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September 11, 2006

The Honorable Magalie R. Salas  
Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, D.C. 20426

**Re: Revised Amendment No. 72 Compliance Filing  
Docket ER05-1502-003**

Dear Secretary Salas:

On June 12, 2006, the California Independent System Operator Corporation ("CAISO")<sup>1</sup> submitted a filing in the above-captioned docket in compliance with the Commission's May 12, 2006 order in this proceeding, 115 FERC ¶ 61,168 (2006) ("May 12 Order"). For reasons explained below, two sets of revised CAISO Tariff sheets were submitted in the June 12, 2006 filing (the "June 12 Compliance Filing"). The CAISO now believes one set of those revised CAISO Tariff sheets was submitted in error and respectfully requests that it be permitted to withdraw the revised CAISO Tariff sheets provided as Attachment C to the June 12 Compliance Filing and the corresponding blacklined Tariff language provided as Attachment D to the June 12 Compliance Filing.

Amendment No. 72 to the CAISO Tariff was accepted by the Commission, subject to certain conditions, to become effective on September 23, 2005. 113 FERC ¶ 61,187 (2005). The May 12 Order clarified "that Amendment No. 72 does not apply to generator station power" and directed the CAISO to make a

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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 CAISO Tariff.

compliance filing adding language to the CAISO Tariff to reflect this clarification. May 12 Order, 115 FERC ¶ 61,168 at P 29.

Previous Tariff sheets filed in this proceeding were based on the version of the CAISO Tariff in effect prior to the CAISO's current Simplified and Reorganized Tariff ("S&R Tariff"). The CAISO's S&R Tariff, which superseded the previous version of the CAISO Tariff, went into effect on March 1, 2006.<sup>2</sup>

The CAISO was not certain whether the compliance changes required by the May 12 Order applied only to the S&R Tariff or whether the compliance changes should also be incorporated into the pre-S&R Tariff which was superseded (and therefore no longer effective) on March 1, 2006. Out of an excess of caution, the CAISO provided revised S& R Tariff sheets that would become effective for the period from March 1, 2006 forward (provided as Attachment A to the June 12 Compliance Filing) and an additional set of revised Tariff sheets (provided as Attachment C to the June 12 Compliance Filing) reflecting the changes that would be required to the pre-S&R Tariff if the compliance changes required by the May 12 Order were to be effective prior to March 1, 2006. The CAISO regrets any confusion that may have been created by the submission of two sets of revised Tariff sheets.

The August 25, 2006 letter order in this proceeding ("August 25 Letter Order") makes it clear that the compliance changes required by the May 12 Order are effective March 1, 2006.<sup>3</sup> The August 25 Letter Order also directs the CAISO to revise the additional CAISO Tariff sheets submitted as Attachment C to be effective March 1, 2006. Because the Attachment C Tariff sheets reflect changes to the pre-S&R Tariff, which was superseded on March 1, 2006, the CAISO believes it is more appropriate to withdraw these Tariff sheets completely. Accordingly, the CAISO: (1) requests that it be permitted to withdraw the revised CAISO Tariff sheets provided as Attachment C to the June 12 Compliance Filing and the corresponding blacklined Tariff language provided as Attachment D to the June 12 Compliance Filing; and (2) that the Commission accept the revised S& R Tariff sheets provided as Attachment A to the June 12 Compliance Filing as the entirety of its compliance filing. The CAISO notes that the revised S& R Tariff sheets provided as Attachment A properly reflect the March 1, 2006

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<sup>2</sup> On March 22, 2006, the CAISO filed a revised and conformed version of the S&R Tariff in Docket No. ER05-1501, with a requested effective date of March 1, 2006. The Commission issued a letter order in Docket No. ER05-1501 on July 10, 2006, accepting the S&R Tariff to become effective on March 1, 2006.

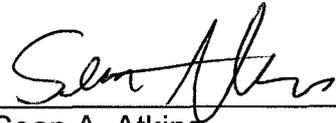
<sup>3</sup> Although the compliance changes expressly incorporating the Commission's clarification concerning the applicability of Amendment No. 72 to Station Power are effective as of March 1, 2006, the May 12 Order is clear that the Commission is clarifying (rather than modifying) Amendment No. 72 as originally accepted by the Commission. May 12 Order, 115 FERC ¶ 61,168 at P 29 ("We grant Sempra's request for clarification and grant in part Williams's and IEPA's requests for clarification. Accordingly, we clarify that Amendment No. 72 does not apply to generator station power.")

The Honorable Magalie R. Salas  
September 11, 2006  
Page 3

effective date accepted in the August 25 Letter Order. As such, there is no need to revise the effective date of these CAISO Tariff sheets.

Copies of this filing have been served on all parties in the captioned proceeding. If there are any questions concerning the filing, please contact the undersigned.

Respectfully submitted,



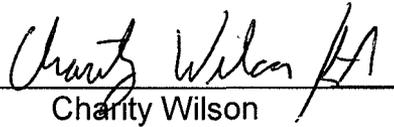
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## Certificate of Service

I hereby certify that I have this day served a copy of this document upon all parties listed on the official service list compiled by the Secretary in the above-captioned proceeding, in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.2010).

Dated this 11th day of September, 2006 at Folsom in the State of California.

  
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Charity Wilson