

SWIDLER BERLIN SHEREFF FRIEDMAN, LLP

THE WASHINGTON HARBOUR
3000 K STREET, NW, SUITE 300
WASHINGTON, DC 20007-5116
TELEPHONE (202) 424-7500
FAX (202) 424-7643
WWW.SWIDLAW.COM

NEW YORK OFFICE
THE CHRYSLER BUILDING
405 LEXINGTON AVENUE
NEW YORK, NY 10174
(212) 973-0111 FAX (212) 891-9998

ORIGINAL

May 29, 2001

Office of the Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

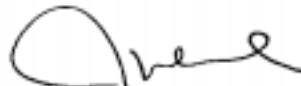
FILED
OFFICE OF THE SECRETARY
01 MAY 29 AM 11:51
FEDERAL ENERGY REGULATORY COMMISSION

Dear Sir or Madam:

Enclosed please find one signed and six conformed copies of the California Independent System Operator Corporation's FERC Form No. 1 Report for the year ended December 31, 2000. You should have received an electronic version of the report on May 25, 2001, which contains the same information as included in the paper copies.

Two additional copies of this filing are enclosed to be date-stamped and returned to our messenger. If there are any questions concerning this filing, please contact the undersigned.

Respectfully submitted,



Julia Moore
(202) 295-8357

Counsel for the California Independent System
Operator Corporation

01053103441

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Form Approved
OMB No. 1902-0021
(Expires 11/30/2001)

THIS FILING IS (CHECK ONE BOX FOR EACH ITEM)	
Item 1: <input checked="" type="checkbox"/> An Initial (Original) Submission	OR <input type="checkbox"/> Resubmission No. _____
Item 2: <input type="checkbox"/> An Original Signed Form	OR <input type="checkbox"/> Conformed Copy



FILED
 OFFICE OF THE SECRETARY
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 FEDERAL ENERGY REGULATORY COMMISSION

FERC Form No. 1: ANNUAL REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHERS

This report is mandatory under the Federal Power Act, Sections 3, 4(a), 304 and 309, and 18 CFR 141.1. Failure to report may result in criminal fines, civil penalties and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider this report to be of a confidential nature.

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Exact Legal Name of Respondent (Company) California Independent System Operator Corporation	Year of Report Dec. 31, <u>2000</u>
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Report of Independent Accountants

To Members of the Board of Governors
California Independent System Operator Corporation

We have audited the balance sheets of the California Independent System Operator Corporation (the Company) as of December 31, 2000 and 1999, and the related statements of income, of retained earnings and of cash flows for the years then ended, included on pages 110 through 123 of the accompanying Federal Energy Regulatory Commission Form 1. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.


We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the California Independent System Operator Corporation at December 31, 2000 and 1999, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America and in accordance with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 3 to the financial statements, the Company is economically dependent upon its market participants, all of which are actively involved in California's electric utility industry which is experiencing significant structural and financial problems which are adversely affecting many of these market participants. These impacts have been particularly severe on the state's two largest investor owned utilities, leading to their defaults on various obligations including some of their charges billed by the Company on behalf of the Company's markets. One of these investor owned utilities filed for bankruptcy protection in April 2001. These uncertainties raise substantial doubt about the Company's ability to continue as a going concern. The priority position of the Company's revenues (grid management charges) in the market and other factors relating to management's expectations of full collection of such revenues are also described in Note 3. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

PricewaterhouseCoopers LLP
April 23, 2001

**FERC FORM NO. 1:
ANNUAL REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHER**

IDENTIFICATION		
01 Exact Legal Name of Respondent California Independent System Operator Corporation		02 Year of Report Dec. 31, <u>2000</u>
03 Previous Name and Date of Change (if name changed during year) / /		
04 Address of Principal Office at End of Year (Street, City, State, Zip Code) 151 Blue Ravine Road, Folsom, CA 95630		
05 Name of Contact Person Dennis Y. Estrada		06 Title of Contact Person Manager, Gen Acctg & Fin
07 Address of Contact Person (Street, City, State, Zip Code) 151 Blue Ravine Road, Folsom, CA 95630		
08 Telephone of Contact Person/including Area Code (916) 351-2235	09 This Report Is (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	10 Date of Report (Mo, Da, Yr) 04/23/2001
ATTESTATION		
The undersigned officer certifies that he/she has examined the accompanying report: that to the best of his/her knowledge, information, and belief, all statements of fact contained in the accompanying report are true and the accompanying report is a correct statement of the business and affairs of the above named respondent in respect to each and every matter set forth therein during the period from and including January 1 to and including December 31 of the year of the report.		
01 Name Michael K. Epstein	03 Signature 	04 Date Signed (Mo, Da, Yr) 5/8/01
02 Title Controller		
Title 18, U.S.C. 1001 makes it a crime for any person to knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.		

Name of Respondent California Independent System Operator Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 02/21/2001	Year of Report Dec. 31, 2000
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LIST OF SCHEDULES (Electric Utility)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
1	General Information	101	
2	Control Over Respondent	102	
3	Corporations Controlled by Respondent	103	N/A
4	Officers	104	
5	Directors	105	
6	Security Holders and Voting Powers	106-107	N/A
7	Important Changes During the Year	108-109	
8	Comparative Balance Sheet	110-113	
9	Statement of Income for the Year	114-117	
10	Statement of Retained Earnings for the Year	118-119	
11	Statement of Cash Flows	120-121	
12	Notes to Financial Statements	122-123	
13	Summary of Utility Plant & Accumulated Provisions for Dep, Amort & Dep	200-201	
14	Nuclear Fuel Materials	202-203	N/A
15	Electric Plant in Service	204-207	
16	Electric Plant Leased to Others	213	N/A
17	Electric Plant Held for Future Use	214	N/A
18	Construction Work in Progress-Electric	216	
19	Construction Overheads-Electric	217	
20	General Description of Construction Overhead Procedure	218	
21	Accumulated Provision for Depreciation of Electric Utility Plant	219	
22	Nonutility Property	221	N/A
23	Investment of Subsidiary Companies	224-225	N/A
24	Materials and Supplies	227	N/A
25	Allowances	228-229	N/A
26	Extraordinary Property Losses	230	N/A
27	Unrecovered Plant and Regulatory Study Costs	230	N/A
28	Other Regulatory Assets	232	N/A
29	Miscellaneous Deferred Debits	233	N/A
30	Accumulated Deferred Income Taxes	234	N/A
31	Capital Stock	250-251	N/A
32	Cap Stk Sub, Cap Stk Liab for Con, Prem Cap Stk & Inst Recd Cap Stk	252	N/A
33	Other Paid-in Capital	253	N/A
34	Discount on Capital Stock	254	N/A
35	Capital Stock Expense	254	N/A
36	Long-Term Debt	256-257	

Name of Respondent California Independent System Operator Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Ja, Yr) 02/20/2001	Year of Report Dec. 31, 2000
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LIST OF SCHEDULES (Electric Utility) (continued)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
37	Reconciliation of Reported Net Income with Taxable Inc for Fed Inc Tax	261	N/A
38	Taxes Accrued, Prepaid and Charged During the Year	262-263	
39	Accumulated Deferred Investment Tax Credits	266-267	N/A
40	Other Deferred Credits	269	
41	Accumulated Deferred Income Taxes-Accelerated Amortization Property	272-273	N/A
42	Accumulated Deferred Income Taxes-Other Property	274-275	N/A
43	Accumulated Deferred Income Taxes-Other	276-277	N/A
44	Other Regulatory Liabilities	278	N/A
45	Electric Operating Revenues	300-301	
46	Sales of Electricity by Rate Schedules	304	N/A
47	Sales for Resale	310-311	N/A
48	Electric Operation and Maintenance Expenses	320-323	
49	Number of Electric Department Employees	323	
50	Purchased Power	326-327	N/A
51	Transmission of Electricity for Others	328-330	N/A
52	Transmission of Electricity by Others	332	N/A
53	Miscellaneous General Expenses-Electric	335	
54	Depreciation and Amortization of Electric Plant	336-337	
55	Particulars Concerning Carbon Income Deduction and Int Charges Accts	340	
56	Regulatory Commission Expenses	350-351	
57	Research, Development and Demonstration Activities	352-353	N/A
58	Distribution of Salaries and Wages	354-355	
59	Common Utility Plant and Expenses	356	N/A
60	Electric Energy Account	401	N/A
61	Monthly Peaks and Output	401	N/A
62	Steam Electric Generating Plant Statistics (Large Plants)	402-403	N/A
63	Hydroelectric Generating Plant Statistics (Large Plants)	406-407	N/A
64	Pumped Storage Generating Plant Statistics (Large Plants)	408-409	N/A
65	Generating Plant Statistics (Small Plants)	410-411	N/A
66	Transmission Line Statistics	422-423	N/A

Name of Respondent California Independent System Operator Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo., Da., Yr) 02/23 2001	Year of Report Dec. 31, 2000
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LIST OF SCHEDULES (Electric Utility) (continued)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
67	Transmission Lines Added During Year	424-425	N/A
68	Substations	426-427	N/A
69	Electric Distribution Meters and Line Transformers	429	N/A
70	Environmental Protection Facilities	430	N/A
71	Environmental Protection Expenses	431	N/A
72	Footnote Data	450	N/A

Stockholders' Reports Check appropriate box:

- Four copies will be submitted
 No annual report to stockholders is prepared

Name of Respondent California Independent System Operator Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 02/23/2001	Year of Report Dec. 31, <u>2000</u>
GENERAL INFORMATION			
1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept, and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept. William J. Regan, Jr. Chief Financial Officer 151 Blue Ravine Road Folsom, CA 95630			
2. Provide the name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized. California - 1997			
3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased. Not Applicable			
4. State the classes or utility and other services furnished by respondent during the year in each State in which the respondent operated. California - Independent system operator of the ICG-owned transmission lines.			
5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements? (1) <input type="checkbox"/> Yes...Enter the date when such independent accountant was initially engaged: (2) <input checked="" type="checkbox"/> No			

Name of Respondent California Independent System Operator	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 02/13/2001	Year of Report Dec. 31, <u>2000</u>
CONTROL OVER RESPONDENT			
1. If any corporation, business trust, or similar organization or a combination of such organizations jointly held control over the respondent at the end of the year, state name of controlling corporation or organization, manner in which control was held, and extent of control. If control was in a holding company organization, show the chain of ownership or control to the main parent company or organization. If control was held by a trustee(s), state name of trustee(s), name of beneficiary or beneficiaries for whom trust was maintained, and purpose of the trust.			
<p>The California Independent System Operator Corporation (CAISO) was created as a result of the restructuring of the electric industry in California. CAISO is exempt from Federal income taxes under Section 501 (c) (3) of the US Internal Revenue Code and is also exempt from California state franchise and income taxes.</p>			

Name of Respondent California Independent System Operator Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 02/27/2001	Year of Report Dec. 31, 2000
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OFFICERS

- Report below the name, title and salary for each executive officer whose salary is \$50,000 or more. An "executive officer" of a respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function (such as sales, administration or finance), and any other person who performs similar policy making functions.
- If a change was made during the year in the incumbent of any position, show name and total remuneration of the previous incumbent, and the date the change in incumbency was made.

