

August 2, 2011

The Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

**Re: California Independent System Operator Corporation
Errata to Tariff Amendment re: Settlement Process Timeline
Change
Docket No. ER11-4176-_____**

Dear Secretary Bose:

On August 1, 2011, the California Independent System Operator Corporation (ISO) submitted, pursuant Section 205 of the Federal Power Act¹ and Sections 35.11 and 35.13 of the Commission's regulations,² an amendment to the ISO tariff proposing modifications will accelerate and improve the efficiency of the existing settlement process by implementing five enhancements, as further described in the August 1, 2011 transmittal letter accompanying the amendment in the above referenced docket.

It has come to the ISO's attention that a tariff record was inadvertently omitted from the .xml package submitted to FERC. The ISO hereby respectfully submits this *errata* to include the tariff record and associate it with the August 1, 2011 filing.

The ISO has posted this *errata* on the ISO's website and provided e-mail notice all parties with effective scheduling coordinator Service Agreements under the ISO tariff, as well as the California Public Utilities Commission and the California Electricity Oversight Board.

The ISO apologizes for any inconvenience caused by this error and respectfully requests that the Commission accept the revised filing with the proper record submitted.

¹ 16 U.S.C. § 824d.

² 18 C.F.R. §§ 35.11 & 35.13 (2010).

Respectfully submitted,

By: **/s/ Anna McKenna**

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**California Independent System Operator Corporation
Fifth Replacement FERC Electric Tariff**

Attachment A – Clean Tariff

Errata to Settlement Process Timeline Change Amendment

August 2, 2011

10.3.6 Settlement Quality Meter Data Submission

Scheduling Coordinators shall submit to the CAISO Actual Settlement Quality Meter Data or Scheduling Coordinator Estimated Settlement Quality Meter Data, as provided in Section 10.3.6.2(a), for Scheduling Coordinator Metered Entities they represent for each Settlement Period in an Operating Day according to the timelines established in Section 10.3.6.2 and the CAISO Payments Calendar and as provided in the applicable Business Practice Manual. Scheduling Coordinators must also submit Settlement Quality Meter Data (actual and Scheduling Coordinator estimated) on demand as provided in the applicable Business Practice Manual.

10.3.6.1 No Meter Data Submission for Initial Settlement Statement T+3B

Because Initial Settlement Statement T+3B is solely based on CAISO Estimated Settlement Quality Meter Data for metered Demand and Generation, Scheduling Coordinators cannot submit Actual Settlement Quality Meter Data or Scheduling Coordinator Estimated Settlement Quality Meter Data for the entities they represent for purposes of the Initial Settlement Statement T+3B calculation.

10.3.6.2 Timing of SQMD Submission for Calculation of Recalculation Settlement Statement T+12B

Scheduling Coordinators must submit Actual Settlement Quality Meter Data or Scheduling Coordinator Estimated Settlement Quality Meter Data for the Scheduling Coordinator Metered Entities they represent to the CAISO no later than midnight on the eighth (8) Business Day after the Trading Day (T+8B) for the Recalculation Settlement Statement T+12B calculation. Scheduling Coordinators can submit Estimated Settlement Quality Meter Data for Demand Response Resources.

- (a) In the absence of Actual Settlement Quality Meter Data, Scheduling Coordinators may submit Scheduling Coordinator Estimated Settlement Quality Meter Data using interval metering when available, sound estimation practices, and other available information including, but not limited to, bids, schedules, forecasts, temperature data, operating logs, recorders, and historical data. Scheduling Coordinator Estimated Settlement Quality Meter Data must be a good faith estimate that reasonably represents Demand and/or Generation quantities for each Settlement Period.

