



California Independent
System Operator Corporation

Status of the 7th Annual Scheduling Coordinators' Self Audit

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**ADR/Audit Committee
October 18, 2006**

Purpose and Process

- **The Audit is a Tariff requirement of the SCs to ensure compliance with the requirements to process and submit Settlement Quality Meter Data for proper Market Settlement**
- **19 SCs that submit Settlement Quality Meter Data to the ISO are performing the 2006 SC Self Audit of their practices and procedures for the previous completed Trade Year (2005).**
- **Provided an audit package on May 15, 2006**
 - Package included Audit Plan guidelines and Audit Report guidelines
- **Called all SCs and confirmed contact information and their understanding of due dates**
 - Highlighted the Enforcement Protocol requirement (Tariff Section 37.6.3 Audit Materials)
 - Modified the requirements to lessen the impact on small SCs (less than 2 meters and less than 150 MW)

Purpose and Process *cont.*

- **Reviewed and approved all Audit Plans by late June**
- **Ongoing communication with the SCs and their auditors**
- **Responded to questions regarding**
 - Sample Size
 - Auditor Qualification
 - Reports provided by some Investor Owned Utilities to Energy Service Providers (Useage Data Reconciliation Report)
- **Monitored Status through periodic contact with the SCs**

Status of 2006 SC Self Audit

- **Audit Reports due October 30, 2006**
- **Reports will be evaluated by 2 reviewers for: open items, audit findings, generic issues, good practices, and lessons learned**
- **A determination will be made on the SCs' compliance with the Tariff requirement (10.3.10(b))**

Status of 2006 SC Self Audit

- **Follow-up with the CPUC on the items from the 2005 SC Self Audit Report**
- **Prepare Lessons Learned Report**
- **Present and issue the Lessons Learned Report to the ISO Audit Committee**