

## Attachment C – Agreed Issues (updated)

ISSUE #	ISSUE, INTERVENOR & CITE
6.	Scheduling and Billing Protocol: The SABP does not recognize sales of Ancillary Services from system resources and incorrectly states the formula for inadvertent interchange. <b>BPA I at 16-17.</b>
7.	Proposed new Section 2.5.7.4 is unnecessary and unduly discriminatory against Ancillary Services providers that are located outside the ISO control area that would otherwise be qualified to and wish to participate in the Ancillary Services market in California or who could economically self provide those services using resources located outside of the ISO control area. <b>BPA I at 25-27.</b>
11.	Scheduling Protocol section 1.3.1(d): The Interconnected Control Area Agreement will set forth the entire agreement regarding the coordination of schedules at the interconnection between the ISO and adjacent control areas. Delete inclusion of interfacing control area operators in section 1.3.1(d). <b>BPA I Table 3 at 1.</b>
14.	Outage Coordination Protocol section 1.3.1(d): The Interconnected Control Area Agreement will set forth the entire agreement regarding the coordination of outages affecting the interconnection between the ISO and adjacent control areas. Inclusion of Connected Entities that are adjacent control areas in section 1.3.1(d) should be deleted. <b>BPA I Table 3 at 2.</b>
17.	Dispatch Protocol section 1.3.1(e): The Interconnected Control Area Agreement will set forth the entire agreement between the ISO and adjacent control areas regarding the coordination of information on and mitigation of adverse conditions affecting the reliable operation of the interconnection. Inclusion of Control Area Operators that are adjacent control areas in section 1.3.1(e) should be deleted. <b>BPA I Table 3 at 2-3.</b>
21.	Outage Coordination Protocol section 5.5 requires clarification. It is not clear whether there are different procedures applicable to Participating TOs versus Operators. <b>Southern Cities I at 10.</b>
22.	The ASRP appears inconsistent in describing the different types of resources that may provide a given ancillary service. For example, the provision of regulation and spinning reserves seems limited to Generating Units while other protocols allow for these services to be provided by System Resources. <b>Southern Cities I at 11.</b>  Modify the ASRP Appendices to include System Resources as a means of providing Ancillary Services. <b>BPA Comp Filing at 15-16</b>
24.	Previous drafts of sections 4.1.4 and 4.1.5 of the ASRP should be incorporated to specify the times by which the ISO would publish its estimated requirements for Regulation and provide guidance for participants. <b>Southern Cities I at 11.</b>
26.	Because entities providing Regulation service under section 4.2.2 of the ASRP cannot be held accountable for ISO EMS control and related SCADA equipment not under their control, the language in section 4.2.2 needs to be modified. <b>Southern Cities I at 11-12.</b>  ASRP 4.2.2 needs to be clarified to specify the location and time period of the Participating Generator's responsibilities. <b>Metropolitan I , Appendix A at 18.</b>
34.	Appendix F section 4 of ASRP should require the ISO to respond to a request for reconsideration within 60 days of that request. <b>Southern Cities I at 13.</b>

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35.	SABP section 1.2.4's reference to "prevailing Pacific Standard Time" is confusing. It is not clear whether or not Daylight Time will be recognized. <b>Southern Cities I at 13.</b>
41.	An applicant is entitled to a specific reason for ISO rejection of an application, not just generalized boilerplate reference. Section 3.1(b) of the Scheduling Coordinator Application Protocol should be modified. <b>Southern Cities I at 15.</b>
43.	<p>Section 7.2 of the SCAP providing for suspension of a SC's scheduling rights must address how the SC's customers will simultaneously obtain a replacement SC. <b>Southern Cities I at 15.</b></p> <p>Section 7.2 of the SCAP should specify the results of termination or suspension of SC scheduling rights or rejection of SC schedules. <b>TANC I Appendix A at 10.</b></p> <p>1/28/98 TANC update - Section 7.2 of the SCAP should specify the treatment of schedules submitted to the ISO by a suspended or terminated SC.</p>
