

I. COMMUNICATIONS

Please address communications concerning this filing to the following persons:

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II. BACKGROUND

On April 3, 2002, Duke Energy Oakland, LLC (DEO) tendered for filing a Third Revised Sheet No. 151 and First Revised Sheet No. 157 to DEO's FERC Electric Rate Schedule No. 2. DEO states that these sheets are filed to amend (1) the Variable O&M Rate reflected in Schedule C, Table C1-18, and (2) the mmBtu figure for Unit No. 1 in schedule D, Table D-1.

By its Notice issued April 10, 2002, the Commission established April 24, 2002 as the comment date in the above-captioned proceeding.

III. BASIS FOR MOTION TO INTERVENE

The ISO is a non-profit public benefit corporation organized under the laws of the State of California and responsible for the reliable operation of a grid comprising the transmission systems of Pacific Gas & Electric Company, Southern California Edison Company, San Diego Gas & Electric Company and the City of Vernon. As the operator of this grid, the ISO believes that it has a unique interest in any Commission proceeding concerning the issues raised in the captioned proceeding. Specifically, on June 25, 1998, in Docket No. ER98-2669-000, the Commission issued an Order (83 FERC ¶ 61,318) accepting for filing various Reliability Must-Run Rate Schedules including DEO's original Must-Run Rate Schedule. The Must-Run Rate Schedule at issue governs the rates, terms, and conditions of service provided to the ISO.

IV. REQUEST TO CONSOLIDATE

The ISO requests the Commission to consolidate this filing with Docket No. ER02-240-000, et al. As DEO itself points out, the changes to the Variable O&M Rate reflect the figures that DEO used for its Variable O&M Rate in its October 1, 2001 informational filing pursuant to Schedule F of the RMR Agreement, which is currently pending before the Commission in Docket ER02-10-000. Other rate updates related to the Schedule F filing were filed by DEO in Docket No. ER02-240-000. Further, DEO itself indicates that the change in Table D-1 should have been filed in Docket No. ER02-240-000. Accordingly, the most efficient approach would be to consolidate this filing with Docket No. ER02-240-000, so that all rate issues associated with Schedule F are addressed in one

docket rather than attempting to address them is a series of disjointed separate dockets.

V. PROTEST

The DEO filing provides no justification for the proposed changes and no explanation of how the changes will affect other charges. For example, without providing justification, DEO reduced the variable cost payment to zero, and claims that the change is necessarily a benefit. However, to the extent that costs that were variable are now included in fixed cost charges, the changes can in fact be detrimental. Without further information about the justification for, and the impact of, the proposed changes, the ISO protests them.

IV. CONCLUSION

For the foregoing reasons, the ISO respectfully requests that the Commission:

- 1) permit it to intervene, and that the ISO be accorded full party status in this proceeding;

2) consolidate this filing with docket ER02-240-000 and require DEO to provide the justification for the changes sought and the implication with regards to other charges.

Respectfully submitted,

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Counsel for the California Independent
System Operator Corporation

Date: April 24, 2002



April 24, 2002

The Honorable Magalie Roman Salas
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

Re: **Duke Energy Oakland, LLC**
Docket No. ER02-1478-000

Dear Secretary Salas:

Enclosed please find an electronic filing of the Motion to Intervene & Request for Consolidation & Protest of the California Independent System Operator Corporation. Thank you for your attention to this filing.

Respectfully submitted,

Jeanne M. Sole

Counsel for the California Independent
System Operator Corporation

CERTIFICATE OF SERVICE

I hereby certify that I have this day electronically served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Folsom, CA, this 24th day of April, 2002.

Jeanne M. Sole