

THIS FILING IS

Item 1:  An Initial (Original) Submission OR  Resubmission No. \_\_\_\_\_

Form 1 Approved  
OMB No. 1902-0021  
(Expires 7/31/2008)  
Form 1-F Approved  
OMB No. 1902-0029  
(Expires 6/30/2007)  
Form 3-Q Approved  
OMB No. 1902-0205  
(Expires 6/30/2007)



# FERC FINANCIAL REPORT

## FERC FORM No. 1: Annual Report of Major Electric Utilities, Licensees and Others and Supplemental Form 3-Q: Quarterly Financial Report

These reports are mandatory under the Federal Power Act, Sections 3, 4(a), 304 and 309, and 18 CFR 141.1 and 141.400. 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 these reports to be of confidential nature

**Exact Legal Name of Respondent (Company)**

California Independent System Operator Corporation

**Year/Period of Report**

**End of** 2006/Q3

**FERC FORM NO. 1/3-Q:  
REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHER**

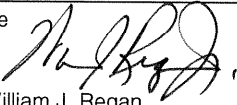
IDENTIFICATION		
01 Exact Legal Name of Respondent California Independent System Operator Corporation	02 Year/Period of Report End of <u>2006/Q3</u>	
03 Previous Name and Date of Change (if name changed during year)  / /		
04 Address of Principal Office at End of Period (Street, City, State, Zip Code) 151 Blue Ravine Road		
05 Name of Contact Person Dennis Y. Estrada	06 Title of Contact Person Lead General Ledger	
07 Address of Contact Person (Street, City, State, Zip Code) 151 Blue Ravine Road		
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) 11/30/2006

**QUARTERLY CORPORATE OFFICER CERTIFICATION**

The undersigned officer certifies that:

I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

*(This area is intentionally left blank for the officer's signature and date.)*

01 Name William J. Regan	03 Signature  William J. Regan	04 Date Signed (Mo, Da, Yr) 11/30/2006
02 Title Chief Financial Officer		

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) 11/30/2006	Year/Period of Report End of <u>2006/Q3</u>
--	---	--	--

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	Important Changes During the Quarter	108-109	
2	Comparative Balance Sheet	110-113	
3	Statement of Income for the Quarter	114-117	
4	Statement of Retained Earnings for the Quarter	118-119	
5	Statement of Cash Flows	120-121	
6	Notes to Financial Statements	122-123	
7	Statement of Accum Comp Income, Comp Income, and Hedging Activities	122 (a)(b)	
8	Summary of Utility Plant & Accumulated Provisions for Dep, Amort & Dep	200-201	
9	Electric Plant In Service and Accum Provision For Depr by Function	208	
10	Other Regulatory Assets	232	
11	Other Regulatory Liabilities	278	
12	Elec Operating Revenues (Individual Schedule Lines 300-301)	300-301	
13	Electric Prod, Other Power Supply Exp, Trans and Distrib Exp	324	
14	Electric Customer Accts, Service, Sales, Admin and General Expenses	325	
15	Transmission of Electricity for Others	328-330	
16	Transmission of Electricity by Others	332	
17	Deprec, Depl and Amort of Elec Plant (403,403.1,404,and 405) (except A	338	
18	Monthly Peak Loads and Energy Output	399	
19	Monthly Transmission System Peak Load	400	

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 11/30/2006	Year/Period of Report End of <u>2006/Q3</u>
--	---	------------------------------	--

IMPORTANT CHANGES DURING THE QUARTER/YEAR

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.

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.
13. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period.
14. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio.

