



Your Link to Power

California Independent System Operator Corporation

Jim Detmers  
Vice President, Operations

October 29, 2007

Mr. James Boyd, Vice Chairman  
California Energy Commission  
1516 Ninth Street  
Sacramento, CA 95814

<b>DOCKET</b>	
07-SPPE-2	
<b>DATE</b>	OCT 29 2007
<b>RECD.</b>	NOV 13 2007

Dear Vice Chairman Boyd:

The California Independent System Operator Corporation (CAISO) weathered record electric loads reached during the Labor Day weekend last month with the help of energy conservation and extraordinary availability from California generators. The loads Southern California experienced were well in excess of anything previously anticipated.

Looking forward to 2008, the CAISO anticipates an even greater challenge to meet the growing peak demand in the Southern California Edison (SCE) and San Diego Gas & Electric (SDG&E) service areas. This challenge will increase if the low hydro conditions continue. Additional power supplies, especially peaking units that increase available supply at peak hours, are critically needed to meet the growing demand.

I understand that your staff is currently reviewing permitting for peaking projects that are being proposed throughout Southern California. The CAISO views these peaker projects as critical to maintaining available supply and grid reliability. I am requesting your support and I urge you to expedite the approval of these peaking resources to ensure they are available for the summer of 2008. Since other permitting agencies rely on the CEC's decisions to complete their review, there will not be sufficient time for these other agencies to approve some of these projects in time to meet a summer 2008 service date, particularly if these agencies decline to process applications for necessary approvals in parallel with the CEC SPPE process.

Again, thank you for your ongoing support. I look forward to our continued, close collaboration in maintaining electric service reliability in Southern California.

Sincerely,



Jim Detmers  
Vice President, Operations

CC: Mr. Arthur Rosenfeld—Commissioner, California Energy Commission  
Ms. Felicia Miller – CEC Compliance Project Manager  
Mr. Bill Horn—County of San Diego Supervisor District 5  
Mr. Raymond Fernandez—Director County of San Diego APCD  
Mr. Eric Gibsoh—Director San Diego County DPLU  
Mr. Pedro Orso-Delgado—Director Caltrans District 11