Line No.	Title (a)	Name of Officer (b)	Salary for Year (c)
1	Chief Executive Officer	Terry M. Winter	684,000
2	Chief Operations Officer	Kellan Fluxiger	342,890
3	Chief Information Officer	Dennis R. Fishback	305,227
4	Chief Financial Officer	William J. Regan, Jr.	351,187
5	Vice President - Client Services	Zora Lazio (thru 12/22/00)	585,481
6	Vice President - Human Resources	Randy B. Bernathy	263,808
7	Vice President - Strategic Development & Communications	Elena Schmid	183,013
8	Vice President and Chief Counsel	Charles R. Binson (eff 4/10/00)	207,930
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Name of Respondent California Independent System Operator Corporation		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo., Da., Yr) 02/23/2001	Year of Report Dec. 31, 2000
DIRECTORS				
1. Report below the information called for concerning each director of the respondent who held office at any time during the year. Include in column (a), abbreviated titles of the directors who are officers of the respondent.				
2. Designate members of the Executive Committee by a triple asterisk and the Chairman of the Executive Committee by a double asterisk.				
Line No.	Name (and Title) of Director (a)	Principal Business Address (b)		
1	Paul Arnold	BPA, 5411 NE Highway 99, MRT/DITT2, Vancouver, WA		
2	Barbara Barkovich ***	31 Eucalyptus Lane, San Rafael, CA 94901-2304		
3	Gregory Blue	5976 West Las Positas Blvd. #2000, Pleasanton, CA 94588		
4	Bill Carnahan	225 S. Lake Ave. #1410, Pasadena, CA 94588		
5	Camden Collins (Resigned 7-3-00) ***	1770 Broadway #306, SF, CA 94109		
6	Gary Cotton (Resigned 10-15-00)	8330 Century Park Court, San Diego, CA 92123-1593		
7	Marcie Edwards (Resigned 10-28-00)	111 North Hope Street # 1522, Los Angeles, CA 90012		
8	Richard Ferraris (Resigned 9-1-00)	6201 S Street, Sacramento, CA 95817		
9	John Fielder	2244 Walnut Grove, Rosemead, CA 91770-3714		
10	Mike Florio	711 Van Ness Avenue, Suite 350, San Francisco, CA 94105		
11	Timothy Hay	978 Ridgeview Drive, Reno, NV 89511		
12	Karen Johanson	45982 Corte Carmelo, Temecula, CA 92592		
13	Stephen Kashwada (Resigned 9-1-00)	1416 Ninth Street, Room 1115-9, Sacramento, CA 95814		
14	Carolyn Kehrlein	1505 Dunlap Court, Dixon, CA 95620-4208		
15	Daniel Kirschner	5855 College Avenue, Suite 304, Oakland, CA 94618		
16	Stacey Kusters	686 Burnard Street, Suite 1400, Vancouver, BC, Canada V6C 2X8		
17	Jim Macias (Resigned 2-29-00)	77 Beale Street 32nd Floor, San Francisco, CA 94105-1820		
18	John McGuire (Resigned 9-1-00) ***	1500 Warburton Avenue, Senate Clara, CA 95060		
19	Jack McNally	3063 Citrus Circle, Walnut Creek, CA 94598		
20	Daniel Nix	1516 Ninth Street, MS-21, Sacramento, CA 95814-5512		
21	David Parquet (Resigned 9-1-00) ***	101 California Street #1860, San Francisco, CA 94111		
22	Stacy Roacoe	800 N. Rice Avenue, Oxnard, CA 93030		
23	Jan Smutny-Jones (Board Chairman) **	11121 Street Suite 380, Sacramento, CA 95814		
24	Patricia Swanson	2745 Sulphur Drive, Hayward, CA 94541		
25	Jerry Toonyes (Resigned 9-1-00)	114 Parkshore Drive, Folsom, CA 95630		
26	V. John White	1100 Eleventh Street #311, Sacramento, CA 95814		
27	Terry Winter (Chief Executive Officer) ***	151 Blue Ravine Road, Folsom, CA 95630		
28	Ken Wiseman (Board Vice-Chairman)	1260 East Cole, Fresno, CA 93720		
29	Eric Woychik	9901 Caloden Lane, Oakland, CA 94605		
30	Mark Zering	505 Van Ness Avenue, Suite 3105, San Francisco, CA 94102		
31	Steve Ponder	6307 Greenbriar Lane, Granite Bay, CA 95748		
32	James H. Pope	385 Bryan Dr., Alamo, CA 94507		
33	Bill Reed	158 Commerce Rd., Stamford, CT 06902		
34	Michael Woods	786 Broadway, Sonoma, CA 95476		
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Name of Respondent - California Independent System Operator	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 02/23/2001	Year of Report Dec. 31, 2000
IMPORTANT CHANGES DURING THE YEAR			
<p>Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry should be answered. Enter "none," "not applicable," or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.</p> <ol style="list-style-type: none"> 1. Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact. 2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization. 3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission. 4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other condition. State name of Commission authorizing lease and give reference to such authorization. 5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc. 6. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity of one year or less. Give reference to FERC or State Commission authorization, as appropriate, and the amount of obligation or guarantee. 7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments. 8. State the estimated annual effect and nature of any important wage scale changes during the year. 9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year. 10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on Page 106, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest. 11. (Reserved.) 12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by Instructions 1 to 11 above, such notes may be included on this page. 			
PAGE 108 INTENTIONALLY LEFT BLANK SEE PAGE 109 FOR REQUIRED INFORMATION.			

Name of Respondent California Independent System Operator Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 02/23/2001	Year of Report Dec 31, 2000
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IMPORTANT CHANGES DURING THE YEAR (Continued)

1. NA
2. NA
3. NA
4. NA
5. NA
6. \$293,000,000 BONDS ISSUED IN YEAR 2000. DOCKET NO. ES00-12-000
(18 C.F.R. SECTION 85.713)
7. AMENDMENT TO ARTICLES OF INCORPORATION TO INCLUDE PILING OF "WELFARE EXEMPTION" STATUS WITH STATE OF CALIFORNIA. THE EXEMPTION STATUS ALLOWS CORPORATION TO BE EXEMPT FROM PROPERTY TAXES.
8. A 4.25% AVERAGE INCREASE IN WAGE COMPENSATION INCURRED DURING 2000 DUE TO MERIT PAY INCREASES.
9. REFER TO PAGE 123, NOTES TO THE FINANCIAL STATEMENTS NOTE 9.
10. NOT APPLICABLE
11. (RESERVED).
12. REFER TO "NOTES TO THE FINANCIAL STATEMENTS" ON PAGE 123, WHICH IS INCORPORATED HEREIN BY REFERENCE.

Name of Respondent		This Report is:	Date of Report	Year of Report
California Independent System Operator Corporation		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 02/23/2001	Dec. 31, 2000
COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)				
Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
UTILITY PLANT				
2	Utility Plant (101-106, 114)	200-20	154,921,059	188,582,067
3	Construction Work in Progress (107)	200-20	12,720,740	16,230,204
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		167,641,799	204,812,271
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 111, 115)	200-20	45,637,174	91,709,807
6	Net Utility Plant (Enter Total of line 4 less 5)		122,004,625	113,102,464
7	Nuclear Fuel (120.1-120.4, 120.6)	202-20	0	0
8	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-20	0	0
9	Net Nuclear Fuel (Enter Total of line 7 less 8)		0	0
10	Net Utility Plant (Enter Total of lines 6 and 9)		122,004,625	113,102,464
11	Utility Plant Adjustments (118)	122	0	0
12	Gas Stored Underground - Noncurrent (117)		0	0
OTHER PROPERTY AND INVESTMENTS				
14	Nonutility Property (121)	221	0	0
15	(Less) Accum. Prov. for Depr. and Amort. (122)		0	0
16	Investments in Associated Companies (123)		0	0
17	Investment in Subsidiary Companies (123.1)	224-22	0	0
18	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
19	Noncurrent Portion of Allowances	228-22	0	0
20	Other Investments (124)		0	0
21	Special Funds (125-128)		25,495,346	25,093,442
22	TOTAL Other Property and Investments (Total of lines 14-17,19-21)		25,495,346	25,093,442
CURRENT AND ACCRUED ASSETS				
24	Cash (131)		30,144,326	41,462,468
25	Special Deposits (132-134)		17,152,737	21,487,200
26	Working Fund (135)		0	868
27	Temporary Cash Investments (136)		0	0
28	Notes Receivable (141)		0	0
29	Customer Accounts Receivable (142)		41,262,289	45,786,028
30	Other Accounts Receivable (143)		0	585,694
31	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		0	0
32	Notes Receivable from Associated Companies (145)		0	0
33	Accounts Receivable from Assoc. Companies (146)		0	0
34	Fuel Stock (151)	227	0	0
35	Fuel Stock Expenses Undistributed (152)	227	0	0
36	Residuals (Elec) and Extracted Products (153)	227	0	0
37	Plant Materials and Operating Supplies (154)	227	0	0
38	Merchandise (155)	227	0	0
39	Other Materials and Supplies (156)	227	0	0
40	Nuclear Materials Held for Sale (157)	202-203/227	0	0
41	Allowances (158.1 and 158.2)	228-22	0	0
42	(Less) Noncurrent Portion of Allowances		0	0
43	Stores Expense Undistributed (163)	227	0	0
44	Gas Stored Underground - Current (164.1)		0	0
45	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)		0	0
46	Prepayments (165)		3,329,227	2,950,677
47	Advances for Gas (166-167)		0	0
48	Interest and Dividends Receivable (171)		87,503	87,503
49	Rents Receivable (172)		0	0
50	Accrued Utility Revenues (173)		0	0
51	Miscellaneous Current and Accrued Assets (174)		0	0
52	TOTAL Current and Accrued Assets (Enter Total of lines 24 thru 51)		91,978,082	112,360,438
FERC FORM NO. 1 (ED. 12-94) Page 110				

Name of Respondent California Independent System Operator Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 02/13/2001	Year of Report Dec. 31, 2000
COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS) (continued)					
Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)	
53	DEFERRED DEBITS				
54	Unamortized Debt Expenses (181)		1,327,593	877,254	
55	Extraordinary Property Losses (182.1)	230	0	0	
56	Unrecovered Plant and Regulatory Study Costs (182.2)	230	0	0	
57	Other Regulatory Assets (182.3)	232	0	0	
58	Prelim. Survey and Investigation Charges (Electric) (183)		0	0	
59	Prelim. Sur. and Invest. Charges (Gas) (183.1, 183.2)		0	0	
60	Clearing Accounts (184)		-47,632	-3,977	
61	Temporary Facilities (185)		0	0	
62	Miscellaneous Deferred Debits (186)	233	0	0	
63	Def. Losses from Disposition of Utility Plt. (187)		0	0	
64	Research, Devel. and Demonstration Expend. (188)	352-353	0	0	
65	Unamortized Loss on Required Debt (189)		0	0	
66	Accumulated Deferred Income Taxes (190)	234	0	0	
67	Unrecovered Purchased Gas Costs (191)		0	0	
68	TOTAL Deferred Debits (Enter Total of lines 54 thru 67)		1,279,961	873,277	
69	TOTAL Assets and Other Debits (Enter Total of lines 10,11,12,22,52,68)		240,756,014	251,429,621	

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report	
California Independent System Operator Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	02/ 3/2001	Dec. 31, 2000	
COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)				
Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
1	PROPRIETARY CAPITAL			
2	Common Stock Issued (201)	250-251	0	0
3	Preferred Stock Issued (204)	250-251	0	0
4	Capital Stock Subscribed (202, 205)	252	0	0
5	Stock Liability for Conversion (203, 206)	252	0	0
6	Premium on Capital Stock (207)	252	0	0
7	Other Paid-in Capital (208-211)	253	0	0
8	Installments Received on Capital Stock (212)	252	0	0
9	(Less) Discount on Capital Stock (213)	254	0	0
10	(Less) Capital Stock Expense (214)	254	0	0
11	Retained Earnings (215, 215.1, 216)	118-119	-66,701,100	-68,346,482
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	0	0
13	(Less) Required Capital Stock (217)	250-251	0	0
14	TOTAL Proprietary Capital (Enter Total of lines 2 thru 13)		-66,701,100	-68,346,482
15	LONG-TERM DEBT			
16	Bonds (221)	256-257	282,500,000	293,000,000
17	(Less) Required Bonds (222)	256-257	0	0
18	Advances from Associated Companies (223)	256-257	0	0
19	Other Long-Term Debt (224)	256-257	0	0
20	Unamortized Premium on Long-Term Debt (225)		0	0
21	(Less) Unamortized Discount on Long-Term Debt-Debit (226)		0	0
22	TOTAL Long-Term Debt (Enter Total of lines 16 thru 21)		282,500,000	293,000,000
23	OTHER NONCURRENT LIABILITIES			
24	Obligations Under Capital Leases - Noncurrent (227)		0	0
25	Accumulated Provision for Property Insurance (228.1)		0	961,351
26	Accumulated Provision for Injuries and Damages (228.2)		0	0
27	Accumulated Provision for Pensions and Benefits (228.3)		0	0
28	Accumulated Miscellaneous Operating Provisions (228.4)		0	0
29	Accumulated Provision for Rate Refunds (229)		0	0
30	TOTAL OTHER Noncurrent Liabilities (Enter Total of lines 24 thru 29)		0	961,351
31	CURRENT AND ACCRUED LIABILITIES			
32	Notes Payable (231)		0	0
33	Accounts Payable (232)		23,996,273	25,658,042
34	Notes Payable to Associated Companies (233)		0	0
35	Accounts Payable to Associated Companies (234)		0	0
36	Customer Deposits (235)		0	0
37	Taxes Accrued (236)	262-263	121,942	158,827
38	Interest Accrued (237)		0	0
39	Dividends Declared (238)		0	0
40	Matured Long-Term Debt (239)		0	0
41	Matured Interest (240)		0	0
42	Tax Collections Payable (241)		-107	-107
43	Miscellaneous Current and Accrued Liabilities (242)		0	0
44	Obligations Under Capital Leases-Current (243)		0	0
45	TOTAL Current & Accrued Liabilities (Enter Total of lines 32 thru 44)		24,118,114	25,814,762

Name of Respondent California Independent System Operator Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 02/ 3/2001	Year of Report Dec. 31, 2000
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COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS) *(continued)*

Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
46	DEFERRED CREDITS			
47	Customer Advances for Construction (252)		0	0
48	Accumulated Deferred Investment Tax Credits (255)	266-267	0	0
49	Deferred Gains from Disposition of Utility Plant (256)		0	0
50	Other Deferred Credits (253)	269	839,000	0
51	Other Regulatory Liabilities (254)	278	0	0
52	Unamortized Gain on Required Debt (257)		0	0
53	Accumulated Deferred Income Taxes (281-283)	272-277	0	0
54	TOTAL Deferred Credits (Enter Total of lines 47 thru 53)		839,000	0
55			0	0
56			0	0
57			0	0
58			0	0
59			0	0
60			0	0
61			0	0
62			0	0
63			0	0
64			0	0
65			0	0
66			0	0
67			0	0
68	TOTAL Liab and Other Credits (Enter Total of lines 14,22,30,45,54)		240,756,014	251,429,621

Name of Respondent California Independent System Operator Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo., Da., Yr) 02/23/ 2001	Year of Report Dec. 31, 2000
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STATEMENT OF INCOME FOR THE YEAR

- Report amounts for accounts 412 and 413, Revenue and Expenses from Utility Plant Leased to Others, in another Utility column (j, k, m, o) in a similar manner to a utility department. Spread the amount(s) over Lines 02 thru 24 as appropriate. Include these amounts in columns (c) and (d) totals.
- Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.
- Report data for lines 7,9, and 10 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1 and 407.2.
- Use pages 122-123 for important notes regarding the statement of income or any account thereof.
- Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in a material refund to the utility with respect to power or gas purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power and gas purchases.
- Give concise explanations concerning significant amounts of any refunds made or received during the year

Line No.	Account (a)	(Ref.) Page No. (b)	TOTAL	
			Current Year (c)	Previous Year (d)
1	UTILITY OPERATING INCOME			
2	Operating Revenues (400)	300-301	185,406,886	163,527,508
3	Operating Expenses			
4	Operation Expenses (401)	320-323	118,321,055	105,036,582
5	Maintenance Expenses (402)	320-323	15,999,796	12,217,020
6	Depreciation Expense (403)	336-337	46,072,632	32,091,952
7	Amort. & Depl. of Utility Plant (404-405)	336-337		
8	Amort. of Utility Plant Acq. Adj. (406)	336-337		
9	Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407)			
10	Amort. of Conversion Expenses (407)			
11	Regulatory Debits (407.3)			
12	(Less) Regulatory Credits (407.4)			
13	Taxes Other Than Income Taxes (408.1)	262-263	49	216,305
14	Income Taxes - Federal (409.1)	262-263		
15	- Other (409.1)	262-263		
16	Provision for Deferred Income Taxes (410.1)	234, 272-277		
17	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234, 272-277		
18	Investment Tax Credit Adj. - Net (411.4)	266		
19	(Less) Gains from Disp. of Utility Plant (411.6)			
20	Losses from Disp. of Utility Plant (411.7)			
21	(Less) Gains from Disposition of Allowances (411.8)			
22	Losses from Disposition of Allowances (411.9)			
23	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 22)		180,393,532	149,563,859
24	Net Util Oper Inc (Enter Tot line 2 less 23) Carried to P117, line 25		5,013,353	13,963,649

Name of Respondent California Independent System Operator Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo., Da., Yr) 02/23/2001	Year of Report Dec. 31, 2000
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STATEMENT OF INCOME FOR THE YEAR (Continued)

resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.