- (b) When Actual Settlement Quality Meter Data or Scheduling Coordinator Estimated Settlement Quality Meter Data is not received by the CAISO for a Scheduling Coordinator Metered Entity within eight (8) Business Days from the Trading Day (T+8B), the CAISO will estimate the entity's Settlement Quality Meter Data for any outstanding metered Demand and/or Generation, including Demand Response Resources, for use in the Recalculation Settlement Statement T+12B calculation, as provided in Section 11.1.5.

10.3.6.3 Timing of SQMD Submission for Recalculation Settlement Statement T+55B

Scheduling Coordinators must submit Actual Settlement Quality Meter Data for the Scheduling Coordinator Metered Entities they represent to the CAISO no later than midnight on the forty-eighth (48) Business Day after the Trading Day (T+48B) for the Recalculation Settlement Statement T+55B calculation. A Scheduling Coordinator that timely submits Actual Settlement Quality Meter Data for the Recalculation Settlement Statement T+12B pursuant to Section 10.3.6.2 may submit revised Actual Settlement Quality Meter Data for the Recalculation Settlement Statement T+55B no later than the forty-eighth (48) Business Day after the Trading Day pursuant to this Section.

- (a) When Actual Settlement Quality Meter Data is not received by the CAISO for a Scheduling Coordinator Metered Entity by forty-eight (48) Business Days after the Trading Day (T+48B), the Scheduling Coordinator has failed to submit complete and accurate meter data as required by Section 37.5.2.1 and will be subject to monetary penalty pursuant to Section 37.5.2.2.
- (b) Any Scheduling Coordinator Estimated Settlement Quality Meter Data submitted by a Scheduling Coordinator on behalf of the Scheduling Coordinator Metered Entities it represents that is not replaced with Actual Settlement Quality Meter Data by forty-eight (48) Business Days after the Trading Day (T+48B) has failed to submit complete and accurate meter data as required by Section 37.5.2.1 and will be subject to monetary penalty pursuant to Section 37.5.2.2. In the absence of Actual Settlement Quality Meter Data, Scheduling Coordinator Estimated Settlement Quality Meter Data will be used in the Recalculation Settlement Statements.

- (c) The CAISO will not estimate a Scheduling Coordinator Metered Entity's Settlement Quality Meter Data for any outstanding metered Demand and/or Generation for use in a Recalculation Settlement Statement T+55B calculation. Any previous CAISO Estimated Settlement Quality Meter Data that the Scheduling Coordinator does not replace with Actual Settlement Quality Meter Data by forty-eight (48) Business Days after the Trading Day (T+48B) will be set to zero. The CAISO will follow the control process described in the BPM for Metering to monitor and identify the CAISO Estimated Settlement Quality Meter Data that was not timely replaced and will take proactive measures to obtain the Actual Settlement Quality Meter Data. A Scheduling Coordinator that fails to replace CAISO Estimated Settlement Quality Meter Data with Actual Settlement Quality Meter Data by forty-eight (48) Business Days after the Trading Day (T+48B) has failed to provide complete and accurate Settlement Quality Meter Data as required by Section 37.5.2.1 and will be subject to monetary penalty pursuant to Section 37.5.2.2.

10.3.6.4 Timing of SQMD Submission for Recalculation Settlement Statement T+9M

Scheduling Coordinators may submit Actual Settlement Quality Meter Data for the Scheduling Coordinator Metered Entities they represent to the CAISO, during the period from one-hundred and sixty-eight Business Days after the Trading Day (T+168B) to one-hundred and seventy-two Business Days after the Trading Day (T+172B) for use in Recalculation Settlement Statement T+9M. Scheduling Coordinators submitting Actual Settlement Quality Meter Data during the period, from T+168B to T+172B, which is more than forty-eight (48) Business Days after the Trading Day (T+48B) have failed to provide complete and accurate Settlement Quality Meter Data as required by Section 37.5.2.1 and will be subject to monetary penalty pursuant to Section 37.5.2.2. Any Actual Settlement Quality Meter Data that is submitted by a Scheduling Coordinator after the T+48B meter data submittal deadline, and outside the period from T+168B to T+172B, will be rejected by the CAISO and not used in settlement calculations.