45.	The requirement that an applicant must report to the ISO within 3 business days any changes regarding the information set forth in the Application Form is unreasonable. Appendix A (section 6.2) of the SCAP should be changed to 7 days. <b>Southern Cities I at 16.</b>
46.	Sections 3.3.3 and 3.3.4 of the SBP are not clear as to what types of instructions can be exercised independent of the ISO and what types cannot. The ISO should be directed to provide examples. <b>Southern Cities I at 16.</b>
47.	SP section 3 should provide 7 days notice of any variation in timing requirements. <b>Southern Cities I at 17.</b>
56.	Section 2.5.3.2 of the Tariff is subject to multiple interpretations and requires clarification. <b>Comments, Protest and Renewed Request for Hearing of the Cities of Redding and Santa Clara, California, and the M-S-R Public Power Agency, Docket Nos. EC96-19-010, et al., filed December 4, 1997 ("Cities/M-S-R 12/4/97") at 9-11.</b>
57.	Section 16.2, in conjunction with Sections 16.1 and 20.1.3, allows the ISO Board to establish an amendment process and amend the protocols by unilateral action of the ISO Board on 30 days notice, thus depriving the Commission of any review of the amended protocols. <b>Cities/M-S-R 12/4/97 at 12-13.</b>
58.	The ISO should utilize the least expensive Generating Units for all Ancillary Services, including Voltage Support. The ISO should be required to utilize the least-cost Generating Units and clearly incorporate that concept in its "merit order stack" criterion (in Section 2.5.18 of the Tariff). <b>Cities/M-S-R 12/4/97 at 15.</b>
67.	With respect to the discussion of protocol and activity rule changes (MMIP section 7.1), Tariff changes (MMIP section 7.2) and sanctions and penalties (MMIP section 7.3), Enron objects to these provisions allowing the ISO Governing Board to make changes to the protocols without Commission approval. <b>Enron I at 3.</b>

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78.	<p>SMUD disagrees with amended Section 2.4.4.5 which states that the “ ISO will require” an automated solution using its “ Congestion Management software” to deal with transmission rights under Existing Contracts. In many instances, those rights are implemented manually by existing control area operators. SMUD has seen no technical justification from the ISO that past practices in this regard cannot be implemented by the ISO. Further, the ISO’s proposal is inconsistent with the Commission’s recognition of the need to accommodate Existing Contracts. <b>SMUD I at 14.</b></p> <p>The Scheduling Protocol is inconsistent with FERC’s directive and the ISO Tariff in its proposed treatment of conditional firm transmission rights under Existing Contracts (specifically Path 15). <b>Comments and Protest of the California Municipal Utilities Association, Docket Nos. EC96-19-008 and ER96-1663-009, filed November 21, 1997 (“CMUA”) at 9-10.</b></p> <p>SP 7.2 proposes to put all ISO Tariff users, whether formerly PG&amp;E native load, or any other new user, ahead of conditional firm users under Existing Contracts. SP 7.2 relegates conditional firm users under Existing Contract to a lower priority than new users under the ISO Tariff, representing a diminishment in the value of Existing Contracts. <b>CMUA at 10-11.</b></p> <p>Scheduling Protocol is inconsistent with the ISO’s Tariff in which the ISO states that it will have no role in interpreting Existing Contracts. The ISO does so when it establishes range values of Adjustment Bids to reflect its interpretation of the relative priorities of Existing Contracts vis a vis the rights of users of the ISO Tariff. <b>CMUA at 11-12.</b></p>
89. (in part)	<p>Grid Operations Charge, SABP Appendix B 2.2, substitutes and employs the undefined term “ consumption” in calculating the charge. <b>SMUD I at 27.</b></p> <p>The Qcharge, in the SABP substitutes the term metered “ consumption” for metered “ Demand.” Consumption is undefined and creates ambiguity. <b>SMUD I at 27.</b></p>
95.	<p>ASRP 5.3.1, ASRP 5.4.2 and ASRP 6.2.2 are confusing, and unnecessary, in that they present no additional qualifications applicable to a Scheduling Coordinator who is seeking to determine whether it would qualify to provide particular service. These provisions should be clarified and should state the minimum requirement applicable to Scheduling Coordinators seeking to provide services, <i>i.e.</i>, the ability to provide service for 2 hours. <b>ECI I at 10.</b></p>
