintron

On November 3, 2003, Automated Power Exchange, Inc. (“APX”) and the Federal Energy Regulatory Commission Trial Staff (“Staff”) submitted an Agreement and Stipulation (“Agreement”) to the Commission in full and final resolution of all issues related to Powerex that were set for hearing on June 25, 2003 in *American Electric Power Service Corp., et al.*, 103 FERC ¶ 61,345 (2003) (the “Gaming Show Cause Order” or the “Order”). Pursuant to Rule 602 of the Commission’s Rules of Practice and Procedure, 18 C.F.R. § 385.602 (2003), the California Independent System Operator Corporation (“CAISO”) timely submits these comments on the Agreement.

I. Background

The Gaming Show Cause Order required APX to show cause why it should not be found to have engaged in Circular Scheduling or Paper Trading, as

those practices were described in the Order.¹ In the Agreement, APX and Staff propose to settle as to these practices for no money.

II. Discussion

The CAISO does not object to the approval of the Agreement. The Agreement states that it “constitutes a full and final resolution of all issues related to APX set for hearing” in the Gaming Show Cause Order. Agreement at ¶ 4.1. The CAISO notes that the Agreement, if approved by the Commission, will not affect APX’s potential liability under any other proceeding now ongoing, or prevent the institution of future Show Cause or other proceedings against APX based on time periods, practices, or transactions different from those made relevant to APX in the Gaming Show Cause Order, nor does the Agreement purport to do so.

¹ With regard to APX, the Agreement describes Paper Trading in more general terms as “Ancillary Service-Related’ transactions.” Agreement at ¶ 1.2.

III. Conclusion

The CAISO does not object to the approval of the Agreement.

Respectfully submitted,

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Dated: November 24, 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 24th day of November, 2003.

/s/ Michael N. Kunselman

Michael N. Kunselman