

FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, D.C. 20426

California Independent System  
Operator Corporation  
Docket No. ER03-111-000

December 30, 2002

Swidler Berlin Shereff Friedman, LLP  
3000 K Street, N.W.  
Suite 300  
Washington, D.C. 20007- 5116

Attention: David B. Rubin, Esquire  
Attorney for the California Independent  
System Operator Corporation

Reference: Utility Distribution Company Operating Agreement

Dear Mr. Rubin:

**On October 31, 2002, you submitted for filing, on behalf of the California Independent System Operator Corporation (ISO), a Utility Distribution Company Operating Agreement (UDC Operating Agreement) between the ISO and the City of Azusa, California (Azusa). The UDC Operating Agreement is accepted for filing effective January 1, 2003, as requested.**

The rate schedule designation is: California Independent System Operator Corporation, Service Agreement No. 433 under FERC Electric Tariff, First Revised Volume No. 1.

Among other things, the UDC Operating Agreement incorporates Azusa's underfrequency load shedding plan, other automatic load shedding procedures, manual load shedding procedures, electrical emergency plan and load restoration procedures. The ISO requests privileged treatment pursuant to Section 388.112 of the Commission's regulations with regard to portions of the filing.

This filing was noticed on November 6, 2002, with comments, protests, or interventions due on or before November 21, 2002. 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 214 of the Commission's Rules of Practice and

Procedure (18 C.F.R. § 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 rate or service contained in your tariff; 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 against California Independent System Operator Corporation.

This action is taken pursuant to the authority delegated to the Director, Division of Tariffs and Market Development - West under 18 C.F.R. § 375.307. Further, 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,

Michael A. Coleman, Director  
Division of Tariffs and Market  
Development - West

cc: All Parties