FEDERAL ENERGY REGULATORY COMMISSION WASHINGTON, D.C. 20426

California Independent System Operator Corporation Docket Nos. ER05-1501-001 and ER05-1501-002 July 10, 2006

Troutman Sanders LLP 401 9th Street, N.W. Suite 1000 Washington, DC 20004-2134

Attn: David B. Rubin, Esquire
Counsel for California Independent

System Operator Corporation

Reference: Conformed Simplified and Reorganized Tariff

Dear Mr. Rubin:

On March 22, 2006, you filed, on behalf of the California Independent System Operator Corporation (CAISO) in Docket No. ER05-1501-001, in response to the Commission's February 24, 2006 Order Approving Tariff Revisions, a conformed CAISO Simplified and Reorganized Tariff (S&R Tariff). The CAISO states that this conformed S&R Tariff reflects: (1) changes agreed to in the CAISO's November 24, 2005 Answer to Protests, Motions to Intervene and Comments and accepted by the Commission in its February 24 Order, (2) changes agreed to in the CAISO's January 13, 2006 Comments on the December 2005 Technical Conference and accepted by the Commission in its February 24 Order, and (3) all CAISO Tariff amendments to the pre-S&R Tariff that were not reflected in the S&R Tariff filed on September 22, 2005 and accepted by the Commission as of March 6, 2006. On April 27, 2006, in Docket No. ER05-1501-002, the CAISO filed an amendment to its conformed S&R Tariff, which corrects an inadvertent error made to Section 6.6 of the CAISO tariff. The conformed S&R Tariff, as amended, is accepted effective March 1, 2006, consistent with the Commission's February 24 Order.

¹ See California Independent System Operator Corporation, 114 FERC ¶ 61,199 (2006) (February 24 Order).

Notices of the March 22, 2006 filing and the April 27, 2006 amended filing were issued on March 31, 2006, and May 4, 2006, respectively, with protests, comments, or motions to intervene due on or before April 12, 2006, and May 11, 2006, respectively. On April 12, 2006, the Transmission Agency of Northern California, Modesto Irrigation District, the Cities of Redding and Santa Clara, California, and the M-S-R Public Power Agency (collectively, the Northern California Municipals) jointly filed comments to the CAISO's March 22, 2006 filing in which they raised one substantive concern. The Northern California Municipals claim that in Section 6.6 of the S&R Tariff, the CAISO has changed the term "ISO Protocols" to "Business Practice Manual," which the Northern California Municipals contend is not a "conforming" change. Moreover, the Northern California Municipals state that the term "Business Practice Manuals" has not yet been accepted by the Commission. The CAISO's April 27, 2006 amendment addressed the concerns raised by the Northern California Municipals regarding Section 6.6 of the CAISO tariff. Additionally, no responses were received in response to the notice of the CAISO's April 27, 2006 amendment issued in Docket No. ER05-1501-002. Because CAISO's amended filing satisfactorily addressed the concerns raised by the Northern California Municipals, the filing, as amended, is uncontested. 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 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 against the 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. 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