

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

Gilroy Energy Center, LLC
Docket No. ER08-132-000

December 6, 2007

Dickstein Shapiro LLP
1825 Eye Street, N.W.
Washington, D.C. 20006-5403

Attention: Andrew S. Weinstein, Esquire
Counsel for Gilroy Energy Center, LLC

Reference: Amended RMR Agreement

Dear Mr. Weinstein:

On October 31, 2007, you submitted for filing, on behalf of Gilroy Energy Center, LLC (Gilroy), revised rate schedule sheets to the Gilroy RMR Agreement¹ between Gilroy and the California Independent System Operator (CAISO). The RMR Agreement sets forth the rates, terms, and conditions for RMR service to the CAISO from two generating units located at Gilroy Energy Center, one unit located at Feather River Energy Center, and one unit located at Yuba City Energy Center for Contract Year 2008. The filing reflect that, as part of an October 19, 2006 Settlement Agreement, the RMR rates for the Gilroy units designated for RMR service for Contract Year 2008 shall reflect an annual fixed reliability cost (AFRC) for each unit of \$1,250,000.² The revised rate schedule sheets to the Gilroy RMR Agreement are 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 protests or adverse comments 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

¹ Designated as First Revised Rate Schedule FERC No. 2.

² See *Los Esteros Critical Energy Facility, LLC*, 117 FERC ¶ 63,350 (2006).

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 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 Gilroy Energy Center, LLC.

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.

Sincerely,

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

cc: All Parties