99.	<p>Section 2.5.20.1 of the Tariff, dealing with allocation of the costs of Ancillary Services, should be revised to use real time demand, rather than schedule demand. <b>Edison at 11-12.</b></p>
106.	<p>The provisions of section 3.2.9(e) of the SP should be expanded to be consistent with section 3.3.2(g) regarding the lack of need for change if the other Control Area operator’s records are in error. Furthermore, the procedure by which the ISO will determine an “ affected SC” regarding the mismatch of inertia schedules should be described. <b>TANC I Appendix A at 1.</b></p>
112.	<p>The failure to submit an “ Adjustment Bid” in the ISO format cannot deny an Existing Contract rights holder its contractual right to firm transmission service. Section 7.2.2(a) of the SP should be modified. <b>TANC I Appendix A at 2.</b></p>
128.	<p>Section 2.5 of the DP should not include an implication that the SBP and SP may alter the ISO Tariff provisions. <b>TANC I Appendix A at 6.</b></p>
131.	<p>Section 10.4.2 of the DP should not attempt to regulate the discretion of Local Regulatory Authorities with regard to load curtailment programs. <b>TANC I Appendix A at 7.</b></p>

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134.	<p>Sections 4.5.3 and 5.5.1 of the ASRP should make clear that Ancillary Services may be provided by providers that are indirectly connected to the ISO Controlled Grid. <b>TANC I Appendix A at 8.</b></p> <p>Sections 5.8.2 and 6.5.2 of the ASRP should make clear that Ancillary Services may be provided by providers that are indirectly connected to the ISO Controlled Grid. <b>TANC I, Appendix A at 8.</b></p>
135.	Sections 7.5.2 and 8.5.1 of the ASRP should include a description of the length of the initial procurement period for Voltage Support and Black Start capability and a reference to the subsequent procurement process as set forth in the ISO Tariff. <b>TANC I Appendix A at 8.</b>
159.	Section 2.1 of the SABP should not attempt to establish matters of “ prima facie proof” in advance for purposes of dispute resolution. <b>TANC I Appendix A at 14.</b>
163.	Appendix A (section 3.2) of the SABP should refer to the ISO’s FERC rate filing in the specification of the volume of transactions on which an SC’s GMC will be calculated. <b>TANC I Appendix A at 14.</b>
169.	Section 6 of the MMIP should provide for a comprehensive scope of review by the ISO Market Surveillance Committee, rather than the narrow scope of functions specified. Moreover, the MMIP should allow for the Committee to present information directly to FERC. <b>TANC I Appendix A at 15.</b>
174.	Amendment to Section 2.2.4.7 does not state who provides the SC services after termination of an SC. <b>TANC I Appendix B at 2.</b>
176.	Use of “ metered consumption” rather than “ metered Demand” (section 8.3) is improper. <b>TANC I Appendix B at 2.</b>
217.	Tariff Amendment No. 6: Proposed changes to the pricing mechanism for Imbalance Energy require clarification, including the definition of Uninstructed Imbalance Energy. <b>TANC III at 3.</b>
220.	<p>Tariff Amendment No. 6: Staging Plan 3 submitted on April 6, 1998 does not provide the expected duration of temporary amendments. <b>DWR III at 2.</b></p> <p>Tariff Amendment No. 4: Amendment 4 addresses a variety of separate issues, ranging from clarifications in the Imbalance Energy calculation, which appear permanent, to modification reflecting a “ temporary manual workaround for assessing Wheeling Access Charges in certain cases until a recently discovered software variance can be corrected,” which appears temporary. Amendment 4 does not, however, clearly identify which changes are permanent, or the expected duration of temporary changes. <b>EC96-19-017, et al.; Protest of DWR, filed 3/16/98.</b></p> <p>Tariff Amendment No. 5: These changes, which increase tolerances, may be necessary upon initial start-up. Nonetheless, they may permit some Market Participants to “lean” on others, such as creating higher Imbalance Energy costs, and necessarily provide less precision and efficiency than contemplated for the ISO. Thus their expected duration should be clearly delimited. <b>EC96-19-018, et al., Protest of DWR filed 3/16/98.</b></p>
