

April 19, 1999

The Honorable David P. Boergers
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

**Re: California Independent System Operator Corporation,
Docket No. ER99-1770-____**

Dear Secretary Boergers:

The California Independent System Operator Corporation ("ISO") respectfully submits for filing an original and six copies of certain documents containing information about Existing Contracts with transmission rights on Path 15. The ISO submits these documents in compliance with the Commission Staff's letter in the above-captioned docket, dated March 19, 1999, and as further information in support of its February 11, 1999, filing.

On February 11, 1999, the ISO submitted in the above-captioned docket a revised Appendix B of the Transmission Control Agreement ("TCA") among the ISO and Transmission Owners.¹ Appendix B to the TCA lists the existing Encumbrances to which each Transmission Owner's lines and facilities are subject. As explained in the February 11 transmittal letter, those revisions were the result of negotiations involving Pacific Gas and Electric Company ("PG&E") and all of the major holders of transmission rights over Path 15. These negotiations were undertaken by the Rightholders and PG&E in response to Commission orders directing the parties to attempt to resolve disputes relating to competing claims of transmission priority over Path 15.

¹ Capitalized terms not otherwise defined herein are used as those terms are defined in the Master Definitions Supplement, Appendix A to the ISO Tariff.

Prior to the February 11 filing, PG&E informed the ISO that the negotiations had been successfully completed and had resulted in revised operating instructions for Path 15. The ISO submitted the proposed revisions to the TCA based on the information provided by PG&E. The revisions consisted of changes to Appendix B of the TCA. The revised portion of Appendix B includes explicit references to the negotiated operating instructions for Path 15. In addition, PG&E provided the ISO with its "Path 15 Operating Instructions for Existing Encumbrances Across the Path 15 Interface" which was submitted in the February 11 filing as Exhibit B-1 to PG&E Appendix B. Under Exhibit B-1, PG&E is to assume the role of "Path 15 Existing Transmission Contract (ETC) Facilitator." In that role it will provide certain reservation information for Path 15 to the ISO and perform certain other functions. Exhibit B-1 also contains the following statement, in Footnote 1 of the Exhibit:

Specific operating instructions have been provided to the ISO by PG&E in other documents for each of the Existing Contracts for which it is the Responsible Participating Transmission Owner on Path 15. In the contract specific instructions, information is provided on the maximum MW of transmission service available over the path; the quality of transmission service; daily, hourly and real time scheduling rights and responsibilities; curtailment procedures; points of receipt and points of delivery and effective and termination dates of the contract. This set of additional instructions will clarify how the relative transmission rights and priorities of the parties should be managed and administered during times of congestion and possible curtailment on Path 15.

On March 19, 1999, the Commission Staff issued a letter in the above-captioned docket directing the ISO to submit those additional documents described in Footnote 1 of Exhibit B-1 to the Commission within 30 days.

The enclosed attachments are those documents which PG&E has identified as the documents referred to in Footnote 1 to Exhibit B-1 of TCA Appendix B. These documents include sheets, provided as Attachment A, that contain information on Existing Contracts that have transmission rights on Path 15, in a template format established by the ISO for the submission of information on transmission service rights. These sheets contain contract-specific information on the quality of transmission service available under the contract; daily, hourly and real-time scheduling rights; points of receipt and delivery; and effective and termination dates for the contract. In addition, the enclosed documents include spreadsheets, provided as Attachment B, that provide certain information on curtailment procedures in connection with these contracts.² The ISO is providing the

² The ISO anticipates that PG&E may make minor changes to these spreadsheets. The ISO assumes that any such changes will not affect the Commission's review of the February 11 filing in this docket.

The Honorable David P. Boergers

April 19, 1999

Page 3

spreadsheets because they are referenced in the contract-specific documents which the Commission directed the ISO to file.

The ISO notes that it is preparing to fully implement the Exhibit B-1 procedures, pending Commission action on this matter. The currently effective curtailment procedures for Path 15 can be found on the ISO Home Page as "Real-time Path 15 South to North Flow Mitigation Procedure."

The ISO is serving copies of this filing on all parties on the official service list compiled by the Secretary in Docket No. ER99-1770. Consistent with the March 19 letter, the ISO is also providing a copy of this filing to Daniel Nowak, Chief, Rate Applications Branch I. Also enclosed is a form notice of this filing, suitable for publication in the Federal Register, together with a diskette containing that notice in WordPerfect format.

An additional copy of this filing is also enclosed. Please stamp this copy with the date and time of filing and return it to our messenger. Thank you for your assistance in this matter.

Respectfully submitted,

N. Beth Emery
Vice President and General Counsel
Roger E. Smith, Regulatory Counsel
The California Independent
System Operator Corporation

Edward Berlin
Kenneth G. Jaffe
David B. Rubin
Sara C. Weinberg
Swidler Berlin Shereff Friedman, LLP

**Counsel for
The California Independent System
Operator Corporation**

cc: Daniel Nowak, Rate Applications Branch I
Service List

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Washington, DC, on this 19th day of April, 1999.

Sara C. Weinberg

Attachment A

Attachment B