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) 11/30/2006	Year/Period of Report 2006/Q3
IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

None

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) 11/30/2006	Year/Period of Report End of 2006/Q3
--	---	--	---

**COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)**

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
<b>1</b>	<b>UTILITY PLANT</b>			
2	Utility Plant (101-106, 114)	200-201	244,204,714	237,646,503
3	Construction Work in Progress (107)	200-201	120,402,055	85,876,477
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		364,606,769	323,522,980
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 110, 111, 115)	200-201	218,491,847	206,420,201
6	Net Utility Plant (Enter Total of line 4 less 5)		146,114,922	117,102,779
7	Nuclear Fuel in Process of Ref., Conv., Enrich., and Fab. (120.1)	202-203	0	0
8	Nuclear Fuel Materials and Assemblies-Stock Account (120.2)		0	0
9	Nuclear Fuel Assemblies in Reactor (120.3)		0	0
10	Spent Nuclear Fuel (120.4)		0	0
11	Nuclear Fuel Under Capital Leases (120.6)		0	0
12	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203	0	0
13	Net Nuclear Fuel (Enter Total of lines 7-11 less 12)		0	0
14	Net Utility Plant (Enter Total of lines 6 and 13)		146,114,922	117,102,779
15	Utility Plant Adjustments (116)	122	0	0
16	Gas Stored Underground - Noncurrent (117)		0	0
<b>17</b>	<b>OTHER PROPERTY AND INVESTMENTS</b>			
18	Nonutility Property (121)		0	0
19	(Less) Accum. Prov. for Depr. and Amort. (122)		0	0
20	Investments in Associated Companies (123)		0	0
21	Investment in Subsidiary Companies (123.1)	224-225	0	0
22	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
23	Noncurrent Portion of Allowances	228-229	0	0
24	Other Investments (124)		100,753,357	112,323,600
25	Sinking Funds (125)		27,662,162	33,891,070
26	Depreciation Fund (126)		0	0
27	Amortization Fund - Federal (127)		0	0
28	Other Special Funds (128)		91,629,624	148,818,587
29	Special Funds (Non Major Only) (129)		0	0
30	Long-Term Portion of Derivative Assets (175)		0	0
31	Long-Term Portion of Derivative Assets - Hedges (176)		0	0
32	TOTAL Other Property and Investments (Lines 18-21 and 23-31)		220,045,143	295,033,257
<b>33</b>	<b>CURRENT AND ACCRUED ASSETS</b>			
34	Cash and Working Funds (Non-major Only) (130)		0	0
35	Cash (131)		38,945,591	12,436,846
36	Special Deposits (132-134)		21,597,566	29,718,239
37	Working Fund (135)		2,000	1,194
38	Temporary Cash Investments (136)		0	0
39	Notes Receivable (141)		0	0
40	Customer Accounts Receivable (142)		1,619,161	747,196
41	Other Accounts Receivable (143)		509,001	555,074
42	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		0	0
43	Notes Receivable from Associated Companies (145)		0	0
44	Accounts Receivable from Assoc. Companies (146)		0	0
45	Fuel Stock (151)	227	0	0
46	Fuel Stock Expenses Undistributed (152)	227	0	0
47	Residuals (Elec) and Extracted Products (153)	227	0	0
48	Plant Materials and Operating Supplies (154)	227	0	0
49	Merchandise (155)	227	0	0
50	Other Materials and Supplies (156)	227	0	0
51	Nuclear Materials Held for Sale (157)	202-203/227	0	0
52	Allowances (158.1 and 158.2)	228-229	0	0

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) 11/30/2006	Year/Period of Report End of <u>2006/Q3</u>
--	---	--	--

**COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)**Continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
53	(Less) Noncurrent Portion of Allowances		0	0
54	Stores Expense Undistributed (163)	227	0	0
55	Gas Stored Underground - Current (164.1)		0	0
56	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)		0	0
57	Prepayments (165)		2,132,840	835,001
58	Advances for Gas (166-167)		0	0
59	Interest and Dividends Receivable (171)		0	864,309
60	Rents Receivable (172)		0	0
61	Accrued Utility Revenues (173)		31,507,598	52,696,795
62	Miscellaneous Current and Accrued Assets (174)		0	0
63	Derivative Instrument Assets (175)		0	0
64	(Less) Long-Term Portion of Derivative Instrument Assets (175)		0	0
65	Derivative Instrument Assets - Hedges (176)		0	0
66	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)		0	0
67	Total Current and Accrued Assets (Lines 34 through 66)		96,313,757	97,854,654
68	<b>DEFERRED DEBITS</b>			
69	Unamortized Debt Expenses (181)		994,210	1,349,411
70	Extraordinary Property Losses (182.1)	230	0	0
71	Unrecovered Plant and Regulatory Study Costs (182.2)	230	0	0
72	Other Regulatory Assets (182.3)	232	0	0
73	Prelim. Survey and Investigation Charges (Electric) (183)		0	0
74	Preliminary Natural Gas Survey and Investigation Charges 183.1)		0	0
75	Other Preliminary Survey and Investigation Charges (183.2)		0	0
76	Clearing Accounts (184)		-197,611	-22,995
77	Temporary Facilities (185)		0	0
78	Miscellaneous Deferred Debits (186)	233	0	0
79	Def. Losses from Disposition of Utility Plt. (187)		0	0
80	Research, Devel. and Demonstration Expend. (188)	352-353	0	0
81	Unamortized Loss on Reaquired Debt (189)		0	0
82	Accumulated Deferred Income Taxes (190)	234	0	0
83	Unrecovered Purchased Gas Costs (191)		0	0
84	Total Deferred Debits (lines 69 through 83)		796,599	1,326,416
85	TOTAL ASSETS (lines 14-16, 32, 67, and 84)		463,270,421	511,317,106

Name of Respondent California Independent System Operator Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Rresubmission	Date of Report (mo, da, yr) 11/30/2006	Year/Period of Report end of 2006/Q3
--	--	--	---

**COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)**

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (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	151,270,534	120,941,242
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	0	0
13	(Less) Reaquired Capital Stock (217)	250-251	0	0
14	Noncorporate Proprietorship (Non-major only) (218)		0	0
15	Accumulated Other Comprehensive Income (219)	122(a)(b)	0	0
16	Total Proprietary Capital (lines 2 through 15)		151,270,534	120,941,242
17	LONG-TERM DEBT			
18	Bonds (221)	256-257	188,400,000	247,200,000
19	(Less) Reaquired Bonds (222)	256-257	0	0
20	Advances from Associated Companies (223)	256-257	0	0
21	Other Long-Term Debt (224)	256-257	0	0
22	Unamortized Premium on Long-Term Debt (225)		0	0
23	(Less) Unamortized Discount on Long-Term Debt-Debit (226)		0	0
24	Total Long-Term Debt (lines 18 through 23)		188,400,000	247,200,000
25	OTHER NONCURRENT LIABILITIES			
26	Obligations Under Capital Leases - Noncurrent (227)		0	0
27	Accumulated Provision for Property Insurance (228.1)		0	0
28	Accumulated Provision for Injuries and Damages (228.2)		0	0
29	Accumulated Provision for Pensions and Benefits (228.3)		7,893,631	6,762,512
30	Accumulated Miscellaneous Operating Provisions (228.4)		0	0
31	Accumulated Provision for Rate Refunds (229)		0	0
32	Long-Term Portion of Derivative Instrument Liabilities		438,496	438,496
33	Long-Term Portion of Derivative Instrument Liabilities - Hedges		0	0
34	Asset Retirement Obligations (230)		0	0
35	Total Other Noncurrent Liabilities (lines 26 through 34)		8,332,127	7,201,008
36	CURRENT AND ACCRUED LIABILITIES			
37	Notes Payable (231)		0	0
38	Accounts Payable (232)		27,379,224	28,997,488
39	Notes Payable to Associated Companies (233)		0	0
40	Accounts Payable to Associated Companies (234)		0	0
41	Customer Deposits (235)		41,546,153	62,948,898
42	Taxes Accrued (236)	262-263	110,378	595,087
43	Interest Accrued (237)		0	0
44	Dividends Declared (238)		0	0
45	Matured Long-Term Debt (239)		0	0



Name of Respondent California Independent System Operator Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Rresubmission	Date of Report (mo, da, yr) 11/30/2006	Year/Period of Report end of 2006/Q3
--	--	--	---

**COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)** (Continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
46	Matured Interest (240)		0	0
47	Tax Collections Payable (241)		0	0
48	Miscellaneous Current and Accrued Liabilities (242)		0	0
49	Obligations Under Capital Leases-Current (243)		0	0
50	Derivative Instrument Liabilities (244)		0	0
51	(Less) Long-Term Portion of Derivative Instrument Liabilities		0	0
52	Derivative Instrument Liabilities - Hedges (245)		0	0
53	(Less) Long-Term Portion of Derivative Instrument Liabilities-Hedges		0	0
54	Total Current and Accrued Liabilities (lines 37 through 53)		69,035,755	92,541,473
55	DEFERRED CREDITS			
56	Customer Advances for Construction (252)		0	0
57	Accumulated Deferred Investment Tax Credits (255)	266-267	0	0
58	Deferred Gains from Disposition of Utility Plant (256)		0	0
59	Other Deferred Credits (253)	269	46,232,005	43,433,383
60	Other Regulatory Liabilities (254)	278	0	0
61	Unamortized Gain on Reaquired Debt (257)		0	0
62	Accum. Deferred Income Taxes-Accel. Amort.(281)	272-277	0	0
63	Accum. Deferred Income Taxes-Other Property (282)		0	0
64	Accum. Deferred Income Taxes-Other (283)		0	0
65	Total Deferred Credits (lines 56 through 64)		46,232,005	43,433,383
66	TOTAL LIABILITIES AND STOCKHOLDER EQUITY (lines 16, 24, 35, 54 and 65)		463,270,421	511,317,106

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) 11/30/2006	Year/Period of Report End of 2006/Q3
--	---	--	---

STATEMENT OF INCOME

Quarterly

1. Enter in column (d) the balance for the reporting quarter and in column (e) the balance for the same three month period for the prior year.
2. Report in column (f) the quarter to date amounts for electric utility function; in column (h) the quarter to date amounts for gas utility, and in (j) the quarter to date amounts for other utility function for the current year quarter.
3. Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in (k) the quarter to date amounts for other utility function for the prior year quarter.
4. If additional columns are needed place them in a footnote.

Annual or Quarterly if applicable

5. Do not report fourth quarter data in columns (e) and (f)
6. Report amounts for accounts 412 and 413, Revenues and Expenses from Utility Plant Leased to Others, in another utility column in a similar manner to a utility department. Spread the amount(s) over lines 2 thru 26 as appropriate. Include these amounts in columns (c) and (d) totals.
7. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.
8. Report data for lines 8, 10 and 11 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1 and 407.2.

Line No.	Title of Account (a)	(Ref.) Page No. (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
1	UTILITY OPERATING INCOME					
2	Operating Revenues (400)	300-301	148,217,700	161,142,147	55,691,261	63,636,493
3	Operating Expenses					
4	Operation Expenses (401)	320-323	90,255,327	85,071,463	29,344,874	27,200,551
5	Maintenance Expenses (402)	320-323	11,525,392	22,256,338	1,592,969	6,911,149
6	Depreciation Expense (403)	336-337	12,071,646	13,493,970	3,709,593	4,317,939
7	Depreciation Expense for Asset Retirement Costs (403.1)	336-337				
8	Amort. & Depl. of Utility Plant (404-405)	336-337				
9	Amort. of Utility Plant Acq. Adj. (406)	336-337				
10	Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407)					
11	Amort. of Conversion Expenses (407)					
12	Regulatory Debits (407.3)					
13	(Less) Regulatory Credits (407.4)					
14	Taxes Other Than Income Taxes (408.1)	262-263	192,768	187,085	1,451	243
15	Income Taxes - Federal (409.1)	262-263				
16	- Other (409.1)	262-263				
17	Provision for Deferred Income Taxes (410.1)	234, 272-277				
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234, 272-277				
19	Investment Tax Credit Adj. - Net (411.4)	266				
20	(Less) Gains from Disp. of Utility Plant (411.6)					
21	Losses from Disp. of Utility Plant (411.7)					
22	(Less) Gains from Disposition of Allowances (411.8)					
23	Losses from Disposition of Allowances (411.9)					
24	Accretion Expense (411.10)					
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)		114,045,133	121,008,856	34,648,887	38,429,882
26	Net Util Oper Inc (Enter Tot line 2 less 25) Carry to Pg117, line 27		34,172,567	40,133,291	21,042,374	25,206,611