243.	The Neutrality Adjustment must be relatively small, as represented. <b>Turlock Irrigation District’s April 9, 1998, comments, filed in Docket Nos. EC96-19-021, ER96-1663-022 (“TID 04/09”), at page 4.</b>

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252.	The ISO proposes additions to Section 7.1.3.1 that incorrectly limit the self-sufficiency credit associated with Existing Contracts for the delivery of power to only those contracts with Participating Transmission Owners. If this language was intended to clarify or further define the requirements for the Self-Sufficiency test, then it should be modified because it incorrectly limits the credits used to determine Self-Sufficiency. The language should be modified to state that: " To the extent that a Participating TO has Existing Contracts with <u>a</u> the Participating TO to which it is physically connected..." Such a modification would allow all valid power supply or delivery contracts to qualify for Self-Sufficiency purposes as intended by the Commission. <b>SMUD II at 6-8.</b>
276.	Request clarification that the ISO does not have the authority to sanction BPA. <b>BPA Comp. Filing at 9.</b>  The ISO does not have authority to sanction Bonneville for or otherwise attempt to control its marketing practices or perceived market power. <b>BPA Req. for Reh'g or Clarif. 11/ 26/97 in EC96-19-001 et al.</b>
277.	Modify ISO Tariff sections 2.2.11.2.2, 2.2.11.2.4 and 2.2.11.2.5 to include System Resources. <b>BPA Comp Filing at 6-7.</b>
279.	Modify ISO Tariff sections 2.2.13.1.2 through 2.2.13.3.1.4 to include System Resources. <b>BPA Comp Filing at 7-8.</b>
280.	Modify ISO Tariff section 2.5.6.1 to remove the requirement that System Resources provide reactive power information. <b>BPA Comp Filing at 9-10.</b>
281.	Complete the sentence in ISO Tariff section 2.5.22.4.1. <b>BPA Comp Filing at 10.</b>
282.	Modify ISO Tariff section 2.5.24 to reflect the use of Dynamic Schedules to verify the performance of Ancillary Services. <b>BPA Comp Filing at 11-12.</b>
288.	Definition section in each ISO Protocol should be revised to delete phrase " Unless the context requires" in conformance with the December 17 Order respecting various ISO pro forma agreements. <b>TANC I, Appendix A at 1, 4, 6, 8, 9, 10, 12, 13, 14 and 15.</b>
293.	SABP 1.2.4 should more appropriately reference " prevailing Pacific time" to avoid confusion during daylight saving time. <b>TANC I, Appendix A at 14.</b>
299.	ISO Tariff § 2.2.4.6.1: To make clear that the jurisdictional status of an entity will not change by virtue of membership or participation in the ISO, the phrase " by an entity subject to the jurisdiction of the FERC" should be added to §2.2.4.6.1 in the first line, after " given." <b>Southern Cities</b>
300.	ISO Tariff § 2.4.4.3.1.2: As the section is drafted, it is not clear what it is intended to prohibit. If it means that a recipient of ISO service cannot obtain transmission over facilities not turned over to the ISO, there is no apparent justification for such a restriction. The provision should be clarified to state that, " The recipient . . . shall obtain all future transmission services over facilities subject to the control of the ISO using the ISO's scheduling and operational procedures and protocols . . . ." <b>Southern Cities.</b>
302.	ISO Tariff §2.5.9 refers to the provision of information to Market Participants, but the body of the section appears to limit access to general system information to SCs. The potential recipients of information referenced in the body of the section should be changed to Market Participants, consistent with the title. <b>Southern Cities.</b>

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303.	ISO Tariff §5.2.3, second sentence, should make reference to Local Regulatory Authority where the designated unit is not subject to the jurisdiction of the FERC. <b>Southern Cities.</b>
306.	The definition for “ Non-ISO Participant” should be deleted from the Master Definitions in the ISO Tariff, because the term does not appear to be used in the ISO Tariff, the Transmission Control Agreement, the PX Tariff or the <i>pro forma</i> TO Tariff. In the absence of any identification as to where and how the term is used, the definition should be deleted. <b>Southern Cities</b>
307.	Ancillary Services Requirements Protocol §10.7.2: In the last line, “ 10” should be changed to “ 11.” <b>Southern Cities</b>
