## FEDERAL ENERGY REGULATORY COMMISSION WASHINGTON, D.C. 20426

## OFFICE OF ENERGY MARKET REGULATION

In Reply Refer To: Dynegy South Bay, LLC Docket No. ER08-126-000 December 12, 2007

Dynegy, Inc. 4140 Dublin Blvd. Ste 100 Dublin, California 94568

Attention: Mr. Joseph M. Paul Attorney for Dynegy South Bay, LLC

Reference: Annual Informational Filing

Dear Mr. Paul:

On October 31, 2007, Dynegy South Bay, LLC (Dynegy South Bay) submitted revisions to its Reliability Must-Run (RMR) Service Agreement between Dynegy South Bay and the California Independent System Operator Corporation for the 2008 contract year.<sup>1</sup> Your submittal is accepted for filing effective January 1, 2008, as requested.

This filing was noticed on November 5, 2007, with comments, protests or motions to intervene due on or before November 21, 2007. No adverse comments, protests or motions to intervene were filed. Notices of intervention and unopposed timely filed motions to intervene are granted pursuant to the operation of Rule 211 and Rule 214 of the Commission's Rules of Practice and Procedure (18 C.F.R § 385.211 and § 385.214). Any opposed or untimely filed motion to intervene is governed by the provisions of Rule 214.

This acceptance for filing shall not be construed as constituting approval of the referenced filing or of any rate, charge, classification, or any rule, regulation, or practice affecting such rates or services provided for in the filed documents; nor shall such acceptance be deemed as recognition of any claimed contractual right or obligation

<sup>&</sup>lt;sup>1</sup> Section 3(d) of the Stipulation and Agreement approved in *California Independent System Operator Corp.*, 87 FERC ¶ 61,250 (1999), provides for annual updates and/or adjustments of certain RMR rate schedules.

associated therewith; and such acceptance is without prejudice to any findings or orders which have been or any which may hereafter be made by the Commission in any proceeding now pending or hereafter instituted by or against Dynegy South Bay.

Authority to act on this matter is delegated to the Director, Division of Tariffs and Market Development - West, under 18 C.F.R. § 375.307. This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order, pursuant to 18 C.F.R. § 385.713.

If you have any questions regarding this letter order, please contact Robert Machuga at (202) 502-6004.

Sincerely,

Steve P. Rodgers, Director Division of Tariffs and Market Development-West

cc: All Parties