



Amendment 60 and Other Legacy Reruns: Reference Material for Scheduling Coordinators

California ISO	Version: 1.0
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1 Purpose of Document and Overview

This document provides reference information about settlement adjustments that the ISO will be invoicing early in 2014, as required by FERC orders, reflecting the resolution of individual disputes and other accumulated unprocessed amounts.

The ISO will ship a CD to each affected scheduling coordinator (SC) on December 20, 2013. The CD shows details of the adjustments for that scheduling coordinator. Comments or inquiries must be submitted through the settlement dispute function of CIDI no later than January 30, 2014. Submissions should be reflected as *Historic Rerun* in the statement disputed field.

Unless substantial corrections are necessary, the ISO will post the final adjustments on settlements statements and invoice the charges and credits on February 4.

The ISO will invoice interest on the adjustments, as applicable, within 30 days after February 4, 2014.

2 Background about the Adjustments

The CDs reflect all unprocessed adjustments for trading days before the ISO's new market began on April 1, 2009. The adjustments follow mainly from contested proceedings at FERC, which involve a total of \$215 million in reallocations. In addition, some adjustments – an aggregate total of \$7 million – reflect the resolution of individual disputes. Finally, the ISO will distribute \$3 million that had accumulated in accounts to pay startup and emissions costs, and invoice \$300,000 in previously unprocessed invoices for startup costs.

The adjustments for disputes and the startup and emissions funds had not been calculated and invoiced previously because they were resolved during the time when the ISO was preparing to implement payment acceleration, the new market and related enhancements.

Since November 2009, the ISO has processed settlement adjustments according to the timelines adopted with payment acceleration, meaning that final adjustments are now completed within 36 months after the trading date absent extraordinary circumstances. The only pending exception is a forthcoming adjustment to bid cost recovery settlements during 2009 that FERC directed on June 5, 2013. This adjustment was ultimately resolved in connection with the July 30, 2013 settlement of alleged manipulation by JP Morgan Ventures Energy Corp. See *generally* 143 FERC ¶ 61, 211 (2013).

With this exception and the still-pending adjustments from FERC's crisis-era refund docket (EL00-95), the invoicing of the adjustments on the CDs will clear all pending settlement adjustments affecting trading days before December 2010. Adjustments since December 2010 are being processed in accordance with the currently effective tariff deadlines, as noted above.

The adjustments fall into the following four categories.

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Amendment 60 (A60)

This adjustment implements a tariff amendment related to the must-offer obligation that the ISO filed in 2004. The amendment created three different categories for an ISO commitment depending on whether the need was local, zonal or system, and proposed different cost allocations for each category. After lengthy litigation over whether certain constraints should be categorized as local or zonal, FERC ultimately accepted the ISO's final compliance filing on September 16, 2011. *California Independent System Operator Corp.*, 136 FERC ¶61,198 (2011). This order was appealed and the United States Court of Appeals denied the petition for review on November 5, 2013. See D.C. Circuit Docket No. 11-1442.

The amendment and a related complaint affect trading days July 17, 2004 through March 31, 2009. The adjustments reallocate approximately \$197.6 million before interest. The dollar figures on the CDs do not include interest. The ISO will assess interest on the adjustments as detailed in its refund report filed December 20, 2013 in FERC Docket No. ER04-835.

Reliability Capacity Services Tariff (RCST)

This adjustment stems from a complaint filed at FERC in 2005 concerning the rate for providing backstop capacity service. See *Independent Energy Producers v. California Independent System Operator Corp.*, Docket No. EL05-146. The complaint was resolved through a contested settlement that required the ISO to amend its tariff to add a backstop capacity rate referred to as "RCST." The Commission approved the settlement and authorized eligible suppliers to begin charging the rate effective June 1, 2006. This effective date, however, was successfully challenged in court. See *City of Anaheim v. FERC*, 558 F.3d 521 (D.C. Cir. 2009). On remand, the Commission ruled that the effective date should have been later – February 13, 2007 – and directed sellers to refund with interest any RCST revenue collected prior to that date. See *Independent Energy Producers v. California Independent System Operator Corp.*, 128 FERC ¶61,165 (2009).

These adjustments affect trading days June 1, 2006 through February 13, 2007. The ISO will calculate and invoice interest on the adjustments as detailed in its refund report filed December 20, 2013 in FERC Docket No. EL05-146.

Disputes

These adjustments resolve various settlement disputes affecting trade dates from September 2, 2003 through March 31, 2009. These disputes were resolved before the new market began, but have yet to be invoiced.

The ISO will not charge or pay interest on the adjustments reflected on the CDs that are specific to disputes. The ISO will, however, distribute interest it has earned on funds that it received earlier and has been holding for distribution.

Startup and Emission Fee (SUFEF)

The ISO is distributing funds that it collected to reimburse emissions costs. The ISO had designed a rate for this purpose, but collected amounts that exceeded what generators ultimately claimed. This adjustment affects trading dates November 1, 2003 through December 31, 2003.