308.	Ancillary Services Requirements Protocol §10.7.2: In the last line, “ 10” should be changed to “ 11.” <b>Southern Cities</b>
310.	Schedules and Bids Protocol §3.3.2: The caption for this section should read “ Curtailment under Emergency and Non-Emergency Conditions,” and each circumstance should be addressed in a subsection. <b>Southern Cities.</b>
316.	Each ISO Protocol allows for the ISO Governing Board to review and approve proposed changes to the Protocols. These sections should be revised to provide for filing of all Protocol changes with the Commission for review and approval of any amendment prior to implementation. <b>Metropolitan</b>
323.	The term “ End Use Scheduling Coordinator Metering Entities” in Section 10.6.6.2 of the ISO Tariff is confusing. The ISO should clarify this term and its intentions regarding certification of meters. <b>Metropolitan’s 12/4 Comments, Appendix A at 2.</b>
325.	ASRP App. A5, App. B5, App. C7, D7 and App. E5 should have specific response times added. <b>Metropolitan I, Appendix A at 20-21.</b>
330.	DP 2.1.3 should be revised to require the ISO to accept Local Reliability Criteria when new participants join the ISO as required by the TCA. <b>Metropolitan I, Appendix A at 10.</b>
334.	The term “ jurisdiction” in DP 6.2 is inaccurate, not defined and confusing. <b>Metropolitan I, Appendix A at 12.</b>
342.	OCP 4.4.3 contains an incorrect cross-reference. OCP 4.3.4 should be changed to OCP 4.4.2. <b>Metropolitan I, Appendix A at 4.</b>
343.	OCP 5.9 and DP 6.8 reference each other with respect to rescheduling of a canceled Outage. The ISO must clearly establish the procedures for rescheduling an Outage. <b>Metropolitan I, Appendix A at 4.</b>
346.	SP 3.1.5 is inconsistent with Section 2.2.8.3 of the ISO Tariff. Section 2.2.8.3 requires that the Revised Schedule be balanced and seek to reduce or eliminate Congestion, while SP 3.1.5 only requires the Revised Schedule to be balanced. <b>Metropolitan I, Appendix A at 7.</b>
361.	ISO must consult will all market participants subject to load curtailments under the Electrical Emergency Plan. <b>EC96-19, et al., Comments of DWR, p. 40 filed 9/2/97.</b>
375.	WSCC and RTG Coordination. Proposed Section 3.2.6 would eliminate the obligation of the transmission Project Sponsor to pay the Participating Transmission Owner’s expenses incurred for WSCC and RTG coordination. This is inconsistent with the Commission’s finding that cost responsibility for a study should track cost responsibility for the project. The ISO should restore the original language, which properly required the Project Sponsor to pay the costs of any study pertaining to WSCC and RTG coordination. <b>LADWP Comments in EC96-19-029 and ER96-1663-030.</b>

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378.	<p><u>Settlement and Billing Protocol</u>. Section 2.2.6 of the Settlement and Billing Protocol requires a Scheduling Coordinator and Participating Transmission Owner to have a settlement account where payments <u>to and from</u> the ISO Clearing Account are made. It should be acceptable if two settlement accounts are used - - one settlement account capable of <u>receiving</u> payments from the ISO Clearing Account, and a different account to <u>remit</u> payments to the ISO Clearing Account. The ISO Staff has indicated in informal discussions that it can accept this approach. Los Angeles requests that Section 2.2.6 be modified to accommodate these concerns. <b>LADWP Comments in EC96-19-029 and ER96-1663-030.</b></p>
405.	Section 2.2.3.1 - Add section to refer to NERC tagging. <b>PG&amp;E 8/5 at 10.</b>
411.	Section 2.3.2.9 - should include a review of ISO actions in outage. <b>PG&amp;E 8/5 at 12.</b>
412.	Section 2.5.2.2 - Time for A/S changes: should provide 7 days notice on ISO home page. <b>PG&amp;E 8/5 at 13.</b>
420.	Section 4.8.4.2 - Add UDC staff presence during ISO visits. <b>PG&amp;E 8/5 at 19.</b>
438.	The ISO has failed to modify the Self-Sufficiency test to clarify that Existing Rightsholders can satisfy the self-sufficiency test while Existing Contracts are still effective. <b>TANC 8/5 Comments at 20.</b>
440.	The use of defined terms in Section 2.5.3.4 of the ISO Tariff is improper, as the ISO does not have control of all Generating Units, but only those of Participating Generators. <b>TANC 8/5 Comments at 26.</b>
