



November 18, 2005

Ellen K Schall
Assistant General Counsel
Markets, Tariffs and Rates
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington D.C. 20426

Re: Docket No. EL04-24-000

Dear. Ms. Schall:

Thank you for your November 3, 2005 letter inquiring about the status of the above-referenced matter and the CAISO's plans to file a motion to withdraw its Petition for Review of Arbitrator's Award.

As you are aware, the SWPL Settlement Agreement ("Agreement"), as submitted in *California Independent System Operator Corporation*, Docket Nos. ER04-115-002, et al., provides that this arbitration appeal by the CAISO will be withdrawn following regulatory approval of the Grid Management Charge ("GMC") settlement in that docket and the SWPL Operations Agreement in Docket No. ER05-1013-000. In addition, in accordance with the Agreement, litigation in the following matters is also required to be withdrawn: the San Diego Gas & Electric Company ("SDG&E") petition for review in Case No. 04-1090, et al. (D.C. Cir) (2001 GMC appeal) and SDG&E's protest of the ISO's compliance refund report in FERC Docket Nos. EL03-131-002, et al.

The regulatory approvals contemplated in the Agreement have now been obtained. The CAISO and SDG&E are working together to coordinate withdrawal of their respective cases. We anticipate that a joint motion to withdraw this matter will be filed by the end of the year.

Sincerely,

/s/ Beth Ann Burns
Beth Ann Burns
Counsel

CERTIFICATE OF SERVICE

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

Dated at Folsom, California, on this 18th day of November, 2005.

/s/ Beth Ann Burns
Beth Ann Burns