**California Independent System Operator Corporation
Fifth Replacement FERC Electric Tariff**

Attachment B – Marked Tariff

Errata to Settlement Process Timeline Change Amendment

August 2, 2011

Yellow highlighted language shows changes proposed by the California ISO in its June 30, 2011 Credit Reform compliance filing in docket no. ER11-3973-000. The language proposed in the compliance filing is shown for informational purposes. The blacklines in the current filing together with the yellow highlighted language from the compliance filing comprise the package of changes the ISO is proposing to the settlements process timeline.

10.3.6 Settlement Quality Meter Data Submission

Scheduling Coordinators shall submit to the CAISO Actual Settlement Quality Meter Data or Scheduling Coordinator Estimated Settlement Quality Meter Data, as provided in Section 10.3.6.24(a), for Scheduling Coordinator Metered Entities they represent for each Settlement Period in an Operating Day according to the timelines established in Section 10.3.6.24 and the CAISO Payments Calendar and as provided in the applicable Business Practice Manual. Scheduling Coordinators must also submit Settlement Quality Meter Data (actual and Scheduling Coordinator estimated) on demand as provided in the applicable Business Practice Manual.

10.3.6.1 No Meter Data Submission for Initial Settlement Statement T+3B

Because Initial Settlement Statement T+3B is solely based on CAISO Estimated Settlement Quality Meter Data for metered Demand and Generation, Scheduling Coordinators cannot submit Actual Settlement Quality Meter Data or Scheduling Coordinator Estimated Settlement Quality Meter Data for the entities they represent for purposes of the Initial Settlement Statement T+3B calculation.

10.3.6.24 Timing of SQMD Submission for Calculation of ~~Recalculation~~Initial Settlement Statement T+~~12B7B~~.

Scheduling Coordinators must submit Actual Settlement Quality Meter Data or Scheduling Coordinator Estimated Settlement Quality Meter Data for the Scheduling Coordinator Metered Entities they represent to the CAISO no later than ~~midnight~~noon on the ~~eighth (8)~~fifth Business Day after the Trading Day (T+~~8B5B~~) for the ~~Recalculation~~Initial Settlement Statement T+~~12B7B~~ calculation. Scheduling Coordinators ~~cannot~~ submit Estimated Settlement Quality Meter Data for ~~Proxy-Demand~~Response Resources.

- (a) In the absence of Actual Settlement Quality Meter Data, Scheduling Coordinators may submit Scheduling Coordinator Estimated Settlement Quality Meter Data using interval metering when available, sound estimation practices, and other available information including, but not limited to, bids, schedules, forecasts, temperature data, operating logs, recorders, and historical data. Scheduling Coordinator Estimated Settlement Quality Meter Data must be a good faith estimate that reasonably represents Demand and/or Generation quantities for each Settlement Period.

- (a) (b) When Actual Settlement Quality Meter Data or Scheduling Coordinator Estimated Settlement Quality Meter Data is not received by the CAISO for a Scheduling Coordinator Metered Entity within eight (8) five (5) Business Days from the Trading Day (T+8B5B), the CAISO will estimate the entity's Settlement Quality Meter Data for any outstanding metered Demand and/or Generation, including excluding a Proxy Demand Response Resources Resource, for use in the Recalculation Initial Settlement Statement T+12B7B calculation, as provided in Section 11.1.5.

10.3.6.32 Timing of SQMD Settlement Quality Meter Data Submission for Recalculation Settlement Statement T+55B38B

Scheduling Coordinators must submit Actual Settlement Quality Meter Data for the Scheduling Coordinator Metered Entities they represent to the CAISO no later than midnight on the forty-eight (48) Business Day~~third (43) calendar day~~ after the Trading Day (T+48B43C) for the Recalculation Settlement Statement T+55B calculation.38B. A Scheduling Coordinator that timely submits Actual Settlement Quality Meter Data for the Recalculation Initial Settlement Statement T+12B7B pursuant to Section 10.3.6.24 may submit revised Actual Settlement Quality Meter Data for the Recalculation Settlement Statement T+55B38B no later than the forty-eight (48) Business Day~~third (43) calendar day~~ after the Trading Day pursuant to this Section.