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The ISO is also collecting funds to reimburse start-up costs that had been submitted but not yet paid. This adjustment affects trading days May 1, 2008 through March 31, 2009.

The ISO will not charge or pay interest on the adjustments reflected on the CD that are specific to startup and emissions fees. The ISO will, however, distribute interest it has earned on funds that it has been holding for distribution.

3 Technical Information Necessary to Validate the Adjustments

The following technical information will help settlements specialists validate the adjustments on the CDs.

Adjustments are calculated as manual line items (MLI) using the same methodology that was used prior to implementation of the new market. The supporting file provided to each SC contains all applicable MLI as well as aggregated totals. The comment field includes detailed information about how the charge or credit was allocated (e.g., to metered demand) and total amounts, which will enable scheduling coordinators to validate the charges allocated to them. Additional supporting files are also provided to certain scheduling coordinators for validation of dispute adjustments.

Each adjustment is associated to a specific settlement charge type as well as the corresponding historic charge code. Charge type descriptions prior to April 1, 2009 are provided in the *Charge Type Matrix V18.10* document posted on the ISO website at <http://www.caiso.com/Documents/Settlements%20Documentation%20Version%2018.10>.

Reference documentation including charge type calculations are located on the Settlements Archive web page under the *Settlements guide* heading at <http://www.caiso.com/market/Pages/Settlements/SettlementsArchive/Default.aspx>.

Information regarding settlement via historic charge codes is contained with the main body of the Settlements and Billing business practice manuals (BPM) and *Attachment B – CG and PCG Spec_v18* posted on the website at <http://bpmcm.caiso.com/Pages/SnBBPMDetails.aspx?BPM=Settlements%20and%20Billing>.

Lastly, adjustment amounts can easily be identified for validation purposes using the REF_ID designation and the adjustment details provided in Table 1.

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Table 1. Adjustment Details

REF_ID	Trade Date	Adjustment Charge Types	Adjustment Description
A60	07/17/2004-03/31/2009	592, 595, 721, 1210, 1397, 1398, 1399, 1691, 1697, 1698, 1699, 1797, 1798, 1799, 5927, 5928, 5929	Allocation of MLCC and Start-up recovery costs per Amendment 60.
RCST	06/01/2006-02/13/2007	71, 111, 112, 116, 382, 384, 592, 711, 721, 1011, 1061, 1210, 1273, 1277, 1401, 1407, 1471, 1596, 1597, 1599, 1697, 1698, 1699, 1797, 1799, 1897, 1898, 4271, 4273, 4401, 4406, 4407, 4493, 4494, 4506, 4534, 4535, 4536, 4595, 4695, 4895	<p>Recession of reliability capacity services tariff (RCST) payments per FERC order 128 FERC ¶ 61,165 (August 18, 2009).</p> <p>Monthly charges for trade dates 02/01-02/13/2007 are reflected under trade date 2/28/2007.</p>
SUFEF	12/31/2003-3/31/2009	591, 2999, 721, 5927, 5928, 5929	<p>Allocation of emissions recovery cost under CT 591 for trade dates November 1, 2003 thru December 31, 2003 based upon metered load plus in-state real time exports, reference comment field for allocation amount and allocation basis.</p> <p>Associated interest payments assessed under CT 2999.</p> <p>Allocation of start-up reimbursement costs submitted by SCs for trade dates May 1, 2008 through March 31, 2009 under CT 5927, 5928, 5929 based upon metered demand, reference comment field for allocation amount and allocation basis.</p>
44152	09/02-09/03/2003, 09/05-09/08/2003, 09/22/2003, 09/30/2003, 10/09/2003, 10/26-10/27/2003, 10/31/2003	595, 695	<p>Commitment cost correction.</p> <p>SC specific delta adjustment under CT 695. MLCC allocated under CT 595 accordingly, reference comment field for allocation amount and allocation basis.</p>
50966	11/19-11/20/2004, 11/22/2004, 11/30/2004	1697, 1699, 4695	<p>SC specific commitment cost correction.</p> <p>SC specific delta adjustment under CT 4695. MLCC allocated under CT 1697 and 1699 accordingly, reference comment field for allocation amount and allocation basis.</p>
51717	02/28/2005	4406, 4407, 1401, 1210	<p>Re-settlement of UFE and UIE based upon revised meter data.</p> <p>SC specific delta adjustment under CT 4406 and 4407. Costs allocated under CT 1401 and 1210 accordingly, reference comment field for allocation amount and allocation basis.</p>