7. If any notes appearing in the report to stockholders are applicable to this Statement of Income, such notes may be included on pages 122-123.

8. Enter on pages 122-123 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also give the approximate dollar effect of such changes.

9. Explain in a footnote if the previous year's figures are different from that reported in prior reports.

10. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles, lines 2 to 23, and report the information in the blank space on pages 122-123 or in a footnote.

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		Line No.
Current Year (e)	Previous Year (f)	Current Year (g)	Previous Year (h)	Current Year (i)	Previous Year (j)	
						1
185,406,885	183,527,508					2
						3
118,321,065	105,038,562					4
15,999,796	12,217,020					5
48,072,832	32,091,952					6
						7
						8
						9
						10
						11
						12
49	216,305					13
						14
						15
						16
						17
						18
						19
						20
						21
						22
180,393,532	149,563,859					23
5,013,353	13,963,649					24

Name of Respondent California Independent System Operator Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 02/23/2001		Year of Report Dec. 31, 2000	
STATEMENT OF INCOME FOR THE YEAR (Continued)							
Line No.	OTHER UTILITY		OTHER UTILITY		OTHER UTILITY		
	Current Year (k)	Previous Year (l)	Current Year (m)	Previous Year (n)	Current Year (o)	Previous Year (p)	
1							
2							
3							
4							
5							
6							
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22							
23							
24							

Name of Respondent California Independent System Operator Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Ja, Yr) 02/25/2001	Year of Report Dec. 31, 2000
STATEMENT OF INCOME FOR THE YEAR (Continued)				
Line No.	Account (a)	(Ref.) Page No. (b)	TOTAL	
			Current Year (c)	Previous Year (d)
25	Net Utility Operating Income (Carried forward from page 114)		5,013,353	13,963,649
26	Other Income and Deductions			
27	Other Income			
28	Nonutility Operating Income			
29	Revenues From Merchandising, Jobbing and Contract Work (415)			
30	(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)			
31	Revenues From Nonutility Operations (417)			
32	(Less) Expenses of Nonutility Operations (417.1)			
33	Nonoperating Rental Income (418)			
34	Equity in Earnings of Subsidiary Companies (418.1)	119		
35	Interest and Dividend Income (419)		4,763,668	7,341,438
36	Allowance for Other Funds Used During Construction (419.1)			
37	Miscellaneous Nonoperating Income (421)		1,677,716	99,005
38	Gain on Disposition of Property (421.1)			
39	TOTAL Other Income (Enter Total of lines 29 thru 38)		6,441,384	7,440,443
40	Other Income Deductions			
41	Loss on Disposition of Property (421.2)			
42	Miscellaneous Amortization (425)	340		
43	Miscellaneous Income Deductions (426.1-426.5)	340	843,537	1,044,705
44	TOTAL Other Income Deductions (Total of lines 41 thru 43)		843,537	1,044,705
45	Taxes Applic. to Other Income and Deductions			
46	Taxes Other Than Income Taxes (408.2)	262-263		
47	Income Taxes-Federal (409.2)	262-263		
48	Income Taxes-Other (409.2)	262-263		
49	Provision for Deferred Inc. Taxes (410.2)	234, 272-1:77		
50	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234, 272-1:77		
51	Investment Tax Credit Adj.-Net (411.5)			
52	(Less) Investment Tax Credits (420)			
53	TOTAL Taxes on Other Income and Deduct. (Total of 46 thru 52)			
54	Net Other Income and Deductions (Enter Total lines 39, 44, 53)		5,597,847	6,395,738
55	Interest Charges			
56	Interest on Long-Term Debt (427)		11,895,846	17,660,912
57	Amort. of Debt Disc. and Expense (428)		360,746	299,570
58	Amortization of Loss on Required Debt (428.1)			
59	(Less) Amort. of Premium on Debt-Credit (429)			
60	(Less) Amortization of Gain on Required Debt-Credit (429.1)			
61	Interest on Debt to Assoc. Companies (430)	340		
62	Other Interest Expense (431)	340		-89,000
63	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)			
64	Net Interest Charges (Enter Total of lines 56 thru 63)		12,256,592	17,871,482
65	Income Before Extraordinary Items (Total of lines 25, 54 and 64)		-1,645,392	2,487,905
66	Extraordinary Items			
67	Extraordinary Income (434)			
68	(Less) Extraordinary Deductions (435)			
69	Net Extraordinary Items (Enter Total of line 67 less line 68)			
70	Income Taxes-Federal and Other (409.3)	262-263		
71	Extraordinary Items After Taxes (Enter Total of line 69 less line 70)			
72	Net Income (Enter Total of lines 65 and 71)		-1,645,392	2,487,905

Name of Respondent California Independent System Operator Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Ja, Yr) 02/22/2001	Year of Report Dec. 31, 2000
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STATEMENT OF RETAINED EARNINGS FOR THE YEAR

- Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year.
- Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 435 - 439 inclusive). Show the contra primary account affected in column (b)
- State the purpose and amount of each reservation or appropriation of retained earnings.
- List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
- Show dividends for each class and series of capital stock.
- Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
- Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
- If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)		
1	Balance-Beginning of Year		-66,701,100
2	Changes		
3	Adjustments to Retained Earnings (Account 439)		
4			
5			
6			
7			
8			
9	TOTAL Credits to Retained Earnings (Acct. 439)		
10			
11			
12			
13			
14			
15	TOTAL Debits to Retained Earnings (Acct. 439)		
16	Balance Transferred from Income (Account 433 less Account 418.1)		-1,645,382
17	Appropriations of Retained Earnings (Acct. 436)		
18			
19			
20			
21			
22	TOTAL Appropriations of Retained Earnings (Acct. 436)		
23	Dividends Declared-Preferred Stock (Account 437)		
24			
25			
26			
27			
28			
29	TOTAL Dividends Declared-Preferred Stock (Acct. 437)		
30	Dividends Declared-Common Stock (Account 438)		
31			
32			
33			
34			
35			
36	TOTAL Dividends Declared-Common Stock (Acct. 438)		
37	Transfers from Acct 216.1, Unapprop. Undistrib. Subsidiary Earnings		
38	Balance - End of Year (Total 1,9,15,16,22,29,36,37)		-68,346,482
	APPROPRIATED RETAINED EARNINGS (Account 215)		

Name of Respondent California Independent System Operator Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/08/2000	Year of Report Dec. 31, 1999
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STATEMENT OF RETAINED EARNINGS FOR THE YEAR

- Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year.
- Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
- State the purpose and amount of each reservation or appropriation of retained earnings.
- List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
- Show dividends for each class and series of capital stock.
- Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
- Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
- If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)		
1	Balance-Beginning of Year		-69,189,005
2	Changes		
3	Adjustments to Retained Earnings (Account 439)		
4			
5			
6			
7			
8			
9	TOTAL Credits to Retained Earnings (Acct. 439)		
10			
11			
12			
13			
14			
15	TOTAL Debits to Retained Earnings (Acct. 439)		
16	Balance Transferred from Income (Account 433 less Account 418.1)		2,487,905
17	Appropriations of Retained Earnings (Acct. 436)		
18			
19			
20			
21			
22	TOTAL Appropriations of Retained Earnings (Acct. 436)		
23	Dividends Declared-Preferred Stock (Account 437)		
24			
25			
26			
27			
28			
29	TOTAL Dividends Declared-Preferred Stock (Acct. 437)		
30	Dividends Declared-Common Stock (Account 438)		
31			
32			
33			
34			
35			
36	TOTAL Dividends Declared-Common Stock (Acct. 438)		
37	Transfers from Acct 216.1, Unapprop. Undistrib. Subsidiary Earnings		
38	Balance - End of Year (Total 1,9,15,16,22,29,36,37)		-66,701,100

Name of Respondent California Independent System Operator Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 02/23/2001	Year of Report Dec. 31, 2000
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STATEMENT OF RETAINED EARNINGS FOR THE YEAR

- Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year.
- Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b).
- State the purpose and amount of each reservation or appropriation of retained earnings.
- List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
- Show dividends for each class and series of capital stock.
- Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
- Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
- If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)
39			
40			
41			
42			
43			
44			
45	TOTAL Appropriated Retained Earnings (Account 215)		
	APPROP. RETAINED EARNINGS - AMORT. Reserve, Federal (Account 215.1)		
46	TOTAL Approp. Retained Earnings-Amort. Reserve, Federal (Acct. 215.1)		
47	TOTAL Approp. Retained Earnings (Acct. 215, 215.1) (Total 45,46)		
48	TOTAL Retained Earnings (Account 215, 215.1, 216) (Total 38, 47)		-68,346,492
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account 216.1)		
49	Balance-Beginning of Year (Debit or Credit)		
50	Equity in Earnings for Year (Credit) (Account 418.1)		
51	(Less) Dividends Received (Debit)		
52			
53	Balance-End of Year (Total lines 49 thru 52)		

Name of Respondent California Independent System Operator Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/08/000	Year of Report Dec. 31, 1999
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STATEMENT OF RETAINED EARNINGS FOR THE YEAR

- Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year.
- Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
- State the purpose and amount of each reservation or appropriation of retained earnings.
- List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
- Show dividends for each class and series of capital stock.
- Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
- Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
- If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)
	APPROPRIATED RETAINED EARNINGS (Account 215)		
39			
40			
41			
42			
43			
44			
45	TOTAL Appropriated Retained Earnings (Account 215)		
	APPROP. RETAINED EARNINGS - AMORT. Reserve, Federal (Account 215.1)		
46	TOTAL Approp. Retained Earnings-Amort. Reserve, Federal (Acct. 215.1)		
47	TOTAL Approp. Retained Earnings (Acct. 215, 215.1) (Total 45,46)		
48	TOTAL Retained Earnings (Account 215, 215.1, 216) (Total 38, 47)		-66,701,100
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account 218.1)		
49	Balance-Beginning of Year (Debit or Credit)		
50	Equity in Earnings for Year (Credit) (Account 418.1)		
51	(Less) Dividends Received (Debit)		
52			
53	Balance-End of Year (Total lines 49 thru 52)		

Name of Respondent California Independent System Operator Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo., Da., Yr) 02/23/2001	Year of Report Dec. 31, 2000
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STATEMENT OF CASH FLOWS

1. If the notes to the cash flow statement in the respondents annual stockholders report are applicable to this statement, such notes should be included in page 122-123. Information about non-cash investing and financing activities should be provided on Page 122- 23. Provide also on pages 122-123 a reconciliation between "Cash and Cash Equivalents at End of Year" with related amounts on the balance sheet.
2. Under "Other" specify significant amounts and group others.
3. Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show on Page 122-123 the amount of interest paid (net of amount capitalized) and income taxes paid.

Line No.	Description (See Instruction No. 5 for Explanation of Codes) (a)	Amounts (b)
1	Net Cash Flow from Operating Activities:	
2	Net Income	-1,645,392
3	Noncash Charges (Credits) to Income:	
4	Depreciation and Depletion	46,072,632
5	Amortization of Debt Discount and Expenses	360,746
6	Gain on refunding of bonds	-571,463
7		
8	Deferred Income Taxes (Net)	
9	Investment Tax Credit Adjustment (Net)	
10	Net (Increase) Decrease in Receivables	-5,110,301
11	Net (Increase) Decrease in Inventory	
12	Net (Increase) Decrease in Allowances Inventory	
13	Net Increase (Decrease) in Payables and Accrued Expenses	1,818,999
14	Net (Increase) Decrease in Other Regulatory Assets	
15	Net Increase (Decrease) in Other Regulatory Liabilities	
16	(Less) Allowance for Other Funds Used During Construction	
17	(Less) Undistributed Earnings from Subsidiary Companies	
18	Other: Prepaid expenses and other	334,896
19		
20		
21		
22	Net Cash Provided by (Used in) Operating Activities (Total 2 thru 21)	41,260,117
23		
24	Cash Flows from Investment Activities:	
25	Construction and Acquisition of Plant (including land):	
26	Gross Additions to Utility Plant (less nuclear fuel)	
27	Gross Additions to Nuclear Fuel	
28	Gross Additions to Common Utility Plant	-37,170,472
29	Gross Additions to Nonutility Plant	
30	(Less) Allowance for Other Funds Used During Construction	
31	Other: Transfer to Capital Expenditure Reserve Fund	392,440
32		
33		
34	Cash Outflows for Plant (Total of lines 26 thru 33)	-36,778,032
35		
36	Acquisition of Other Noncurrent Assets (d)	
37	Proceeds from Disposal of Noncurrent Assets (d)	
38		
39	Investments in and Advances to Assoc. and Subsidiary Companies	
40	Contributions and Advances from Assoc. and Subsidiary Companies	
41	Disposition of Investments in (and Advances to)	
42	Associated and Subsidiary Companies	
43		
44	Purchase of Investment Securities (a)	
45	Proceeds from Sales of Investment Securities (a)	

Name of Respondent California Independent System Operator Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 02/23/2001	Year of Report Dec. 31, 2000
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STATEMENT OF CASH FLOWS

4. Investing Activities include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed on pages 122-123. Do not include on this statement the dollar amount of Leases capitalized per US of A (General Instruction 20; instead provide a reconciliation of the dollar amount of Leases capitalized with the plant cost on pages 122-123.

