

Memorandum

To: ISO Board of Governors
From: Elaine Siegel, Compliance Analyst
Jim Detmers, Vice President of Operations
Date: April 13, 2006
Re: ***Scheduling Coordinator Self Audit of Meter Data for Trade Year 2004***

This memorandum does not require Board action.

The California ISO recently completed the 2004 Scheduling Coordinator (SC) Self Audit process required by Tariff section MP 4.2.1. The Self Audit requirement focuses on the SC's process for developing and submitting Settlement Quality Meter Data. The SCs and their participants applied considerable resources to accomplish the Self Audit. The Self Audits demonstrate various levels of competency by SCs in producing accurate Settlement Quality Meter Data. This Report presents the Lessons Learned. The purpose of this report is twofold: first, to provide the ISO Governing Board and Market Participants with a general description of the implementation of the sixth annual SC Self Audit; and second, to share valuable lessons learned with the ISO Governing Board, all SCs and other market participants. These self audits of Settlement Quality Meter Data processes cover the Trade Year 2004. The Lessons Learned Report is attached for your review.

The SCs that submit Settlement Quality Meter Data met their ISO Tariff requirement to perform the self audit. However, the self audit is only one method to evaluate the accurate processing and reporting of Settlement Quality Meter Data. The ISO encourages the SCs to continue their vigilance and to provide the appropriate oversight throughout the year to ensure accurate reporting of Settlement Quality Meter Data.