442.	<p>Section 2.2.4.5(a)(i) of the ISO Tariff should include a time period for the notice of termination as do subsections (ii) and (iii). <b>TANC 8/5 Comments at 29.</b></p> <p>Section 2.2.4.6 of the ISO Tariff, which provides for notice to an Eligible Customer of termination of its Scheduling Coordinator's agreement simply by a posting on the ISO Home Page, is insufficient notice. The ISO should be required to provide such notice to each Eligible Customer by e-mail. <b>Metropolitan's 8/5 Comments, Appendix 1 at 1. See also issue 36.</b></p>
452.	The language in DP 3.6.1 is overly broad in that it would apply even to transmission assets of the Participating TO that are not turned over to the Operational Control of the ISO. <b>TANC 8/5 Comments at 53.</b>
454.	The term " ISO Market(s), " used throughout the MMIP is not a defined term. <b>TANC 8/5 Comments at 54.</b>
455.	MMIP 3.3.3.1 contains an incorrect reference to MMIP 3.3.3(b) which does not exist. <b>TANC 8/5 Comments at 54.</b>

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456.	<p>MMIP 4.7 contains confusing and unnecessary subsection numbering. It should also provide for a comprehensive scope of review by the ISO Market Surveillance Committee. <b>TANC 8/5 Comments at 54.</b></p> <p>MMIP 6 fails to establish or confirm the specific authority of the Market Surveillance Committee to file information and reports directly with the Commission. <b>TANC 8/5 Comments at 55.</b></p>
462.	<p>ISO Tariff §2.2.7.2: Language added to the end of this section in the June 1, 1998 Compliance Filing provides that, “Scheduling Coordinators shall be able to validate their Schedules prior to the deadline for submission to the ISO.” To avoid misunderstanding, the language should be clarified to state, “Scheduling Coordinators shall have an opportunity to validate their Schedules prior to the deadline for submission to the ISO by requesting such validation prior to the applicable deadline.” <b>Comments on Behalf of the Cities of Anaheim, Azusa, Banning, Colton, and Riverside, California, Docket No. ER98-3760-000, August 17, 1998, at page 8.</b></p>
464.	<p>ISO Tariff §8.3: In the fourth line, “Change” should be “Charge.” <b>Anaheim, Azusa, Banning, Colton, and Riverside Docket No. ER98-3760-000, August 17, 1998, at page 8.</b></p>
465.	<p>ISO Tariff §§10.3 and 10.6.7: These sections have the same titles; to avoid confusion, they should be distinguished. The Southern Cities suggest that §10.3 be captioned “Meter Service Agreements for ISO Metered Entities.” <b>Anaheim, Azusa, Banning, Colton, and Riverside Docket No. ER98-3760-000, August 17, 1998, at page 8.</b></p>
466.	<p>ISO Tariff §11.2.4.1: The intent of the last sentence is unclear and should be clarified. <b>Anaheim, Azusa, Banning, Colton, and Riverside Docket No. ER98-3760-000, August 17, 1998, at page 8.</b></p>
468.	<p>Master Definitions, definition of “Balanced Schedule”: The word “forecast” should be inserted before “Demand.” Because the term applies to advance schedules, the reference to Demand should be clarified to indicate that it is forecast Demand. This change is required to be consistent with §2.2.7.2 of the ISO Tariff. <b>Anaheim, Azusa, Banning, Colton, and Riverside Docket No. ER98-3760-000, August 17, 1998, at page 9.</b></p>
470.	<p>Master Definitions, definitions of “Severance Fee” and “Transition Charge”: In both of these definitions, the date for AB 1890 is incorrect. In addition, the use of the term “enacted” is ambiguous. <b>Anaheim, Azusa, Banning, Colton, and Riverside Docket No. ER98-3760-000, August 17, 1998, at page 9.</b></p>
481.	<p>ISO Tariff §6.1.2.2.2: Unexplained changes proposed in the ISO’s June 1, 1998 Compliance Filing should be explained and justified. <b>Comments of Southern Cities on the June 1, 1998 Compliance Filing, Dockets Nos. EC96-19-029 and ER96-1663-030, August 5, 1998, at page 9.</b></p>
498.	<p>Intra-Zonal Congestion Management procedures and protocols remain incomplete, unspecified or not filed. Any Operating Procedures currently in use by the ISO affecting rates and charges incurred by Market Participants must be filed with the Commission. <b>Comments of Metropolitan to the Compliance Filing Docket Nos. EC96-19-029, et al., at 8-10, filed August 5, 1998 (“Metropolitan’s 8/5 Comments”).</b></p>
508.	<p>All “Temporary” Tariff changes located in Sections 23 through 28 of the ISO Tariff should be relocated to the modified sections. <b>Metropolitan’s 8/5 Comments at 29.</b></p>
