

DATE STAMP AND RETURN

SWIDLER BERLIN SHEREFF FRIEDMAN, LLP

THE WASHINGTON HARBOUR
3000 K STREET, NW, SUITE 300
WASHINGTON, DC 20007-5116
TELEPHONE (202) 424-7500
FAX (202) 424-7643
WWW.SWIDLAW.COM

NEW YORK OFFICE
THE CHRYSLER BUILDING
405 LEXINGTON AVENUE
NEW YORK, NY 10174
(212) 973-0111 FAX (212) 891-9598

March 23, 2001

The Honorable David P. Boergers
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Re: California Independent System Operator Corporation
Docket No. ER01-871-___

FILED
OFFICE OF THE SECRETARY
01 MAR 23 PM 4:30
FEDERAL ENERGY
REGULATORY COMMISSION

Dear Secretary Boergers:

Enclosed for filing please find a submittal made by the California Independent System Operator Corporation ("ISO")¹ in compliance with the Commission's February 21, 2001 order in the above-referenced docket.

On January 3, 2001, the ISO filed, in the above-referenced docket, a Utility Distribution Company Operating Agreement ("UDC Operating Agreement") between the ISO and the City of Vernon, California ("Vernon"). In its order concerning the filing, the Commission stated as follows:

[W]e accept for filing the proposed UDC Operating Agreement modified to eliminate Section 2.4 [of the agreement]. We direct the ISO to make a compliance filing within 30 days of the date of this order to revise the UDC Operating Agreement accordingly.

....

The ISO has not filed the UDC Operating Agreement in the format required by Order No. 614. The ISO indicates that it has not yet completed a compilation of its previously filed service agreements, and thus cannot provide a list of the existing service agreements

¹ Capitalized terms not otherwise defined herein are used in the sense given in the Master Definitions Supplement, Appendix A to the ISO Tariff.

The Honorable David P. Boergers
March 23, 2001
Page 2

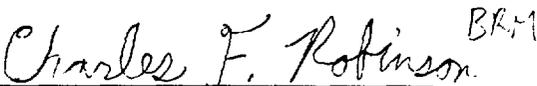
and their proper designations in the instant filing. We accept the ISO's representation that it will provide such a list with its similar future filings as soon as possible.

California Independent System Operator Corporation, 94 FERC ¶ 61,145, 61,553 (Feb. 21, 2001).

Accordingly, the ISO now submits the unexecuted UDC Operating Agreement with Section 2.4 removed. This is the only substantive change to the UDC Operating Agreement. The ISO reiterates that it will provide the Commission with the list described above as soon as practicable.

Attachment A to the instant filing contains the modified UDC Operating Agreement. Attachment B contains the same agreement with the modification in black-line format. Attachment C contains a form notice of filing suitable for publication in the Federal Register. The ISO also includes a computer disk containing the notice of filing in WordPerfect format. Please contact the undersigned with any questions.

Respectfully submitted,


Charles F. Robinson
General Counsel
Roger E. Smith
Senior Regulatory Counsel
The California Independent
System Operator Corporation
151 Blue Ravine Road
Folsom, California 95630
Tel: (916) 608-7135
Fax: (916) 608-7296


Kenneth G. Jaffe
David B. Rubin
Bradley R. Miliauskas
Swidler Berlin Shereff Friedman, LLP
3000 K Street, N.W., Suite 300
Washington, D.C. 20007
Tel: (202) 424-7500
Fax: (202) 424-7643

Attorneys for the California Independent System Operator Corporation