5. Codes used:

- (a) Net proceeds or payments. (c) Include commercial paper.
 (b) Bonds, debentures and other long-term debt. (d) Identify separately such items as investments, fixed assets, intangibles, etc.

6. Enter on pages 122-123 clarifications and explanations.

Line No.	Description (See Instruction No. 5 for Explanation of Codes) (a)	Amounts (b)
46	Loans Made or Purchased	
47	Collections on Loans	
48		
49	Net (Increase) Decrease in Receivables	
50	Net (Increase) Decrease in Inventory	
51	Net (Increase) Decrease in Allowances Held for Speculation	
52	Net Increase (Decrease) in Payables and Accrued Expenses	
53	Other	
54		
55		
56	Net Cash Provided by (Used in) Investing Activities	
57	Total of lines 34 thru 55	-36,778,032
58		
59	Cash Flows from Financing Activities:	
60	Proceeds from Issuance of:	
61	Long-Term Debt (b)	293,000,000
62	Preferred Stock	
63	Common Stock	
64	Other: Proceeds from the Swap Unwind of Refunded Bonds	1,415,000
65		
66	Net Increase in Short-Term Debt (c)	
67	Other:	
68		
69		
70	Cash Provided by Outside Sources (Total 61 thru 69)	294,415,000
71		
72	Payments for Retirement of:	
73	Long-term Debt (b)	-282,500,000
74	Preferred Stock	
75	Common Stock	
76	Other: Payment of Bond Issuance Costs	-753,945
77		
78	Net Decrease in Short-Term Debt (c)	
79		
80	Dividends on Preferred Stock	
81	Dividends on Common Stock	
82	Net Cash Provided by (Used in) Financing Activities	
83	(Total of lines 70 thru 81)	11,161,055
84		
85	Net Increase (Decrease) in Cash and Cash Equivalents	
86	(Total of lines 22, 57 and 83)	15,643,140
87		
88	Cash and Cash Equivalents at Beginning of Year	47,306,527
89		
90	Cash and Cash Equivalents at End of Year	62,949,667

Name of Respondent California Independent System Operator Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/08/2000	Year of Report Dec. 31, 1999
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STATEMENT OF CASH FLOWS

1. If the notes to the cash flow statement in the respondents annual stockholders report are applicable to this statement, such notes should be included in page 122-123. Information about non-cash investing and financing activities should be provided on Page 122-123. Provide also on pages 122-123 a reconciliation between "Cash and Cash Equivalents at End of Year" with related amounts on the balance sheet.
2. Under "Other" specify significant amounts and group others.
3. Operating Activities - Other: include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show on Page 122-123 the amount of interest paid (net of amounts capitalized) and income taxes paid.

Line No.	Description (See Instruction No. 5 for Explanation of Codes) (a)	Amounts (b)
1	Net Cash Flow from Operating Activities:	
2	Net Income	2,487,908
3	Noncash Charges (Credits) to Income:	
4	Depreciation and Depletion	32,091,952
5	Amortization of bond issuance costs	299,570
6		
7		
8	Deferred Income Taxes (Net)	
9	Investment Tax Credit Adjustment (Net)	
10	Net (Increase) Decrease in Receivables	-677,617
11	Net (Increase) Decrease in Inventory	
12	Net (Increase) Decrease in Allowances Inventory	
13	Net Increase (Decrease) in Payables and Accrued Expenses	2,337,311
14	Net (Increase) Decrease in Other Regulatory Assets	
15	Net Increase (Decrease) in Other Regulatory Liabilities	
16	(Less) Allowance for Other Funds Used During Construction	
17	(Less) Undistributed Earnings from Subsidiary Companies	
18	Other:	
19	Net (Increase) Decrease in Prepayments and Other	-403,325
20		
21		
22	Net Cash Provided by (Used in) Operating Activities (Total 2 thru 21)	36,135,797
23		
24	Cash Flows from Investment Activities:	
25	Construction and Acquisition of Plant (including land):	
26	Gross Additions to Utility Plant (less nuclear fuel)	-38,680,340
27	Gross Additions to Nuclear Fuel	
28	Gross Additions to Common Utility Plant	
29	Gross Additions to Nonutility Plant	
30	(Less) Allowance for Other Funds Used During Construction	
31	Other:	
32		
33		
34	Cash Outflows for Plant (Total of lines 26 thru 33)	-38,680,340
35		
36	Acquisition of Other Noncurrent Assets (d)	
37	Proceeds from Disposal of Noncurrent Assets (d)	
38		
39	Investments in and Advances to Assoc. and Subsidiary Companies	
40	Contributions and Advances from Assoc. and Subsidiary Companies	
41	Disposition of Investments in (and Advances to)	
42	Assoc. and Subsidiary Companies	
43		
44	Purchase of Investment Securities (a)	
45	Proceeds from Sales of Investment Securities (a)	

Name of Respondent California Independent System Operator Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/08/2000	Year of Report Dec. 31, 1999
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STATEMENT OF CASH FLOWS

4. Investing Activities include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed on pages 122-123. Do not include on this statement the dollar amount of Leases capitalized per US of A General Instruction 20; instead provide a reconciliation of the dollar amount of Leases capitalized with the plant cost on pages 122-123.

5. Codes used:

(a) Net proceeds or payments.

(c) Include commercial paper.

(b) Bonds, debentures and other long-term debt.

(d) Identify separately such items as investments, fixed assets, intangibles, etc.

6. Enter on pages 122-123 clarifications and explanations.

Line No.	Description (See Instruction No. 5 for Explanation of Codes) (a)	Amounts (b)
46	Loans Made or Purchased	
47	Collections on Loans	
48		
49	Net (Increase) Decrease in Receivables	
50	Net (Increase) Decrease in Inventory	
51	Net (Increase) Decrease in Allowances Held for Speculation	
52	Net Increase (Decrease) in Payables and Accrued Expenses	
53	Other	
54	Net Use (Deferrals) of cash and cash equiv. ltd to use for cap expen.	34,810,208
55		
56	Net Cash Provided by (Used in) Investing Activities	
57	Total of lines 34 thru 55)	-3,870,132
58		
59	Cash Flows from Financing Activities:	
60	Proceeds from issuance of:	
61	Long-Term Debt (b)	
62	Preferred Stock	
63	Common Stock	
64	Other:	
65		
66	Net Increase in Short-Term Debt (c)	
67	Other:	
68		
69		
70	Cash Provided by Outside Sources (Total 61 thru 69)	
71		
72	Payments for Retirement of:	
73	Long-term Debt (b)	-224,900,000
74	Preferred Stock	
75	Common Stock	
76	Other:	
77		
78	Net Decrease in Short-Term Debt (c)	
79		
80	Dividends on Preferred Stock	
81	Dividends on Common Stock	
82	Net Cash Provided by (Used in) Financing Activities	
83	(Total of lines 70 thru 81)	-224,900,000
84		
85	Net Increase (Decrease) in Cash and Cash Equivalents	
86	(Total of lines 22, 57 and 83)	-182,634,336
87		
88	Cash and Cash Equivalents at Beginning of Year	238,940,862
89		
90	Cash and Cash Equivalents at End of Year	47,306,527

Name of Respondent California Independent System Operator	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 02/23/2001	Year of Report Dec. 31, 2000
NOTES TO FINANCIAL STATEMENTS			
<p>1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.</p> <p>2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.</p> <p>3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and plan of disposition contemplated, giving references to Commission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.</p> <p>4. Where Accounts 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.</p> <p>5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.</p> <p>6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 114-121, such notes may be included herein.</p>			
<p>PAGE 122 INTENTIONALLY LEFT BLANK SEE PAGE 123 FOR REQUIRED INFORMATION.</p>			

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year of Report
California Independent System Operator Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmitter	04/23/2001	Dec 31, 2000

NOTES TO FINANCIAL STATEMENTS (Continue 1)

1. Organization and Operations

The California Independent System Operator Corporation (the "Company") a nonprofit public benefit corporation, was incorporated in May 1997, and is responsible for the operation of the long-distance, high-voltage power lines that deliver electricity throughout most of California (the California Grid) and between the California Grid and neighboring states and Mexico. The Company charges a Grid Management Charge (GMC) to the market participants or Scheduling Coordinators (SCs) to recover the Company's costs and to provide an operating reserve. The Company's principal objective is to ensure the reliability of the California Grid, while fostering a competitive marketplace for electrical generation and related services in California. The Company was created pursuant to 1996 legislation, as an essential element of the restructuring of the electric utility industry in California. The operations of the Company commenced on March 31, 1998.

The Company operates day-ahead and hour-ahead markets for transmission congestion and ancillary services, operates a real-time market for balancing energy, and administers Reliability Must-Run (RMR) contracts. RMR contracts allow the Company access to cost-based power from generation units which, due to their location and other factors, must be operated at certain times to ensure the reliability of local transmission. The Company also performs a settlement and clearing function by collecting payments from users of those services and making pass-through payments to providers of those services. These market transactions are maintained in financial records separate from the Company, and accordingly, the financial results of these market transactions are not included in the financial statements of the Company. Any market defaults are proportionally allocated to market participants with net amounts due them for the month of default.

Until January 2001, the Company was governed by a Board of Governors representing various stakeholders participating in the electric utility industry. Under this governing structure, virtually all of the Company's transactions were executed with organizations that were directly or indirectly represented on the Company's Board of Governors, including the three California Investor Owned Utilities (IOUs) which own most of the transmission facilities operated by the Company. On January 9, 2001, legislation changed the composition of the Board of Governors to a board appointed by the State Governor and confirmed by the California Electricity Oversight Board. As a result, effective January 16, 2001, the stakeholder Board was replaced by a five-member Board appointed by the Governor.

2. Summary of Significant Accounting Policies

Method of accounting

The accompanying financial statements have been prepared on an accrual basis of accounting in accordance with generally accepted accounting principles.

New accounting pronouncements

In June 1998, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards (SFAS) 133 "Accounting for Derivative Instruments and Hedging Activities." This pronouncement will require the Company to recognize derivatives on its balance sheet at fair value. The Company has not quantified the effect early adoption of this pronouncement would have had on its financial statements. In 1999, FASB issued SFAS No. 137, which postpones the initial application of SFAS 133 until fiscal years beginning after June 15, 2000. The Company plans to adopt SFAS No. 133 in 2001.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, governmental securities, commercial paper, mutual funds and

Name of Respondent California Independent System Operator Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/2001	Year of Report Dec 31, 2000
NOTES TO FINANCIAL STATEMENTS (Continue J)			

certificates of deposits with original maturities of three months or less. Cash and cash equivalents include restricted amounts held by a bond trustee under an indenture agreement, and restricted amounts held for operating reserves. Cash and cash equivalents are held primarily with five financial institutions

Accounts receivable and revenue recognition

GMC revenues are earned when the energy is scheduled. The GMC is billed and collected approximately 65 days after each month-end. The GMC, which is based on rates approved by the Federal Energy Regulatory Commission (FERC), is designed to recover the Company's operating costs and debt service requirement and to provide for an operating reserve. The operating reserve accumulates until the reserve becomes fully funded (approximately 15% of budgeted annual operating costs). Any excess may be used to reduce the following year's GMC rate. At December 31, 2000, the operating reserve was fully funded.

GMC and other market service billings are dependent upon accurate generation, load and other data, some of which are not available to the Company for up to 65 days. Additionally, meter data previously submitted can be subsequently adjusted under specific circumstances.

On December 8, 2000 the FERC approved an amendment to the Company's tariff which allowed the imposition of penalties on participating generators that fail to fully comply with dispatch instructions when the Company is seeking to prevent an imminent or threatened system emergency. At December 31, 2000, these penalties amounted to \$22.9 million. In February 2001, the Company settled all December market transactions at a collection rate of 3%. Accordingly, the Company realized \$0.7 million of these December penalties, which are accrued, in the Company's financial statements. Due to uncertainties in the marketplace discussed in Note 3, the remaining penalty amounts have not been recorded. The fines are subject to the normal dispute process as are any market charges.

Fixed assets

Fixed assets are recorded at cost. Depreciation is computed on the straight-line method over the assets' estimated useful lives. Most fixed assets were placed in service on March 31, 1998, when the Company commenced operations. The cost of betterments to, or replacement of, fixed assets is capitalized. When assets are retired or otherwise disposed of, the cost and related depreciation are removed from the accounts and any resulting gain or loss is reflected in income for the period. Repairs and maintenance costs are charged to expense when incurred.

The Company capitalizes direct costs of salaries and certain indirect costs incurred to develop or obtain software for internal use. Costs of software development related to abandoned projects are expensed when the decision to abandon is made.

Other assets

Other assets consist primarily of debt issuance costs, which are amortized over the life of the bonds using the bonds outstanding method.

Income taxes

The Company is exempt from Federal income tax under Section 501(c)(3) of the U.S. Internal Revenue Code and is exempt from California State franchise income taxes.