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) 11/30/2006	Year/Period of Report End of 2006/Q3
--	---	--	---

STATEMENT OF INCOME FOR THE YEAR (Continued)

9. Use page 122 for important notes regarding the statement of income for any account thereof.  
10. 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 material refund to the utility with respect to power or gas purchases. State for each year effected 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 or gas purchases.  
11 Give concise explanations concerning significant amounts of any refunds made or received during the year 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.  
12. If any notes appearing in the report to stokholders are applicable to the Statement of Income, such notes may be included at page 122.  
13. Enter on page 122 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 appropriate dollar effect of such changes.  
14. Explain in a footnote if the previous year's/quarter's figures are different from that reported in prior reports.  
15. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles report the information in a footnote to this schedule.

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		Line No.
Current Year to Date (in dollars) (g)	Previous Year to Date (in dollars) (h)	Current Year to Date (in dollars) (i)	Previous Year to Date (in dollars) (j)	Current Year to Date (in dollars) (k)	Previous Year to Date (in dollars) (l)	
						1
148,217,700	161,142,147					2
						3
90,255,327	85,071,463					4
11,525,392	22,256,338					5
12,071,646	13,493,970					6
						7
						8
						9
						10
						11
						12
192,768	187,085					13
						14
						15
						16
						17
						18
						19
						20
						21
						22
						23
114,045,133	121,008,856					24
34,172,567	40,133,291					25
						26

STATEMENT OF INCOME FOR THE YEAR (continued)

Line No.	Title of Account (a)	(Ref.) Page No. (b)	TOTAL		Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
			Current Year (c)	Previous Year (d)		
27	Net Utility Operating Income (Carried forward from page 114)		34,172,567	40,133,291	21,042,374	25,206,611
28	Other Income and Deductions					
29	Other Income					
30	Nonutility Operating Income					
31	Revenues From Merchandising, Jobbing and Contract Work (415)					
32	(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)					
33	Revenues From Nonutility Operations (417)					
34	(Less) Expenses of Nonutility Operations (417.1)					
35	Nonoperating Rental Income (418)					
36	Equity in Earnings of Subsidiary Companies (418.1)	119				
37	Interest and Dividend Income (419)		5,993,102	5,728,513	2,768,993	1,925,311
38	Allowance for Other Funds Used During Construction (419.1)					
39	Miscellaneous Nonoperating Income (421)		115,840	77,396	102,151	-235,907
40	Gain on Disposition of Property (421.1)					
41	TOTAL Other Income (Enter Total of lines 31 thru 40)		6,108,942	5,805,909	2,871,144	1,689,404
42	Other Income Deductions					
43	Loss on Disposition of Property (421.2)					
44	Miscellaneous Amortization (425)	340				
45	Donations (426.1)	340				
46	Life Insurance (426.2)					
47	Penalties (426.3)					
48	Exp. for Certain Civic, Political & Related Activities (426.4)					
49	Other Deductions (426.5)					
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)					
51	Taxes Applic. to Other Income and Deductions					
52	Taxes Other Than Income Taxes (408.2)	262-263				
53	Income Taxes-Federal (409.2)	262-263				
54	Income Taxes-Other (409.2)	262-263				
55	Provision for Deferred Inc. Taxes (410.2)	234, 272-277				
56	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234, 272-277				
57	Investment Tax Credit Adj.-Net (411.5)					
58	(Less) Investment Tax Credits (420)					
59	TOTAL Taxes on Other Income and Deductions (Total of lines 52-58)					
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		6,108,942	5,805,909	2,871,144	1,689,404
61	Interest Charges					
62	Interest on Long-Term Debt (427)		5,901,677	7,328,776	1,740,614	2,655,745
63	Amort. of Debt Disc. and Expense (428)		355,202	167,237	115,337	2,867
64	Amortization of Loss on Required Debt (428.1)					
65	(Less) Amort. of Premium on Debt-Credit (429)					
66	(Less) Amortization of Gain on Required Debt-Credit (429.1)					
67	Interest on Debt to Assoc. Companies (430)	340				
68	Other Interest Expense (431)	340	3,695,338	2,466,875	1,435,995	619,497
69	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)					
70	Net Interest Charges (Total of lines 62 thru 69)		9,952,217	9,962,888	3,291,946	3,278,109
71	Income Before Extraordinary Items (Total of lines 27, 60 and 70)		30,329,292	35,976,312	20,621,572	23,617,906
72	Extraordinary Items					
73	Extraordinary Income (434)					
74	(Less) Extraordinary Deductions (435)					
75	Net Extraordinary Items (Total of line 73 less line 74)					
76	Income Taxes-Federal and Other (409.3)	262-263				
77	Extraordinary Items After Taxes (line 75 less line 76)					
78	Net Income (Total of line 71 and 77)		30,329,292	35,976,312	20,621,572	23,617,906

