

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

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

California Independent System Operator
Corporation

Docket No. ER05-292-000

ORDER APPROVING UNCONTESTED SETTLEMENT

(Issued October 25, 2006)

1. On June 29, 2006, the California Independent System Operator Corporation (CAISO), filed an offer of settlement to resolve issues related to the terms of certain agreements involving the CAISO and the City of Corona, California (Corona). The Corona Agreements¹ were filed to establish the operating arrangements between Corona and CAISO in advance of the commercial operation of Corona's Clearwater Power Project.² The settlement resolves all issues related to the composition of the Corona Agreements. On July 19, 2006, Commission Trial Staff submitted comments in support of the settlement. No other comments were received. On August 8, 2006, the settlement was certified to the Commission as uncontested.

2. The subject settlement is in the public interest and is hereby 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).

¹ The subject Corona Agreements consist of an unexecuted Meter Service Agreement; an unexecuted Participating Generator Agreement; and an unexecuted Utility Distribution Company Operating Agreement, which were filed on December 2, 2004.

² The December 2, 2004 filing of the Corona Agreements was challenged by Corona and Southern California Edison Company, raising objection to the composition of the filed agreements. The Commission's suspension order set the matter for hearing and settlement judge procedures. *See California Independent System Operator Corp.*, 110 FERC ¶ 61,078 (2005). The settlement is a result of those procedures.

3. The rate schedule designations submitted as part of the settlement are in compliance with Order No. 614, and are accepted for filing and made effective as set forth in the settlement. *See Designation of Electric Rate Schedule Sheets*, Order No. 614, 65 Fed. Reg. 18,221, FERC Statutes & Regulations, Regulations Preambles July 1996-December 2000 ¶ 31,096 (2000).

4. This order terminates Docket No. ER05-292-000.

By the Commission.

(S E A L)

Magalie R. Salas,
Secretary.