

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Joseph T. Kelliher, Chairman;
Sudeen G. Kelly, Philip D. Moeller,
and Jon Wellinghoff.

San Diego Gas & Electric Company,
Complainant,

v.

Docket Nos. EL00-95-135
EL00-95-188

Sellers of Energy and Ancillary Services
Into Markets Operated by the California
Independent System Operator and the
California Power Exchange Corporation,
Respondents

Investigation of Practices of the California
Independent System Operator Corporation
and the California Power Exchange

Docket Nos. EL00-98-122
EL00-98-173

ORDER APPROVING OFFER OF SETTLEMENT AND ACCEPTING
COMPLIANCE FILING

(Issued November 16, 2006)

1. On September 1, 2006, the California Independent System Operator Corporation (CAISO) filed an Offer of Settlement (Settlement) and amended compliance filing in this proceeding regarding its outage coordination procedures as they relate to hydroelectric generating facilities operated by the California Department of Water Resources (DWR).¹ CAISO requests that the Commission approve the amended compliance filing so that the amended tariff provisions and Operating Procedure contemplated in the Settlement may

¹ For a description of the extensive procedural history in this proceeding, see *San Diego Gas & Electric Co. v. Sellers of Energy and Ancillary Services*, 112 FERC ¶ 61,024 (2005).

be placed into effect as soon as possible. In this order, we approve the Settlement and accept for filing the amended compliance filing.

2. Notice of the filing was published in the *Federal Register*, 71 Fed. Reg. 54,808 (2006), with protests and interventions due on or before September 22, 2006. DWR and the Metropolitan Water District of Southern California (Metropolitan) filed comments in support of the Settlement.

3. The subject Settlement is in the public interest and is approved. The Commission's approval of this Settlement does not constitute approval of, or precedent regarding, any principle or issue in this proceeding. The Commission retains the right to investigate the rates, terms, and conditions under the just and reasonable and not unduly discriminatory or preferential standard of section 206 of the Federal Power Act, 16 U.S.C. § 824e (2000).

4. The amended compliance filing is in compliance with Order No. 614. *See Designation of Electric Rate Schedule Sheets*, Order No. 614, 65 Fed. Reg. 18,221, FERC Stats. & Regs., Regulations Preambles July 1996-December 2000 ¶ 31,096 (2000). The tariff sheets are hereby accepted for filing and made effective as of the date of this order.

5. This order terminates Docket Nos. EL00-95-135, EL00-95-188, EL00-98-122, and EL00-98-173.

By the Commission. Commissioner Spitzer not participating.

(S E A L)

Magalie R. Salas,
Secretary.