FEDERAL ENERGY REGULATORY COMMISSION WASHINGTON, D.C. 20426

OFFICE OF ENERGY MARKETS AND RELIABILITY

In Reply Refer To: California Independent System Operator Corporation Docket No. ER07-1038-000 July 31, 2007

Bradley R. Miliauskas Alston & Bird LLP The Atlantic Building 950 F Street, NW Washington, DC 20004-1404

Reference: Errata to Delegated Letter Order dated June 27, 2007

Dear Mr. Miliauskas:

On June 27, 2007, the Commission issued a Delegated Letter Order in Docket No. ER07-1038-000 accepting for filing, as proposed, amendments to the bid-based reference price calculations in the California Independent System Operator Corporation's Tariff. The June 27, 2007 Delegated Letter Order stated, however, that "non-positive decremental bids will be utilized in the calculation of the reference prices used to manage Intra-Zonal Congestion, consistent with current practice." The filing proposed that non-positive decremental bids will not be utilized in calculating the reference prices. Accordingly, the Delegated Letter Order is hereby corrected to state, as was proposed, that "non-positive decremental bids will not be utilized . . . consistent with current practice."

Sincerely,

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