511.	<p>The tolerance band specifications necessary to validate submitted schedules are not referenced in Section 2.2.7.2 of the ISO Tariff. It is also unclear how a schedule can be “deemed to be balance” just because it is an import, export, or an Inter-SC trade. <b>Metropolitan’s 8/5 Comments, Appendix I at 2.</b></p>

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512.	The phrase “ Regulation and Reserve” in the first sentence of Section 2.5.20.2 of the ISO Tariff should be replaced with the defined terms “ Regulation,” “ Operating Reserve,” and “ Replacement Reserve” to make the wording more consistent with Section 2.5.20.4. <b>Metropolitan’s 8/5 Comments, Appendix 1 at 5.</b>
513.	The term “ Transmission Loss Imbalance Charge” in Section 2.2.7.3 of the ISO Tariff is not a defined term and should be deleted from the seventh sentence of that section. <b>Metropolitan’s 8/5 Comments, Appendix I at 3.</b>
515.	The third sentence of Section 2.2.12.6 of the ISO Tariff is a repeat of the second sentence. <b>Metropolitan’s 8/5 Comments, Appendix I at 3.</b>
517.	Section 2.3.2.3.4 of the ISO Tariff appears to have an incorrect reference - 2.3.2.3.2(c) should be 2.3.2.3.2(d). <b>Metropolitan’s 8/5 Comments, Appendix I at 3.</b>
521.	The term” market” should be capitalized in the last sentence of Section 2.5.11 of the ISO Tariff. <b>Metropolitan’s 8/5 Comments, Appendix I at 4.</b>
524.	Section 5.10.5 of the ISO Tariff places responsibility for repayment to the ISO of any reserve payment on the owner of Reliability Must-Run Units. However, such an owner may not be the appropriate party for this repayment. <b>Metropolitan’s 8/5 Comments, Appendix I at 6.</b>
525.	The definition for UFE in ISO Appendix A references a section listed as “ Not Used.” <b>Metropolitan’s 8/5 Comments, Appendix I at 6.</b>
527.	The second paragraph of MMIP 2.3.4.4 refers to MMIP 2.2.4 which does not exist. It appears that the section should refer to MMIP 2.3.4. <b>Metropolitan’s 8/5 Comments, Appendix I at 13.</b>
528.	The references to Section 2.6 in SCAP 2.7.1 appear to be incorrect, the reference should be Section 2.7. <b>Metropolitan’s 8/5 Comments, Appendix I at 15.</b>
529.	The references to SCAP 2.6.1 in SCAP 2.7.2 appear to be incorrect, the reference should be Section 2.7.1. <b>Metropolitan’s 8/5 Comments, Appendix I at 15.</b>
532.	The revision to Section 2.5.20.7(e), which infers that Ancillary Services can only be delivered from another Control Area under an Existing Contract, is no longer necessary in light of the Commission’s acceptance of ISO Tariff Amendment No. 10. <b>Metropolitan’s 8/17 Comments at Appendix A.</b>
548.	The ISO Tariff Should Not Be Construed As Permission By State Agencies To Be Sued In Federal Court. <b>EC96-19-029 &amp; ER96-1663-030, Comments and Protest of DWR, p. 44 filed 08/05/1998.</b>
580.	Section 2.2.4.7.2 provides that service will be provided under certain circumstances at “ UDC rates.” However, the ISO has not provided any justification as to why the UDC rate is the appropriate rate. Absent such justification, a Scheduling Coordinator should be compensated at its bid rate. <b>ECl compliance filing protest at 8.</b>
587.	Section 2.5.20.7 sets forth the conditions to be satisfied by self-provided Ancillary Service schedules. One of the criteria appears now to limit self-provided Ancillary Services delivered from another control area to those arranged for pursuant to an Existing Contract. Section 2.5.20.7(e). The ISO has failed to justify this change. <b>ECl compliance filing protest at 3-4.</b>
594.	Section 7.2.6.3 is modified to provide that the ISO will pay Scheduling Coordinators for RMR generation dispatched by the ISO at the “ Energy weighted average of the decremental Adjustment Bids.” This modification appears to be a unilateral attempt by the ISO to modify the contract price under its RMR contracts. The ISO should be required to modify this section to provide that the ISO will pay generators with RMR contracts the price under the RMR contract. <b>ECl compliance filing protest at 12.</b>