- (a) When Actual Settlement Quality Meter Data is not received by the CAISO for a Scheduling Coordinator Metered Entity by forty-eight (48) Business Day~~three (43) calendar days~~ after the Trading Day (T+48B43C), the Scheduling Coordinator has failed to submit complete and accurate meter data as required by Section 37.5.2.1 and will be subject to monetary penalty pursuant to Section 37.5.2.2.
- (b) Any Scheduling Coordinator Estimated Settlement Quality Meter Data submitted by a Scheduling Coordinator on behalf of the Scheduling Coordinator Metered Entities it represents that is not replaced with Actual Settlement Quality Meter Data by forty-eight (48) Business Day~~three (43) calendar days~~ after the Trading Day (T+48B43C) has failed to submit complete and accurate meter data as required by Section 37.5.2.1 and will be subject to monetary penalty pursuant to Section 37.5.2.2. In the absence of Actual

Settlement Quality Meter Data, Scheduling Coordinator Estimated Settlement Quality Meter Data will be used in the Recalculation Settlement Statements.

- (c) The CAISO will not estimate a Scheduling Coordinator Metered Entity's Settlement Quality Meter Data for any outstanding metered Demand and/or Generation for use in a Recalculation Settlement Statement T+55B calculation. Any previous CAISO Estimated Settlement Quality Meter Data that the Scheduling Coordinator does not replace with Actual Settlement Quality Meter Data by forty-~~eight (48) Business Days~~three (43) calendar days after the Trading Day (T+~~48B43C~~) will be set to zero. The CAISO will follow the control process described in the BPM for Metering to monitor and identify the CAISO Estimated Settlement Quality Meter Data that was not timely replaced and will take proactive measures to obtain the Actual Settlement Quality Meter Data. A Scheduling Coordinator that fails to replace CAISO Estimated Settlement Quality Meter Data with Actual Settlement Quality Meter Data by forty-~~eight (48) Business Days~~three (43) calendar days after the Trading Day (T+~~48B43C~~) has failed to provide complete and accurate Settlement Quality Meter Data as required by Section 37.5.2.1 and will be subject to monetary penalty pursuant to Section 37.5.2.2.

10.3.6.43- Timing of ~~SQMD Settlement Quality Meter Data~~ Submission for Recalculation Settlement Statements after the Recalculation Settlement Statement T+~~9M38B~~

Scheduling Coordinators may ~~continue to~~ submit Actual Settlement Quality Meter Data for the Scheduling Coordinator Metered Entities they represent to the CAISO, during the period from one-hundred and sixty-eight Business Days after the Trading Day (T+168B) to one-hundred and seventy-two Business Days after the Trading Day (T+172B) for use in Recalculation Settlement Statement T+9M. ~~Statements subsequent to the Recalculation Settlement Statement T+38B according to timelines established in the CAISO Payments Calendar. Provided, however, that~~ Scheduling Coordinators submitting Actual Settlement Quality Meter Data during the period, from T+168B to T+172B, which is more than forty-~~eight (48) Business Days~~three (43) calendar days after the Trading Day (T+~~48B43C~~) have failed to provide complete and accurate Settlement Quality Meter Data as required by Section 37.5.2.1 and will be subject to monetary penalty

pursuant to Section 37.5.2.2. Any Actual Settlement Quality Meter Data that is submitted by a Scheduling Coordinator after the T+48B meter data submittal deadline, and outside the period from T+168B to T+172B, will be rejected by the CAISO and not used in settlement calculations.