Fair value of financial instruments

The carrying values reported in the balance sheet for current assets and liabilities approximate their fair value. The carrying value of long-term debt approximates fair value. In addition, the Company has a swap agreement for which there is no book value (see Note 6).

Name of Respondent California Independent System Operator Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/2001	Year of Report Dec 31, 2000
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NOTES TO FINANCIAL STATEMENTS (Continue-f)

Concentration of credit risk

Financial instruments that subject the Company to credit risk consist primarily of accounts receivables relating to GMC billings due from the SCs. As provided in the tariff, SCs are required to maintain either approved credit ratings or post specified financial security in an amount sufficient to cover their outstanding liability to the Company. However, in January 2001, the Company suspended such credit requirements for certain market participants due to the illiquidity of two of California IOUs.

In accordance with the Company's tariff, GMC revenues are collected as a first priority on overall receipts from the Market. Therefore, the Company did not record an allowance for doubtful accounts at December 31, 2000 or 1999.

Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

3. Concerns in the California Electricity Market

California's electricity markets are experiencing structural and financial problems which are significantly impacting the Company and its market participants. The Company is economically dependent upon market participants that generate, procure and deliver electricity to the Company's control area comprising most of California.

Market and economic issues

A number of factors affecting the supply and demand of wholesale electricity in the Western United States caused market shortages and escalating market prices in 2000. The impacts on California's energy and capacity markets in 2000 included frequent and sustained reliability emergencies as declared by the Company, managed blackouts, the illiquidity of two of California's IOUs and many other adverse consequences. Investigations into the causes of the energy crisis and the pricing and other behaviors of many of California's market participants have been, and are being, conducted by various entities including the FERC, the California Public Utilities Commission (CPUC), and numerous other federal, state and private organizations.

Beginning in January 2001, two of California's IOUs defaulted on various power and debt obligations including their obligations to the California Power Exchange (California PX) and the Company. In December 2000, the California Department of Water Resources, and in January 2001 its affiliate, the California Energy Resource Scheduler (CERS), began providing support for energy purchases through the Company's markets in order to provide a measure of financial stability to the markets. In January 2001, one credit rating agency downgraded the Company's credit rating to a "D" rating. Beginning in February 2001, certain SCs have defaulted on their market obligations that are settled through the CAISO's markets. For the three months settled since then (representing trade months November 2000 through January 2001) these defaults total \$2,774 million of the \$2,998 million billed which has resulted in allocated payments to market participants of an average of 7.5% of the amounts due over this period. In March 2001, the California PX filed for bankruptcy. In April, 2001, Pacific Gas & Electric Company filed for bankruptcy.

Through April 2001, the California markets continue to experience extremely high wholesale prices, market shortages, frequent emergencies and associated financial and credit problems. Various California legislative, executive and Federal and State regulatory actions have been taken since January 2001, to address these conditions.

Name of Respondent California Independent System Operator Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/2001	Year of Report Dec 31, 2000
NOTES TO FINANCIAL STATEMENTS (Continued)			

The Company's sustained revenue base

As described in Note 1, the Company's operations are funded through GMC revenues, which are applied to the volume of energy (load) managed through the Company's operating system. Beginning in January 2001, the GMC was unbundled and billed based on three billing determinants: control area load and exports (as in the past), the net volumes of inter-zonal scheduled energy and the volumes of ancillary services and imbalance and supplemental energy purchased and sold in the Company's markets. So long as the Company continues to provide those services to the California marketplace, GMC revenues will be earned. The Company's tariff and its most recent GMC filing provide for adjustment to the GMC in the event that current GMC revenues are projected to fall short of the budgeted revenue requirement. Additionally, the Company has the ability to recover any uncollected debts through a prospective revision in its GMC rate.

Management believes that sufficient revenues will be collected to fund the Company's operations in 2001 and beyond in the normal course of operations. GMC revenues have a first priority on any cash cleared through the Company's markets each month. Accordingly, GMC revenues for November, December and January (received in February, March, and April, respectively) were fully collected despite significant overall market collection shortfalls. A market collection rate of 2%, based on current monthly market activity, will be sufficient to achieve such full recovery of the GMC through the markets. Additionally, the Company maintains operating reserves, which equate to approximately two months of GMC.

Additional factors supporting the full funding of the Company's operations include post-bankruptcy transactions of IOU's likely will be paid as a first priority, including the GMC; a Company plan to implement a day-ahead energy market (yet to be approved by Regulatory agencies), which will increase transactions through the Company's markets for which the GMC has a priority; and potential State of California action to remedy any deficiency. Accordingly, in the unlikely event that GMC revenues are not fully collected from market participants in the normal course of operations as currently structured, management believes that sufficient revenues will ultimately be realized to sustain the Company's operations.

4. Fixed Assets

Fixed assets consist of the following at December 31 (in thousands):

	2000	1999
Information systems:		
Energy Management system	\$ 17,316	\$ 15,527
Scheduling infrastructure, scheduling applications and balance of business systems	115,171	103,055
Metering and data acquisition and other systems	39,603	20,381
Leasehold improvements	11,040	10,566
Furniture and fixtures	6,206	5,391
Work-in-progress	<u>15,476</u>	<u>12,722</u>
	204,812	167,642
Less: Accumulated depreciation and amortization	<u>91,709</u>	<u>45,637</u>
Total fixed assets, net	<u>\$113,103</u>	<u>\$122,005</u>

Name of Respondent California Independent System Operator Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/2001	Year of Report Dec 31, 2000
NOTES TO FINANCIAL STATEMENTS (Continue)			

5. Cash and Cash Equivalents

Cash and cash equivalents include amounts which are restricted under a debt agreement and consist of the following at December 31 (in thousands):

	2000	1999
Current:		
Cash and cash equivalents whose use is restricted in connection with debt agreements (Note 6)		
Debt service payment reserves	\$ 21,487	\$ 17,154
Bank restricted reserve	<u>-</u>	<u>4,000</u>
	21,487	21,154
Unrestricted	<u>41,463</u>	<u>26,153</u>
Total current	62,950	47,307
Noncurrent, restricted for capital expenditures	<u>25,093</u>	<u>25,486</u>
Total cash and cash equivalents	<u>\$ 88,043</u>	<u>\$ 72,793</u>

6. Long-term Debt, Swap Agreement and Extraordinary Gain

Long-term debt consists of the following at December 31 (in thousands):

	2000	1999
CEDFA Variable Rate Demand Revenue Bonds	\$ -	\$282,500
CIEDB Variable Rate Demand Revenue Bonds	293,000	-
Less: current portion	<u>(31,700)</u>	<u>(25,600)</u>
Total long-term debt, less current portion	<u>\$261,300</u>	<u>\$256,900</u>

Scheduled maturities of long-term debt at December 31, are as follows (in thousands):

2001	\$ 31,700
2002	32,500
2003	33,800
2004	35,300
2005	36,600
2006 through 2009	<u>123,100</u>
	<u>\$ 293,000</u>

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NOTES TO FINANCIAL STATEMENTS (Continue-1)			

In April 2000, the Company issued \$293,000,000 of Variable Rate Demand Revenue Bonds (the "Bonds") through the California Infrastructure and Economic Development Bank (CIEDB). The proceeds of the bonds were used to retire \$256,900,000 of Variable Rate Demand Revenue Bonds issued through the California Economic Development Financial Authority (CEDFA), a predecessor to CIEDB, with the remainder available to finance the Company's capital expenditures for 2000 and 2001. As a result of the refunding, the Company recognized an extraordinary gain of \$571,000. The gain resulted from the net proceeds of \$1.4 million from the swap unwind of the CEDFA bonds, offset by the unamortized issuance costs of the same bonds amounting to \$844,000.

The Bonds bear interest in one of several variable rate models selected by the Company, which during 2000 was a weekly rate, with interest rates ranging from 2.5% to 5.75% in 2000.

The Bonds are guaranteed by a pledge of the Company's revenues. Additional credit assurance is provided to bondholders through a standby bond purchase agreement provided by a Banking Syndicate which can be drawn upon in the event of default of the Bonds, or to reimburse the remarketing agents (the "Agents") who act as dealers for the Bonds. In the event the Agents are unable to remarket tendered Bonds, a draw under the standby bond purchase agreement may be made. The standby bond purchase agreement expires on April 12, 2001. On March 21, 2001, the Company secured a one year extension of the agreement. The Bonds are further supported by bond insurance which is effective for the term of the Bonds, and is not subject to cancellation provided that annual insurance payments are made.

Concurrent with the issuance of the Bonds, the Company entered into a variable to fixed interest rate swap agreement (Swap) with a financial institution for a total notional amount of \$182 million. Under the Swap, the Company pays the Swap counterparty a fixed rate of 4.82%. In return, the counterparty pays the Company variable rate interest, at the Bond Market Association Municipal SWAP Index Rate, which approximates, but does not precisely equal, the rate of interest on the Bonds. As variable interest rates are based on market conditions, this relationship could change in the future, and could result in increased interest expense to the Company. The Company monitors the risk of default of the Swap counterparty and does not anticipate nonperformance. The term of the Swap is equal to the maturity of the Bonds. The fair value of the Swap agreement at December 31, 2000, was a net receivable of approximately \$1.6 million. The Swap value was determined by the counterparty and is not recorded in the financial statements.

Overall interest expenses recorded by the Company include the amounts paid on the Bonds, payments and receipts under the Swaps, bond remarketing costs, and bond insurance and liquidity costs.

7. Employee Benefit Plans

Defined contribution retirement plans

The Company sponsors two defined contribution retirement plans, the California ISO Retirement Savings Plan and the California ISO Money Purchase Plan (the Plans), which are subject to the provisions of the Employee Retirement Income Security Act of 1974. Employees of the Company who are not covered by a collective bargaining agreement are eligible to participate in the Plans. The Plans are self-administered and utilize a third party to assist in the administration of the Plans.

Employees may elect to contribute up to 15% of their base compensation subject to statutory limitations. The Company makes matching contributions equal to the first 6% of eligible employees' annual compensation to the

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NOTES TO FINANCIAL STATEMENTS (Continue)			

Retirement Savings Plan and contributions equal to 5% of eligible employees' annual compensation to the Money Purchase Plan.

The Company also sponsors the Executive Pension Restoration Plan, which allows Officers of the Company to make contributions in excess of the 401K contribution limits set forth by IRS regulations. The Company makes matching contributions up to 6% of the employees' eligible compensation.

Total Company contributions to the defined contribution retirement plans for 2000 and 1999 were \$3,230,000 and \$2,565,000, respectively.

Post-retirement medical benefit plan

The Company sponsors the California ISO Post-Retirement Medical Benefit Plan to provide post-retirement health care benefits to all employees who retire from the Company on or after attaining age 60 with at least five years of service. Employees who meet these requirements will be entitled to the coverage previously elected under the Company medical program until age 65. After age 65, the retiree may transfer into an approved Medicare Risk Program which may provide health care coverage comparable to benefits under an HMO. Employees are required to pay a portion of their premium until age 65 at which time the Medicare Supplement Plan premium will be fully paid by the Company. No employees are eligible to receive benefits pursuant to the plan as of December 31, 2000. The Company has recognized the liabilities representing the unfunded benefit obligation of \$220,000 and \$166,000 at December 31, 2000 and 1999, respectively. The Company recognized expenses relating to this Plan of \$54,000 in 2000. In 1999, the Company reduced its Plan liability by \$835,000 (change in prior year estimate) which resulted in a net reduction of \$835,000 to salaries and related benefits expense in 1999.

Supplemental executive retirement plan

In 1999, the Company adopted the California ISO Supplemental Executive Retirement Plan, a non-qualified plan intended to provide selected executives of the Company with target retirement benefits based upon (1) the executives' average earnings for the three consecutive years in the last five years of service that their compensation was the highest, and (2) their total number of years of service with the Company. The target benefit is to be offset by other retirement benefits provided by the Company. The Company's liability for the plan was \$182,000 and \$102,000 at December 31, 2000 and 1999, respectively. The Company recognized expenses of \$80,000 and \$102,000 for 2000 and 1999 respectively.

8. Lease and Contract Commitments

The Company has operating leases and service contracts providing telecommunication services, information system services, systems infrastructure and office facilities of the Company. The following are the future minimum payments under these agreements (in thousands):

2001	\$ 36,646
2002	34,107
2003	26,488
2004	3,032
2005	2,093
Thereafter	<u>2,424</u>
	<u>104,790</u>

Lease and service contract costs of approximately \$35,528,000 and \$41,048,000 were incurred in 2000 and 1999,

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NOTES TO FINANCIAL STATEMENTS (Continued)			

respectively. All such costs were charged to operating expense. Included in the 1999 lease and service contract costs was a fee of \$2,500,000 paid in connection with a renegotiation of a telecommunications contract. The revised contract lowers future payments by approximately \$4,378,000 annually through 2003.

9. Contingencies

GMC

In December 2000, FERC accepted the Company's unbundled GMC rate filing subject to a future hearing. This unbundled rate methodology could be retroactively applied to provide refunds to current payors of the GMC for the periods after July 1999. FERC did not rule on the ability to collect any resulting refunds from other parties. Management believes retroactive changes through December 31, 2000 are unlikely. In the event retroactive adjustments are made, management believes such adjustments would be reallocated to market participants with no net impact to the Company.

Market billing disputes

As part of its tariff, the Company has a dispute resolution process for SCs, RMR owners and transmission owners to register disagreements as to information in the settlement statements or billing amounts for market and RMR activity. In accordance with the provisions of the tariff, once good faith efforts have been made to negotiate and resolve disputes, written claims must be submitted either to mediation or arbitration.