### Attachment C – Agreed Issues (updated)

602.	Section 23.2.2 proposes to define the initial BEEP Interval as 10 minutes. However, the ISO goes on to provide that it may, upon 7 days' notice, unilaterally modify the BEEP Interval to be anywhere from 5 to 30 minutes. The timing of the BEEP Interval can impact the real time Energy markets and ex post Energy markets. Therefore, the ISO should only adjust this interval via an appropriately-filed application with the Commission. <b>ECI compliance filing protest at 16.</b>
619.	DP 9.5 grants the ISO broad authority to impose Dispatch Instructions upon generating units, and permits the ISO to sanction a generator for non-compliance. ECI objects. The generator should only be required to comply with the Dispatch Instructions to the extent the ISO has provided all of the dispatch information required under the Tariff. Sanctions should apply only in the case of Ancillary Services, not Supplemental Energy, and should apply only if they have been filed with and approved by the Commission (see discussion above with respect to DP 3.4.4). <b>ECI compliance filing protest at 25.</b>
620.	DP 10.1.1, .2 and .3 provide definitions of System Alert, System Warning, and System Emergency. These provisions are ambiguous as to the criteria of when the ISO may call such emergency conditions. In order to protect the market from the abuses that could occur without objective criteria, the ISO should modify its Tariff to include such criteria. <b>ECI compliance filing protest at 25-26.</b>
622.	SBP 2.1.4 requires the parties to an Inter-Scheduling Coordinator Trade to agree on a Zone in which the Inter-Scheduling Coordinator Trade will be deemed to have taken place. If the parties to an Inter-Scheduling Coordinator Trade cannot agree on the Zone, the ISO is empowered to designate one. The provision is silent, however, as to how the ISO will designate the zone. In order to eliminate the potential for discriminatory application of this provision by the ISO, and to provide market participants with a level of certainty with respect to the factors used by the ISO in designating the zone, the ISO should modify this provision to set forth the criteria to be followed when the ISO determines the zone. <b>ECI compliance filing protest at 27.</b>
656.	The ISO priority for Reliability Must-Run Generation is improper as it violates the Commission October 30 Order (upholding Existing Contracts), the March 27 Order (rejecting Amendment No. 3), Order No. 888, and the CPUC Policy Decision. It is anticompetitive and inconsistent with the problem alleged by the ISO as justification. The priority extends to all hours, not just hours the RMR unit will called on under contract. <b>Metropolitan's Rehearing Docket Nos. EC96-19-023, et al., at 6-19, filed June 29, 1998. ("Metropolitan Amendment No. 7 Rehearing Request").</b>
657.	Linkages in SP 7.2.2 and SP 7.2.3 to the schedules of Existing Contracts, but not to other schedules, is arbitrary and discriminatory. <b>Metropolitan Amendment No. 7 Rehearing Request at 20.</b>
658.	Terms External Export, Inter-Scheduling Coordinator (SC) Trade Export, External Import and Inter-Scheduling Coordinator Trade Import must be defined and used consistently in SP 7.2.3 and SBP 4.6. <b>Metropolitan Amendment No. 7 Rehearing Request at 21.</b>
667.	Sections 5.7.1 and 5.7.2 of the Compliance Tariff give broad discretion to the ISO to require compliance with interconnection standards which are different from or in addition to the interconnection standards reflected in Existing Contracts, such as interconnection agreements. This is an improper elevation of the authority of the ISO and should be rejected. <b>Cities/M-S-R Rehearing 12/1/97 at 38-40.</b>

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673.	The ISO does not mitigate constraints between Active and Inactive Zones as part of the Inter-Zonal CM process. The tariff provides pursuant to section 7.2.7.3.3 and 7.2.7.3.5 how costs are allocated and when a new or inactive zone should be created or become active. If Congestion appears at an interface with an Inactive Zone, the ISO intends to convert it into an Active Zone and classify the transmission path as an Inter-Zonal interface. <b>ISO Request for Reh'g, etc. dated 12/1/97 in Docket Nos. EC96-19 and ER96-1663 at pp. 6-8.</b>
674.	The ISO notes that some of the information which the Commission requires to be posted will be unavailable until necessary software is in place. <b>ISO Request for Reh'g, etc. dated 12/1/97 in Docket Nos. EC96-19 and ER96-1663 at pp. 6-8.</b>