

# ALSTON & BIRD LLP

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July 17, 2007

The Honorable Kimberly D. Bose  
Secretary  
Federal Energy Regulatory Commission  
888 First Street, NE  
Washington, DC 20426

Re: *California Independent System Operator Corporation*  
Docket No. ER07-\_\_\_\_-000

Notice of Termination of  
Non-Conforming Service Agreement No. 580

Dear Secretary Bose:

Pursuant to Sections 35.15 and 131.53 of the Commission's regulations (18 C.F.R. §§ 35.15, 131.53), the California Independent System Operator Corporation ("CAISO")<sup>1</sup> tenders for filing the enclosed Notice of Termination of the Dynamic Scheduling Agreement for Scheduling Coordinators ("DSASC") between the CAISO and Mirant Energy Trading, LLC (formerly Mirant Americas Energy Marketing, LP) ("Mirant"), which became effective as of November 17, 2004. The CAISO requests that the DSASC be terminated effective as of July 31, 2007.

## **I. Background Concerning the DSASC**

The DSASC establishes the terms and conditions by which Mirant currently implements its rights and responsibilities as Scheduling Coordinator for

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<sup>1</sup> Capitalized terms not otherwise defined herein have the meanings set forth in the Master Definitions Supplement, Appendix A to the ISO Tariff.

purposes of dynamic scheduling of a System Resource associated with a power plant(s) interconnected in a Control Area other than the CAISO Control Area. The CAISO filed the DSASC on November 16, 2004 in Docket No. ER05-224-000 as a non-conforming service agreement. In a letter dated January 11, 2005, the Commission asked the CAISO to provide additional information the Commission needed to analyze and evaluate the DSASC. On February 10, 2005, the CAISO provided the requested information. The Commission accepted the DSASC, subject to conditions that are not relevant here, in *California Independent System Operator Corporation*, 111 FERC ¶ 61,015 (2005).

## **II. Termination of the DSASC**

Section 3.2.3 of the DSASC provides in relevant part that, in the event Mirant no longer wishes to submit dynamic schedules to the CAISO, it may terminate the DSASC upon giving the CAISO ninety (90) days written notice. Section 3.2.3 also states that, with respect to any notice of termination given pursuant to the section, the CAISO must file a timely notice of termination if the DSASC has been filed with the Commission, and that the filing of the notice of termination by the CAISO will be considered timely if: (1) the request to file a notice of termination is made after the preconditions for termination have been met, and (2) the CAISO files the notice of termination within thirty (30) days of receipt of such request.

On July 9, 2007, Mirant sent a letter to the CAISO requesting termination of the DSASC effective as of July 31, 2007, because Mirant no longer owns a System Resource with dynamic scheduling capabilities. Mirant also requested a waiver of the 90-day notice requirement, as described in Section 3.2.3 of the DSASC.

Pursuant to Mirant's letter and the requirements of Section 3.2.3 of the DSASC, the CAISO is timely filing a notice of termination of the DSASC with the Commission. The CAISO requests waiver of the notice provisions of Section 35.15 of the Commission's regulations to permit the DSASC to terminate effective as of July 31, 2007, as requested by Mirant.

## **III. Expenses**

No expense or cost associated with this filing has been alleged or judged in any judicial or administrative proceeding to be illegal, duplicative, unnecessary, or demonstratively the product of discriminatory employment practices.

#### **IV. Service and Materials Included in the Instant Filing**

Copies of this filing have been served upon Mirant, the California Public Utilities Commission, the California Electricity Oversight Board, and all entities that are on the official service list for Docket No. ER05-224.

Enclosed for filing are six copies of each of the following:

- (1) this letter of transmittal;
- (2) the letter from Mirant to the CAISO requesting termination of the DSASC (Attachment A); and
- (3) Notice of Termination of the DSASC effective as of July 31, 2007 (Attachment B); and

Also enclosed are two additional copies of this filing to be date-stamped and returned to our messenger.

#### **V. Correspondence**

The CAISO requests that all correspondence, pleadings and other communications concerning this filing be served upon the following:

John Anders\*  
Assistant General Counsel –  
Corporate  
California Independent System  
Operator Corporation  
151 Blue Ravine Road  
Folsom, CA 95630  
Tel: (916) 351-4400  
Fax: (916) 608-7222  
E-mail: john.anders@caiso.com

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Bradley R. Miliauskas\*  
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\*Individuals designated for service pursuant to Rule 203(b)(3), 18 C.F.R. § 203(b)(3).

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July 17, 2007  
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Respectfully submitted,



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Attorneys for the California Independent  
System Operator Corporation

**ATTACHMENT A**

Mirant Energy Trading, LLC  
1155 Perimeter Center West Atlanta, GA 30338  
T 678-579-5000 F 678-579-5001 U www.mirant.com

RECEIVED

JUL 11 2007

MPD - CONTRACTS

July 9, 2007

Via FedEx Delivery

Ms. Roni L. Reese  
Sr. Contracts Analyst  
California ISO  
151 Blue Ravine Road  
Folsom, CA 95630

MIRANT

Dear Ms. Reese:

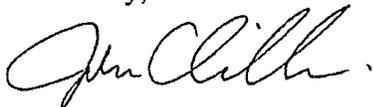
This letter is to advise California Independent System Operator Corporation ("ISO") that Mirant Energy Trading, LLC ("Mirant") requests termination of the Dynamic Scheduling Agreement for Scheduling Coordinators (DSA/SC) with the ISO, executed August 25, 2004. Mirant requests a waiver of the ninety (90) day notice requirement, as described in Section 3.2.3 of the DSA/SC, and asks that the termination be effective as of July 31, 2007. Mirant is terminating the DSA/SC because it no longer owns a System Resource with dynamic scheduling capabilities..

Further contact by the ISO regarding Mirant should be addressed to:

**Mr. John Chillemi**  
**Director - West Power**  
**Mirant Energy Trading, LLC**  
**1155 Perimeter Center West**  
**Atlanta, Ga 30338**

Mirant is advised that any filing with the Federal Energy Regulatory Commission (FERC) that may be necessary to document termination of the DSA/SC listed above in accordance with this request will be done by the ISO.

Sincerely,



John Chillemi  
Director - West Power

cc: (Additional ISO staff as appropriate), ISO

**ATTACHMENT B**

UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION

California Independent System  
Operator Corporation

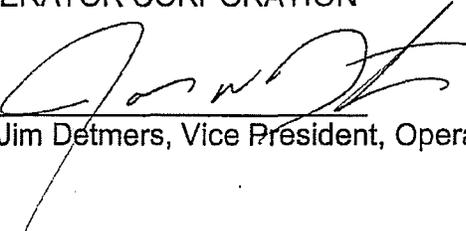
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Docket No. ER07- \_\_\_ -000

NOTICE OF TERMINATION

Notice is hereby given that effective the 31<sup>st</sup> day of July, 2007, Service Agreement No. 580 and all supplements thereto, effective November 17, 2004, and filed with the Federal Energy Regulatory Commission by the California Independent System Operator Corporation, is to be terminated. Notice of the proposed termination has been served upon Mirant Energy Trading, LLC (formerly Mirant Americas Energy Marketing, LP), the California Public Utilities Commission, the California Electricity Oversight Board, and all entities that are on the official service list for Docket No. ER05-224.

CALIFORNIA INDEPENDENT SYSTEM  
OPERATOR CORPORATION

By: 

Jim Detmers, Vice President, Operations

Dated: July 17, 2007

## CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing document upon the parties listed to receive service in the attached document, in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.2010).

Dated at Folsom, California this 17<sup>th</sup> day of July, 2006.

  
John Anders