



California Independent
System Operator Corporation

Results of the Scheduling Coordinators' Annual Self Audit

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**Presented to the Audit Committee
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Agenda

- **Settlement Quality Meter Data (SQMD) Overview**
- **Scheduling Coordinator (SC) Self Audit: Purpose and Process**
- **Results of the 2005 Self Audit For Trade Year 2004**

Settlement Quality Meter Data

ISO Metered Entities

- ISO certified meter and installation
- ISO reads meters automatically (daily)
- ISO ensures the meter is settlement quality
- 80% of Generation data
- 7% of Load data

SC Metered Entities

- Local Regulatory Authority rules apply for meters and meter reading
- SCs submit SQMD
- SC ensures the submitted data is accurate
- 20% of Generation data
- 93% of Load data

Purpose and Process of the SC Self Audit

- **The Self Audit is for SCs that represent SC metered entities**
- **Ensure SCs' compliance with Local Regulatory Authority (CPUC) requirements**
- **Ensure the accuracy and integrity of the SQMD provided to the ISO**
- **ISO provides :**
 - Audit guidelines
 - Continuous support
 - Confirmation of Tariff compliance

Results

- **21 SCs performed the self audit (20 last year)**
- **Process improvements and additional controls were put into place**
- **Issues were identified; if left uncorrected the cumulative effect could be substantial**
- **Continued vigilance by all entities in the process is required**
- **Lessons Learned Report will be issued to all SCs, the CPUC and posted on the ISO website**

Next Steps

- **Review and modify SC Self Audit Guidelines over the next the month**
- **Issue the SC Self Audit Guidelines to the SCs for Trade Year 2005**
- **Hold a SQMD Workshop**