There are numerous disputes totaling approximately \$38 million currently in either good faith negotiation with market participants or for which participants have requested good faith negotiation, representing disagreements with the Company's financial settlement of market transactions and related tariff interpretations. Allegations include, but not limited to, the payment under RMR contract prices instead of using market bid prices, settlement at the Regulation Energy Payment Adjustment (REPA) formula price instead of the hourly imbalance price, payment of out-of-market dispatches, and the use of oral RMR dispatch orders instead of written orders. Other disputes, some of which are material in amount, have been filed with the Company but have not yet reached the good faith negotiation stage. There are two disputes representing market disagreements totaling \$15 million currently in arbitration proceedings. The principal allegation in arbitration includes the assessment of charges for non-jurisdictional activities.

Management believes that should any of the disputes discussed above be resolved against the Company, the Company's tariff permits it to collect any amounts due from its market participants through adjustments to settlement statements and billings, and it is management's intention, in such event, to do so. Therefore, management believes none of these matters will ultimately have a material adverse effect on the financial position of the Company, and accordingly, no liability has been accrued in the accompanying financial statements.

Other matters

The Company, during the ordinary course of its operations, has been involved in various lawsuits and claims, several of which are still pending. Management and legal counsel are of the opinion that there are no other material loss contingencies that would have a material adverse impact on the financial position of the Company, except as disclosed within the footnotes to these financial statements.

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SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION				
Line No.	Classification (a)	Total (b)	Electric (c)	
1	Utility Plant			
2	In Service			
3	Plant in Service (Classified)	188,582,067	188,582,067	
4	Property Under Capital Leases			
5	Plant Purchased or Sold			
6	Completed Construction not Classified			
7	Experimental Plant Unclassified			
8	Total (3 thru 7)	188,582,067	188,582,067	
9	Leased to Others			
10	Held for Future Use			
11	Construction Work in Progress	16,230,204	16,230,204	
12	Acquisition Adjustments			
13	Total Utility Plant (8 thru 12)	204,812,271	204,812,271	
14	Accum Prov for Depr, Amort, & Depl	91,709,807	91,709,807	
15	Net Utility Plant (13 less 14)	113,102,464	113,102,464	
16	Detail of Accum Prov for Depr, Amort & Depl			
17	In Service:			
18	Depreciation	91,709,807	91,709,807	
19	Amort & Depl of Producing Nat Gas Land/Land Right			
20	Amort of Underground Storage Land/Land Rights			
21	Amort of Other Utility Plant			
22	Total In Service (18 thru 21)	91,709,807	91,709,807	
23	Leased to Others			
24	Depreciation			
25	Amortization and Depletion			
26	Total Leased to Others (24 & 25)			
27	Held for Future Use			
28	Depreciation			
29	Amortization			
30	Total Held for Future Use (28 & 29)			
31	Abandonment of Leases (Natural Gas)			
32	Amort of Plant Acquisition Adj			
33	Total Accum Prov (equals 14) (22,26,30,31,32)	91,709,807	91,709,807	

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SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION					
Gas (d)	Other (Specify) (e)	Other (Specify) (f)	Other (Specify) (g)	Common (h)	Line No.
					1
					2
					3
					4
					5
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Name of Respondent California Independent System Operator Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 02/21/2001	Year of Report Dec. 31, 2000
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ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106)

- Report below the original cost of electric plant in service according to the prescribed accounts.
- In addition to Account 101, Electric Plant in Service (Classified), this page and the next include Account 102, Electric Plant Purchased or Sold; Account 103, Experimental Electric Plant Unclassified; and Account 106, Completed Construction Not Classified-Electric.
- Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.
- Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.
- Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d) reversals of tentative distributions of prior year of unclassified retirements. Show in a footnote the account distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above

Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)
1	1. INTANGIBLE PLANT		
2	(301) Organization		
3	(302) Franchises and Consents		
4	(303) Miscellaneous Intangible Plant	116,518,035	32,214,143
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	116,518,035	32,214,143
6	2. PRODUCTION PLANT		
7	A. Steam Production Plant		
8	(310) Land and Land Rights		
9	(311) Structures and Improvements		
10	(312) Boiler Plant Equipment		
11	(313) Engines and Engine-Driven Generators		
12	(314) Turbogenerator Units		
13	(315) Accessory Electric Equipment		
14	(316) Misc. Power Plant Equipment		
15	TOTAL Steam Production Plant (Enter Total of lines 8 thru 14)		
16	B. Nuclear Production Plant		
17	(320) Land and Land Rights		
18	(321) Structures and Improvements		
19	(322) Reactor Plant Equipment		
20	(323) Turbogenerator Units		
21	(324) Accessory Electric Equipment		
22	(325) Misc. Power Plant Equipment		
23	TOTAL Nuclear Production Plant (Enter Total of lines 17 thru 22)		
24	C. Hydraulic Production Plant		
25	(330) Land and Land Rights		
26	(331) Structures and Improvements		
27	(332) Reservoirs, Dams, and Waterways		
28	(333) Water Wheels, Turbines, and Generators		
29	(334) Accessory Electric Equipment		
30	(335) Misc. Power Plant Equipment		
31	(336) Roads, Railroads, and Bridges		
32	TOTAL Hydraulic Production Plant (Enter Total of lines 25 thru 31)		
33	D. Other Production Plant		
34	(340) Land and Land Rights		
35	(341) Structures and Improvements		
36	(342) Fuel Holders, Products, and Accessories		
37	(343) Prime Movers		
38	(344) Generators		
39	(345) Accessory Electric Equipment		

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ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103 and 104) (Continued)				
Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)	
40	(346) Misc. Power Plant Equipment			
41	TOTAL Other Prod. Plant (Enter Total of lines 34 thru 40)			
42	TOTAL Prod. Plant (Enter Total of lines 15, 23, 32, and 41)			
43	3. TRANSMISSION PLANT			
44	(350) Land and Land Rights			
45	(352) Structures and Improvements			
46	(353) Station Equipment			
47	(354) Towers and Fixtures			
48	(355) Poles and Fixtures			
49	(356) Overhead Conductors and Devices			
50	(357) Underground Conduit			
51	(358) Underground Conductors and Devices			
52	(359) Roads and Trails			
53	TOTAL Transmission Plant (Enter Total of lines 44 thru 52)			
54	4. DISTRIBUTION PLANT			
55	(360) Land and Land Rights			
56	(361) Structures and Improvements			
57	(362) Station Equipment			
58	(363) Storage Battery Equipment			
59	(364) Poles, Towers, and Fixtures			
60	(365) Overhead Conductors and Devices			
61	(366) Underground Conduit			
62	(367) Underground Conductors and Devices			
63	(368) Line Transformers			
64	(369) Services			
65	(370) Meters			
66	(371) Installations on Customer Premises			
67	(372) Leased Property on Customer Premises			
68	(373) Street Lighting and Signal Systems			
69	TOTAL Distribution Plant (Enter Total of lines 55 thru 68)			
70	5. GENERAL PLANT			
71	(389) Land and Land Rights			
72	(390) Structures and Improvements		10,566,188	473,875
73	(391) Office Furniture and Equipment		5,390,700	814,063
74	(392) Transportation Equipment		95,956	47,848
75	(393) Stores Equipment			
76	(394) Tools, Shop and Garage Equipment			
77	(395) Laboratory Equipment			
78	(396) Power Operated Equipment			
79	(397) Communication Equipment		5,605	
80	(398) Miscellaneous Equipment			
81	SUBTOTAL (Enter Total of lines 71 thru 80)		18,058,449	1,336,686
82	(399) Other Tangible Property		22,344,576	863,788
83	TOTAL General Plant (Enter Total of lines 81 and 82)		38,403,025	2,200,474
84	TOTAL (Accounts 101 and 106)		154,921,060	34,414,617
85	(102) Electric Plant Purchased (See Instr. 8)			
86	(Less) (102) Electric Plant Sold (See Instr. 8)			
87	(103) Experimental Plant Unclassified			
88	TOTAL Electric Plant in Service (Enter Total of lines 84 thru 87)		154,921,060	34,414,617

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ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 104) (Continued)

instructions and the texts of Accounts 101 and 108 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.

6. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102. Include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.

7. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirement of these pages.

8. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchase, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date of such filing.

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
				1
				2
				3
			148,732,178	4
			148,732,178	5
				6
				7
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Name of Respondent California Independent System Operator Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 02/2/2001	Year of Report Dec. 31, 2000
ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 104) (Continued)					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
					40
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		-753,610	10,286,453		72
			6,206,663		73
			143,804		74
					75
					76
					77
					78
			5,605		79
					80
		-753,610	16,641,525		81
			23,206,364		82
		-753,610	39,849,889		83
		-753,610	188,582,067		84
					85
					86
					87
		-753,610	188,582,067		88

Name of Respondent California Independent System Operator Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 02/21/2001	Year of Report Dec. 31, 2000
CONSTRUCTION WORK IN PROGRESS - - ELECTRIC (Account 107)				
1. Report below descriptions and balances at end of year of projects in process of construction (107)				
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts)				
3. Minor projects (5% of the Balance End of the Year for Account 107 or \$100,000, whichever is less) may be grouped.				
Line No.	Description of Project (a)	Construction work in progress - Electric (Account 107) (b)		
1	OASIS	976,758		
2	Eval. of market separation	158,303		
3	ADS	464,231		
4	Exist trans contracts and outage	122,800		
5	BITS to EMS and conversion	628,927		
6	Intrazonal congestion	257,438		
7	Congestion reform	339,496		
8	E-Tag part II	703,129		
9	Oracle financials new modules	281,815		
10	C.H.A.S.E. project	482,883		
11	EDMS - Year 2000	384,900		
12	New EMS DSOW	470,315		
13	Common information model CIM	398,786		
14	Field data acquisition system C	133,000		
15	New Folsom facility	8,312,086		
16	Other minor projects	504,010		
17	Overhead projects	1,621,346		
18				
19				
20				
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43	TOTAL	16,230,204		

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CONSTRUCTION OVERHEADS - ELECTRIC

1. List in column (a) to kinds of overheads according to the titles used by the respondent. Charges for outside professional services for engineering fees and management or supervision fees capitalized should be shown as separate items. 2. On Page 215 furnish information concerning construction overheads. 3. A respondent should not report "none" to the page if no overhead apportionments are made, but rather should explain on Page 215 the accounting procedures, employed and the amounts of engineering, supervision and administrative costs, etc. which are directly charged to construction. 4. Enter on this page engineering, supervision, administrative, and allowance for funds used during construction, etc., which are first assigned to a blanket work order and then prorated to construction jobs.

Line No.	Description of overhead (a)	Total amount charged for the year (b)
1	Internal development costs	1,621,346
2		
3		
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46	TOTAL	1,621,346

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GENERAL DESCRIPTION OF CONSTRUCTION OVERHEAD PROCEDURE

- For each construction overhead explain: (a) the nature and extent of work, etc. the overhead charges are intended to cover, (b) the general procedure for determining the amount capitalized, (c) the method of distribution to construction jobs, (d) whether different rates are applied to different types of construction, (e) basis of differentiation in rates for different types of construction, and (f) whether the overhead is directly or indirectly assigned.
- Show below the computation of allowance for funds used during construction rates, in accordance with the provisions of Electric Plant Instructions 3(17) of the U.S. of A.
- Where a net-of-tax rate for borrowed funds is used, show the appropriate tax effect adjustment to the computations below in a manner that clearly indicates the amount of reduction in the gross rate for tax effects.

Internal development costs: Internal costs associated with the development of various projects are charged to this account.

The CA ISO does not apply AFUDC on any of its projects.

COMPUTATION OF ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION RATES

For line 1(5), column (d) below, enter the rate granted in the last rate proceeding. If such is not available, use the average rate earned during the preceding three years.

1. Components of Formula (Derived from actual book balances and actual cost rates):

Line No.	Title (a)	Amount (b)	Capitalization Ratio(Percent) (c)	Cost Rate Percentage (d)
1	Average Short-Term Debt & Computation of Allowance text	S		
2	Short-term Interest			s
3	Long-Term Debt	D		d
4	Preferred Stock	P		p
5	Common Equity	C		c
6	Total Capitalization		100.00 100%	
7	Average Construction Work in Progress Balance	W		

2. Gross Rate for Borrowed Funds $s \left(\frac{S}{W} \right) + d \left(\frac{D}{D+P+C} \right) \left(1 - \frac{S}{W} \right)$ 0.00

3. Rate for Other Funds $\left[1 - \frac{S}{W} \right] \left[p \left(\frac{P}{D+P+C} \right) + c \left(\frac{C}{D+P+C} \right) \right]$ 0.00

4. Weighted Average Rate Actually Used for the Year:
- Rate for Borrowed Funds - 0.00
 - Rate for Other Funds - 0.00

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ACCUMULATED PROVISION FOR DEPRECIATION OF ELECTRIC UTILITY PLANT (Account 108)

1. Explain in a footnote any important adjustments during year.
2. Explain in a footnote any difference between the amount for book cost of plant retired, Line 11, column (c), and that reported for electric plant in service, pages 204-207, column 9d), excluding retirements of non-depreciable property.
3. The provisions of Account 108 in the Uniform System of accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.
4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.