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REF_ID	Trade Date	Adjustment Charge Types	Adjustment Description
51718	03/01/2005	4406, 4407, 1401, 1210	Re-settlement of UFE and UIE based upon revised meter data. SC specific delta adjustment under CT 4406 and 4407. Costs allocated under CT 1401 and 1210 accordingly, reference comment field for allocation amount and allocation basis.
51719	03/02/2005	4406, 4407, 1401, 1210	Re-settlement of UFE and UIE based upon revised meter data. SC specific delta adjustment under CT 4406 and 4407. Costs allocated under CT 1401 and 1210 accordingly, reference comment field for allocation amount and allocation basis.
51720	03/03/2005	4406, 4407, 1401, 1210	Re-settlement of UFE and UIE based upon revised meter data. SC specific delta adjustment under CT 4406 and 4407. Costs allocated under CT 1401 and 1210 accordingly, reference comment field for allocation amount and allocation basis.
51839	03/25/2005	4407, 1401, 1210	Re-settlement of UIE based upon revised meter data. SC specific delta adjustment under CT 4407. Costs allocated under CT 1401 and 1210 accordingly, reference comment field for allocation amount and allocation basis.
51855	03/25/2005	4407, 1401, 1210	Re-settlement of UIE based upon revised meter data. SC specific delta adjustment under CT 4407. Costs allocated under CT 1401 and 1210 accordingly, reference comment field for allocation amount and allocation basis.
51856	03/26/2005	4407, 1401, 1210	Re-settlement of UIE based upon revised meter data. SC specific delta adjustment under CT 4407. Costs allocated under CT 1401 and 1210 accordingly, reference comment field for allocation amount and allocation basis.
51857	03/27/2005	4407, 1401, 1210	Re-settlement of UIE based upon revised meter data. SC specific delta adjustment under CT 4407. Costs allocated under CT 1401 and 1210 accordingly, reference comment field for allocation amount and allocation basis.

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REF_ID	Trade Date	Adjustment Charge Types	Adjustment Description
51858	03/28/2005	4407, 1401, 1210	Re-settlement of UIE based upon revised meter data. SC specific delta adjustment under CT 4407. Costs allocated under CT 1401 and 1210 accordingly, reference comment field for allocation amount and allocation basis.
51859	03/29/2005	4407, 1401, 1210	Re-settlement of UIE based upon revised meter data. SC specific delta adjustment under CT 4407. Costs allocated under CT 1401 and 1210 accordingly, reference comment field for allocation amount and allocation basis.
51860	03/30/2005	4407, 1401, 1210	Re-settlement of UIE based upon revised meter data. SC specific delta adjustment under CT 4407. Costs allocated under CT 1401 and 1210 accordingly, reference comment field for allocation amount and allocation basis.
51861	03/31/2005	4407, 1401, 1210	Re-settlement of UIE based upon revised meter data. SC specific delta adjustment under CT 4407. Costs allocated under CT 1401 and 1210 accordingly, reference comment field for allocation amount and allocation basis.
52401	07/05/2005, 07/07/2005, 07/11-07/31/2005	4407, 1401, 1210	Re-settlement of UIE based upon revised meter data. SC specific delta adjustment under CT 4407. Costs allocated under CT 1401 and 1210 accordingly, reference comment field for allocation amount and allocation basis.
52488	08/01-10/14/2005	4406, 1401, 1210	Re-settlement of UFE based upon revised transmission losses. SC specific delta adjustment for SDGE UDC under CT 4406. UFE UDC details provided in separate supporting data file. Costs allocated under CT 1401 and 1210 accordingly, reference comment field for allocation amount and allocation basis.
53146	12/30/2005	1277	Re-settlement of intra-zonal congestion based upon revised meter data. SC specific delta adjustment under CT 1277.

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REF_ID	Trade Date	Adjustment Charge Types	Adjustment Description
53562	03/29-04/13/2006	4406	Re-settlement of UFE based upon updated resource UDC association. SC specific delta adjustments for SCE and SDGE UDCs under CT 4406. UFE UDC details provided in separate supporting data file.
55793	06/21-07/19/2008	203, 204	Day ahead congestion erroneously assessed over Parker branch group for trade dates 06/21-07/19/2008 due to incorrect OTC. Day ahead congestion settlement reversed for NFU quantities over Parker (zone LC3).
56270	03/13-03/17/2009	4407, 1401, 1210	Re-settlement of UIE based upon revised meter data. SC specific delta adjustment under CT 4407. Costs allocated under CT 1401 and 1210 accordingly, reference comment field for allocation amount and allocation basis.
56285	03/13-03/17/2009	4407, 1401, 1210	Re-settlement of UIE based upon revised meter data. SC specific delta adjustment under CT 4407. Costs allocated under CT 1401 and 1210 accordingly, reference comment field for allocation amount and allocation basis.
56512	03/31/2009	4575	Reversal of GMC charge (SC specific).
76182	9/30/2006-10/31/2007	51, 111, 2999	SC specific hour ahead capacity payment rescission. Capacity rescission allocated under CT 111 based upon total bill quantity for the trade month, reference comment field for allocation amount and total allocation quantity. Rate for CT 111 is derived as STLMT_AMOUNT divided by BILL_QTY. Associated interest assessed under CT 2999.