Section A. Balances and Changes During Year

Line No.	Item (a)	Total (c+d+e) (b)	Electric Plant in Service (c)	Electric Plant Held for Future Use (d)	Electric Plant Leased to Others (e)
1	Balance Beginning of Year	45,637,174	45,637,174		
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	46,072,632	46,072,632		
4	(413) Exp. of Elec. Plt. Leas. to Others				
5	Transportation Expenses-Clearing				
6	Other Clearing Accounts				
7	Other Accounts (Specify):				
8					
9	TOTAL Deprec. Prov for Year (Enter Total of lines 3 thru 8)	46,072,632	46,072,632		
10	Net Charges for Plant Retired:				
11	Book Cost of Plant Retired				
12	Cost of Removal				
13	Salvage (Credit)				
14	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 11 thru 13)				
15	Other Debit or Cr. Items (Describe):				
16					
17	Balance End of Year (Enter Totals of lines 1, 9, 14, 15, and 16)	91,709,806	91,709,806		

Section B. Balances at End of Year According to Functional Classification

18	Steam Production				
19	Nuclear Production				
20	Hydraulic Production-Conventional				
21	Hydraulic Production-Pumped Storage				
22	Other Production				
23	Transmission				
24	Distribution				
25	General	91,709,806	91,709,806		
26	TOTAL (Enter Total of lines 18 thru 25)	91,709,806	91,709,806		

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LONG-TERM DEBT (Account 221, 222, 223 and 224)

1. Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221, Bonds, 222, Recquired Bonds, 223, Advances from Associated Companies, and 224, Other long-Term Debt.
2. In column (a), for new issues, give Commission authorization numbers and dates.
3. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.
4. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.
5. For receivers, certificates, show in column (a) the name of the court -and date of court order under which such certificates were issued.
6. In column (b) show the principal amount of bonds or other long-term debt originally issued.
7. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.
8. For column (c) the total expenses should be listed first for each issuance, then the amount of premium (in parentheses) or discount. Indicate the premium or discount with a notation, such as (P) or (D). The expenses, premium or discount should not be netted.
9. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.

Line No.	Class and Series of Obligation, Coupon Rate (For new issue, give commission Authorization numbers and dates) (a)	Principal Amount Of Debt issued (b)	Total expense, Premium or Discount (c)
1	Account 221 - Bonds		
2			
3	CIEDB Var Rate Revenue Bonds, 1998 Series A	101,500,000	
4			
5	CIEDB Var Rate Revenue Bonds, 1998 Series B	75,000,000	
6			
7	CIEDB Var Rate Revenue Bonds, 1998 Series C	75,000,000	
8			
9	CIEDB Var Rate Revenue Bonds, 1998 Series D	49,900,000	
10			
11	CIEDB Var Rate Revenue Bonds, 2000 Series A	116,200,000	
12			
13	CIEDB Var Rate Revenue Bonds, 2000 Series B	70,400,000	
14			
15	CIEDB Var Rate Revenue Bonds, 2000 Series C	106,400,000	
16			
17			
18			
19			
20			
21			
22			
23			
24			
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28			
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31			
32			
33	TOTAL	594,400,000	

Name of Respondent California Independent System Operator Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 02/20/2001	Year of Report Dec. 31, 2000
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LONG-TERM DEBT (Account 221, 222, 223 and 224) (Continued)

10. Identify separate undisposed amounts applicable to issues which were redeemed in prior years.
11. Explain any debits and credits other than debited to Account 428, Amortization and Expense, or credited to Account 429, Premium on Debt - Credit.
12. In a footnote, give explanatory (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principle repaid during year. Give Commission authorization numbers and dates.
13. If the respondent has pledged any of its long-term debt securities give particulars (details) in a footnote including name of pledgee and purpose of the pledge.
14. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
15. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (i). Explain in a footnote any difference between the total of column (j) and the total of Account 427, interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.
16. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.

Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From (f)	Date To (g)			
						1
						2
05/01/1998	04/01/2008	05/01/1998	04/01/2008		833,560	3
						4
05/01/1998	04/01/2008	05/01/1998	04/01/2008		916,860	5
						6
05/01/1998	04/01/2008	05/01/1998	04/01/2008		916,860	7
						8
05/01/1998	04/01/2008	05/01/1998	04/01/2008		573,342	9
						10
04-13-00	04-01-09	04-13-00	04-01-09		116,200,000	11
						12
04-13-00	04-01-09	04-13-00	04-01-09		70,400,000	13
						14
04-13-00	04-01-09	04-13-00	04-01-09		106,400,000	15
						16
						17
						18
						19
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					293,000,000	12,256,592

Name of Respondent California Independent System Operator Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 02/21/2001	Year of Report Dec. 31, 2000
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual, or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes.) Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

Line No.	Kind of Tax (See instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 295) (b)	Prepaid Taxes (Include in Account 165) (c)			
1	Property Taxes			335,167	335,167	
2						
3	FICA	67,811		810,010	1,877,821	
4						
5	Medicare	16,453		667,571	584,024	
6						
7	California Unemployment Tax	37,678		82,770	120,448	
8						
9	California Emp Training Tax			3,484	3,484	
10						
11	Dist of Cal. Unemploy Tax			270	270	
12						
13	Use Tax			81,740	81,740	
14						
15	Environmental & Other			1,959	1,959	
16						
17						
18						
19						
20						
21						
22						
23						
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38						
39						
40						
41	TOTAL	121,942		2,882,971	3,004,913	

Name of Respondent California Independent System Operator Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo., Da., Yr) 02/23/2001	Year of Report Dec. 31, 2000
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

5. If any tax (exclude Federal and State income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot-note. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Report in columns (j) through (l) how the taxes were distributed. Report in column (j) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations. Report in column (k) the amounts charged to Accounts 408.1 and 409.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also shown in column (l) the taxes charged to utility plant or other balance sheet accounts.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 185) (h)	Electric (Account 408.1, 409.1) (j)	Extraordinary Items (Account 409.3) (k)	Adjustments to Ret. Earnings (Account 439) (l)	Other (f)	
		49			335,118	1
						2
96,020						3
						4
22,222						5
						6
39,141						7
						8
1,466						9
						10
978						11
						12
					81,740	13
						14
					1,959	15
						16
						17
						18
						19
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						39
						40
158,827		49			418,817	41

Name of Respondent California Independent System Operator Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 02/20/2001	Year of Report Dec. 31, 2000
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OTHER DEFERRED CREDITS (Account 253)

- Report below the particulars (details) called for concerning other deferred credits.
- For any deferred credit being amortized, show the period of amortization.
- Minor items (5% of the Balance End of Year for Account 253 or amounts less than \$10,000, whichever is greater) may be grouped by classes.

Line No.	Description and Other Deferred Credits (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1	Post retirement liability	166,000	184		54,000	220,000
2						
3	Arbitrage Liability	571,000	431	13,149		557,851
4						
5	Supp. Exec. Retirement Plan	102,000	184		80,000	182,000
6						
7						
8						
9						
10						
11						
12						
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46						
47	TOTAL	839,000		13,149	134,000	959,851

Name of Respondent California Independent System Operator Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 02/23/2001	Year of Report Dec. 31, 2000
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ELECTRIC OPERATING REVENUES (Account 400)

- Report below operating revenues for each prescribed account, and manufactured gas revenues in total.
- Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The -average number of customers means the average of twelve figures at the close of each month.
- If increases or decreases from previous year (columns (c),(e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.

Line No.	Title of Account (a)	OPERATING REVENUES	
		Amount for Year (b)	Amount for Previous Year (c)
1	Sales of Electricity		
2	(440) Residential Sales		
3	(442) Commercial and Industrial Sales		
4	Small (or Comm.) (See Instr. 4)		
5	Large (or Ind.) (See Instr. 4)		
6	(444) Public Street and Highway Lighting		
7	(445) Other Sales to Public Authorities		
8	(446) Sales to Railroads and Railways		
9	(448) Interdepartmental Sales		
10	TOTAL Sales to Ultimate Consumers		
11	(447) Sales for Resale		
12	TOTAL Sales of Electricity		
13	(Less) (449.1) Provision for Rate Refunds		
14	TOTAL Revenues Net of Prov. for Refunds		
15	Other Operating Revenues		
16	(450) Forfeited Discounts		
17	(451) Miscellaneous Service Revenues		
18	(453) Sales of Water and Water Power		
19	(454) Rent from Electric Property		
20	(455) Interdepartmental Rents		
21	(456) Other Electric Revenues	185,406,885	163,527,508
22			
23			
24			
25			
26	TOTAL Other Operating Revenues	185,406,885	163,527,508
27	TOTAL Electric Operating Revenues	185,406,885	163,527,508

Name of Respondent California Independent System Operator Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Ja, Yr) 02/25/2001	Year of Report Dec. 31, <u>2000</u>
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ELECTRIC OPERATING REVENUES (Account 442)

4. Commercial and industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)
5. See pages 108-109, Important Changes During Year, for important new territory added and important rate increase or decreases.
6. For Lines 2,4,5, and 6, see Page 304 for amounts relating to unbilled revenue by accounts.
7. Include unmetered sales. Provide details of such Sales in a footnote.

MEGAWATT HOURS SOLD		AVG. NO. CUSTOMERS PER MONTH		Line No.
Amount for Year (d)	Amount for Previous Year (e)	Number for Year (f)	Number for Previous Year (g)	
				1
				2
				3
				4
				5
				6
				7
				8
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				10
				11
				12
				13
				14

Line 12, column (b) includes \$ of unbilled revenues.
 Line 12, column (d) includes MWH relating to unbilled revenues

Name of Respondent California Independent System Operator Corporation		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Ja, Yr) 02/25/2001	Year of Report Dec. 31, 2000
ELECTRIC OPERATION AND MAINTENANCE EXPENSES				
If the amount for previous year is not derived from previously reported figures, explain in footnote.				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
1	1. POWER PRODUCTION EXPENSES			
2	A. Steam Power Generation			
3	Operation			
4	(500) Operation Supervision and Engineering			
5	(501) Fuel			
6	(502) Steam Expenses			
7	(503) Steam from Other Sources			
8	(Less) (504) Steam Transferred-Cr.			
9	(505) Electric Expenses			
10	(506) Miscellaneous Steam Power Expenses			
11	(507) Rents			
12	(509) Allowances			
13	TOTAL Operation (Enter Total of Lines 4 thru 12)			
14	Maintenance			
15	(510) Maintenance Supervision and Engineering			
16	(511) Maintenance of Structures			
17	(512) Maintenance of Boiler Plant			
18	(513) Maintenance of Electric Plant			
19	(514) Maintenance of Miscellaneous Steam Plant			
20	TOTAL Maintenance (Enter Total of Lines 15 thru 19)			
21	TOTAL Power Production Expenses-Steam Power (Entr Tot lines 13 & 20)			
22	B. Nuclear Power Generation			
23	Operation			
24	(517) Operation Supervision and Engineering			
25	(518) Fuel			
26	(519) Coolants and Water			
27	(520) Steam Expenses			
28	(521) Steam from Other Sources			
29	(Less) (522) Steam Transferred-Cr.			
30	(523) Electric Expenses			
31	(524) Miscellaneous Nuclear Power Expenses			
32	(525) Rents			
33	TOTAL Operation (Enter Total of lines 24 thru 32)			
34	Maintenance			
35	(526) Maintenance Supervision and Engineering			
36	(529) Maintenance of Structures			
37	(530) Maintenance of Reactor Plant Equipment			
38	(531) Maintenance of Electric Plant			
39	(532) Maintenance of Miscellaneous Nuclear Plant			
40	TOTAL Maintenance (Enter Total of lines 35 thru 39)			
41	TOTAL Power Production Expenses-Nuc. Power (Entr tot lines 33 & 40)			
42	C. Hydraulic Power Generation			
43	Operation			
44	(535) Operation Supervision and Engineering			
45	(536) Water for Power			
46	(537) Hydraulic Expenses			
47	(538) Electric Expenses			
48	(539) Miscellaneous Hydraulic Power Generation Expenses			
49	(540) Rents			
50	TOTAL Operation (Enter Total of Lines 44 thru 49)			

Name of Respondent California Independent System Operator Corporation		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 02/23/2001	Year of Report Dec. 31, 2000
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)				
If the amount for previous year is not derived from previously reported figures, explain in footnote.				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
51	C. Hydraulic Power Generation (Continued)			
52	Maintenance			
53	(541) Maintenance Supervision and Engineering			
54	(542) Maintenance of Structures			
55	(543) Maintenance of Reservoirs, Dams, and Waterways			
56	(544) Maintenance of Electric Plant			
57	(545) Maintenance of Miscellaneous Hydraulic Plant			
58	TOTAL Maintenance (Enter Total of lines 53 thru 57)			
59	TOTAL Power Production Expenses-Hydraulic Power (tot of lines 50 & 58)			
60	D. Other Power Generation			
61	Operation			
62	(546) Operation Supervision and Engineering			
63	(547) Fuel			
64	(548) Generation Expenses			
65	(549) Miscellaneous Other Power Generation Expenses			
66	(550) Rents			
67	TOTAL, Operation (Enter Total of lines 62 thru 66)			
68	Maintenance			
69	(551) Maintenance Supervision and Engineering			
70	(552) Maintenance of Structures			
71	(553) Maintenance of Generating and Electric Plant			
72	(554) Maintenance of Miscellaneous Other Power Generation Plant			
73	TOTAL, Maintenance (Enter Total of lines 69 thru 72)			
74	TOTAL Power Production Expenses-Other Power (Enter Tot of 67 & 73)			
75	E. Other Power Supply Expenses			
76	(555) Purchased Power			
77	(556) System Control and Load Dispatching			
78	(557) Other Expenses			
79	TOTAL Other Power Supply Exp (Enter Total of lines 76 thru 78)			
80	TOTAL Power Production Expenses (Total of lines 21, 41, 59, 74 & 79)			
81	2. TRANSMISSION EXPENSES			
82	Operation			
83	(560) Operation Supervision and Engineering	4,574,892	2,106,900	
84	(561) Load Dispatching	43,201,168	42,809,989	
85	(562) Station Expenses			
86	(563) Overhead Lines Expenses			
87	(564) Underground Lines Expenses			
88	(565) Transmission of Electricity by Others			
89	(566) Miscellaneous Transmission Expenses			
90	(567) Rents			
91	TOTAL, Operation (Enter Total of lines 83 thru 90)	47,776,060	44,916,889	
92	Maintenance			
93	(568) Maintenance Supervision and Engineering	8,876,854	7,392,925	
94	(569) Maintenance of Structures			
95	(570) Maintenance of Station Equipment			
96	(571) Maintenance of Overhead Lines			
97	(572) Maintenance of Underground Lines			
98	(573) Maintenance of Miscellaneous Transmission Plant			
99	TOTAL, Maintenance (Enter Total of lines 93 thru 98)	8,876,854	7,392,925	
100	TOTAL Transmission Expenses (Enter Total of lines 91 and 99)	56,652,914	52,309,814	
101	3. DISTRIBUTION EXPENSES			
102	Operation			
103	(580) Operation Supervision and Engineering			

Name of Respondent California Independent System Operator Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 02/23/2001	Year of Report Dec. 31, 2000
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)				
If the amount for previous year is not derived from previously reported figures, explain in footnote.				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
104	3. DISTRIBUTION Expenses (Continued)			
105	(581) Load Dispatching			
106	(582) Station Expenses			
107	(583) Overhead Line Expenses			
108	(584) Underground Line Expenses			
109	(585) Street Lighting and Signal System Expenses			
110	(586) Meter Expenses			
111	(587) Customer Installations Expenses			
112	(588) Miscellaneous Expenses			
113	(589) Rents			
114	TOTAL Operation (Enter Total of lines 103 thru 113)			
115	Maintenance			
116	(590) Maintenance Supervision and Engineering			
117	(591) Maintenance of Structures			
118	(592) Maintenance of Station Equipment			
119	(593) Maintenance of Overhead Lines			
120	(594) Maintenance of Underground Lines			
121	(595) Maintenance of Line Transformers			
122	(596) Maintenance of Street Lighting and Signal Systems			
123	(597) Maintenance of Meters			
124	(598) Maintenance of Miscellaneous Distribution Plant			
125	TOTAL Maintenance (Enter Total of lines 116 thru 124)			
126	TOTAL Distribution Exp (Enter Total of lines 114 and 125)			
127	4. CUSTOMER ACCOUNTS EXPENSES			
128	Operation			
129	(901) Supervision	764,712	505,970	
130	(902) Meter Reading Expenses	1,794,070	1,892,541	
131	(903) Customer Records and Collection Expenses	4,265,437	4,143,210	
132	(904) Uncollectible Accounts			
133	(905) Miscellaneous Customer Accounts Expenses	543,062	670,897	
134	TOTAL Customer Accounts Expenses (Total of lines 129 thru 133)	7,367,281	7,212,618	
135	5. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES			
136	Operation			
137	(907) Supervision			
138	(908) Customer Assistance Expenses	2,458,630	2,141,075	
139	(909) Informational and Instructional Expenses			
140	(910) Miscellaneous Customer Service and Informational Expenses			
141	TOTAL Cust. Service and Information. Exp. (Total lines 137 thru 140)	2,458,630	2,141,075	
142	6. SALES EXPENSES			
143	Operation			
144	(911) Supervision			
145	(912) Demonstrating and Selling Expenses			
146	(913) Advertising Expenses			
147	(916) Miscellaneous Sales Expenses			
148	TOTAL Sales Expenses (Enter Total of lines 144 thru 147)			
149	7. ADMINISTRATIVE AND GENERAL EXPENSES			
150	Operation			
151	(920) Administrative and General Salaries	14,860,324	9,879,300	
152	(921) Office Supplies and Expenses	5,043,826	3,364,390	
153	(Less) (922) Administrative Expenses Transferred-Credit			

Name of Respondent California Independent System Operator Corporation		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 02/23/2001	Year of Report Dec. 31, 2000
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)				
If the amount for previous year is not derived from previously reported figures, explain in footnote.				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
154	7. ADMINISTRATIVE AND GENERAL EXPENSES (Continued)			
155	(923) Outside Services Employed	13,240,312	14,085,849	
156	(924) Property Insurance	998,110	277,162	
157	(925) Injuries and Damages		612,808	
158	(926) Employee Pensions and Benefits			
159	(927) Franchise Requirements			
160	(928) Regulatory Commission Expenses	7,350,621	3,352,338	
161	(929) (Less) Duplicate Charges-Cr.			
162	(930.1) General Advertising Expenses	100,790	53,638	
163	(930.2) Miscellaneous General Expenses	642,206	705,800	
164	(931) Rents	18,482,930	18,436,717	
165	TOTAL Operation (Enter Total of lines 151 thru 164)	60,719,133	50,768,000	
166	Maintenance			
167	(935) Maintenance of General Plant	7,122,942	4,824,095	
168	TOTAL, Admin & General Expenses (Total of lines 165 thru 167)	67,842,075	55,592,095	
169	TOTAL Elec Op and Maint Expn (Tot 80, 100, 126, 134, 141, 148, 168)	134,320,900	117,255,602	

NUMBER OF ELECTRIC DEPARTMENT EMPLOYEES	
1. The data on number of employees should be reported for the payroll period ending nearest to October 31, or any payroll period ending 60 days before or after October 31.	construction employees in a footnote.
2. If the respondent's payroll for the reporting period includes any special construction personnel, include such employes on line 3, and show the number of such special	3. The number of employees assignable to the electric department from joint functions of combination utilities may be determined by estimate, on the basis of employee equivalents. Show the estimated number of equivalent employees attributed to the electric department from joint functions.
1. Payroll Period Ended (Date)	12/17/2000
2. Total Regular Full-Time Employees	431
3. Total Part-Time and Temporary Employees	0
4. Total Employees	431

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MISCELLANEOUS GENERAL EXPENSES (Account 930.2) ELECTRIC					
Line No.	Description (a)	Amount (b)			
1	Industry Association Dues				
2	Nuclear Power Research Expenses				
3	Other Experimental and General Research Expenses				
4	Pub & Dist Info to Stkholders...expn servicing outstanding Securities				
5	Oth Expn >=5,000 show purpose, recipient, amount. Group if < \$5,000	49			
6	Board of Director's expense	199,010			
7	Board Member Compensation	389,459			
8	Bank Fees	53,688			
9					
10					
11					
12					
13					
14					
15					
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45					
46	TOTAL	642,208			

Name of Respondent California Independent System Operator Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 02/23/2001	Year of Report Dec. 31, 2000		
DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Account 403, 404, 405) (Except amortization of acquisition adjustments)					
<p>1. Report in Section A for the year the amounts for: (a) Depreciation Expense (Account 403); (b) Amortization of Limited-Term Electric Plant (Account 404); and (c) Amortization of Other Electric Plant (Account 405).</p> <p>2. Report in Section 8 the rates used to compute amortization charges for electric plant (Accounts 404 and 405). State the basis used to compute charges and whether any changes have been made in the basis or rates used from the preceding report year.</p> <p>3. Report all available information called for in Section C every fifth year beginning with report year 1971, reporting annually only changes to columns (c) through (g) from the complete report of the preceding year.</p> <p>Unless composite depreciation accounting for total depreciable plant is followed, list numerically in column (a) each plant subaccount, account or functional classification, as appropriate, to which a rate is applied. Identify at the bottom of Section C the type of plant included in any sub-account used.</p> <p>In column (b) report all depreciable plant balances to which rates are applied showing subtotals by functional classifications and showing composite total. Indicate at the bottom of section C the manner in which column balances are obtained. If average balances, state the method of averaging used.</p> <p>For columns (c), (d), and (e) report available information for each plant subaccount, account or functional classification listed in column (a). If plant mortality studies are prepared to assist in estimating average service lives, show in column (f) the type mortality curve selected as most appropriate for the account and in column (g), if available, the weighted average remaining life of surviving plant. If composite depreciation accounting is used, report available information called for in columns (b) through (g) on this basis.</p> <p>4. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state at the bottom of section C the amounts and nature of the provisions and the plant items to which related.</p>					
A. Summary of Depreciation and Amortization Charges					
Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Amortization of Limited Term Electric Plant (Acc 404) (c)	Amortization of Other Electric Plant (Acc 405) (d)	Total (e)
1	Intangible Plant	36,215,166			36,215,166
2	Steam Production Plant				
3	Nuclear Production Plant				
4	Hydraulic Production Plant-Conventional				
5	Hydraulic Production Plant-Pumped Storage				
6	Other Production Plant				
7	Transmission Plant				
8	Distribution Plant				
9	General Plant				
10	Common Plant-Electric	9,857,466			9,857,466
11	TOTAL	46,072,632			46,072,632
B. Basis for Amortization Charges					

DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	Intangible Plant:						
13	# 303	116,518	4.00		25.00		
14							
15							
16	General Plant:						
17	# 390	10,566	10.00		10.00		8.00
18	# 391	5,391	10.00		10.00		8.00
19	# 392	96	3.00		33.30		
20	# 397	6	10.00		10.00		8.00
21	# 399	22,345	3.00		33.30		
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Name of Respondent California Independent System Operator Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 02/23/2001	Year of Report Dec. 31, 2000
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PARTICULARS CONCERNING CERTAIN INCOME DEDUCTIONS AND INTEREST CHARGES ACCOUNTS

Report the information specified below, in the order given, for the respective income deduction and interest charges account. Provide a subheading for each account and a total for the account. Additional columns may be added if deemed appropriate with respect to any account.

(a) Miscellaneous Amortization (Account 425): Describe the nature of items included in this account, the contra account charged, the total of amortization charges for the year, and the period of amortization.

(b) Miscellaneous Income Deductions: Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, Donations; 426.2, Life Insurance; 426.3, Penalties; 426.4, Expenditures for Certain Civic Political and Related Activities; and 426.5, Other Deductions, of the Uniform System of Accounts. Amounts of less than 5% of each account total for the year (or \$1,000, whichever is greater) may be grouped by classes within the above accounts.

(c) Interest on Debt to Associated Companies (Account 430) -- For each associated company to which interest on debt was incurred during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open account, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest. Explain the nature of other debt on which interest was incurred during the year.

(d) Other Interest Expense (Account 431) -- Report particulars (details) including the amount and interest rate for other interest charges incurred during the year.

Line No.	Item (a)	Amount (b)
1	Miscellaneous income deductions:	
2	Write-off of loss on refunding of bonds	843,537
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Name of Respondent California Independent System Operator Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 02/23/2001	Year of Report Dec. 31, 2000
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REGULATORY COMMISSION EXPENSES

1. Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years, if being amortized) relating to format cases before a regulatory body, or cases in which such a body was a party.
2. Report in columns (b) and (c), only the current year's expenses that are not deferred and the current year's amortization of amounts deferred in previous years.

Line No.	Description (Furnish name of regulatory commission or body the docket or case number and a description of the case) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expense for Current Year (b) + (c) (d)	Deferred in Account 182.3 at Beginning of Year (e)
1	FERC Hearings		7,350,621	7,350,621	
2					
3					
4					
5					
6					
7					
8					
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46	TOTAL		7,350,621	7,350,621	

Name of Respondent California Independent System Operator Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 02/21/2001	Year of Report Dec. 31, 2000
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REGULATORY COMMISSION EXPENSES (Continued)

3. Show in column (k) any expenses incurred in prior years which are being amortized. List in column (a) the period of amortization.
4. List in column (f), (g), and (h) expenses incurred during year which were charged currently to income, plant, or other accounts.
5. Minor items (less than \$25,000) may be grouped.

EXPENSES INCURRED DURING YEAR			AMORTIZED DURING YEAR				Line No.
CURRENTLY CHARGED TO			Deferred to Account 182.3 (j)	Contra Account (i)	Amount (k)	Deferred in Account 182.3 End of Year (l)	
Department (f)	Account No. (g)	Amount (h)					
Electric	928	7,350,621					1
							2
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		7,350,621					45
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Name of Respondent California Independent System Operator Corporation	This Report is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 02/23/2001	Year of Report Dec. 31, 2000
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DISTRIBUTION OF SALARIES AND WAGES

Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)
1	Electric			
2	Operation			
3	Production			
4	Transmission	26,144,066		
5	Distribution			
6	Customer Accounts	5,889,018		
7	Customer Service and Informational	1,993,826		
8	Sales			
9	Administrative and General			
10	TOTAL Operation (Enter Total of lines 3 thru 9)	34,026,900		
11	Maintenance			
12	Production			
13	Transmission			
14	Distribution			
15	Administrative and General	14,860,756		
16	TOTAL Maint. (Total of lines 12 thru 15)	14,860,756		
17	Total Operation and Maintenance			
18	Production (Enter Total of lines 3 and 12)			
19	Transmission (Enter Total of lines 4 and 13)	26,144,066		
20	Distribution (Enter Total of lines 5 and 14)			
21	Customer Accounts (Transcribe from line 6)	5,889,018		
22	Customer Service and Informational (Transcribe from line 7)	1,993,826		
23	Sales (Transcribe from line 8)			
24	Administrative and General (Enter Total of lines 9 and 15)	14,860,756		
25	TOTAL Oper. and Maint. (Total of lines 18 thru 24)	48,887,656		48,887,656
26	Gas			
27	Operation			
28	Production-Manufactured Gas			
29	Production-Nat. Gas (Including Expl. and Dev.)			
30	Other Gas Supply			
31	Storage, LNG Terminaling and Processing			
32	Transmission			
33	Distribution			
34	Customer Accounts			
35	Customer Service and Informational			
36	Sales			
37	Administrative and General			
38	TOTAL Operation (Enter Total of lines 28 thru 37)			
39	Maintenance			
40	Production-Manufactured Gas			
41	Production-Natural Gas			
42	Other Gas Supply			
43	Storage, LNG Terminaling and Processing			
44	Transmission			
45	Distribution			
46	Administrative and General			
47	TOTAL Maint. (Enter Total of lines 40 thru 46)			