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) 11/30/2006	Year/Period of Report End of 2006/Q3
--	---	--	---

**STATEMENT OF RETAINED EARNINGS**

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. 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)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. 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.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. 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.
9. 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)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)			
1	Balance-Beginning of Period		120,941,242	69,043,088
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)		30,329,292	35,976,309
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 Period (Total 1,9,15,16,22,29,36,37)		151,270,534	105,019,397

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) 11/30/2006	Year/Period of Report End of 2006/Q3
--	---	--	---

STATEMENT OF RETAINED EARNINGS

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. 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)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. 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.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. 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.
9. 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)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
	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 (Acct. 215, 215.1, 216) (Total 38, 47) (216.1)		151,270,534	105,019,397
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account Report only on an Annual Basis, no Quarterly			
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) 11/30/2006	Year/Period of Report End of 2006/Q3
--	---	--	---

**STATEMENT OF CASH FLOWS**

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.  
(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.  
(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 in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.  
(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
1	Net Cash Flow from Operating Activities:		
2	Net Income (Line 78(c) on page 117)	30,329,292	35,976,309
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	12,071,646	13,493,970
5	Amortization of	355,201	489,981
6			
7			
8	Deferred Income Taxes (Net)		
9	Investment Tax Credit Adjustment (Net)		
10	Net (Increase) Decrease in Receivables	19,239,275	25,915,481
11	Net (Increase) Decrease in Inventory		
12	Net (Increase) Decrease in Allowances Inventory		
13	Net Increase (Decrease) in Payables and Accrued Expenses	-971,853	-6,709,701
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 (provide details in footnote):		
19			
20	Other Deferred Credits	2,798,622	-15,624,750
21			
22	Net Cash Provided by (Used in) Operating Activities (Total 2 thru 21)	63,822,183	53,541,290
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	-41,083,789	-26,830,083
29	Gross Additions to Nonutility Plant		
30	(Less) Allowance for Other Funds Used During Construction		
31	Other (provide details in footnote):		
32	Net Maturities (purchases) of Investments	12,434,552	-30,767,926
33			
34	Cash Outflows for Plant (Total of lines 26 thru 33)	-28,649,237	-57,598,009
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) 11/30/2006	Year/Period of Report End of 2006/Q3
--	---	--	---

**STATEMENT OF CASH FLOWS**

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.  
(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.  
(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 in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.  
(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
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 (provide details in footnote):		
54			
55			
56	Net Cash Provided by (Used in) Investing Activities		
57	Total of lines 34 thru 55)	-28,649,237	-57,598,009
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 (provide details in footnote):		
65	Customer Deposits	-21,402,745	-6,219,213
66	Net Increase in Short-Term Debt (c)		
67	Other (provide details in footnote):		
68			
69			
70	Cash Provided by Outside Sources (Total 61 thru 69)	-21,402,745	-6,219,213
71			
72	Payments for Retirement of:		
73	Long-term Debt (b)	-58,800,000	-36,600,000
74	Preferred Stock		
75	Common Stock		
76	Other (provide details in footnote) Sinking Fund:	6,228,908	-15,947,651
77	Special Deposits	8,120,673	7,757,549
78	Net Decrease in Short-Term Debt (c)		
79	Other Special Funds	57,188,963	17,018,650
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)	-8,664,201	-33,990,665
84			
85	Net Increase (Decrease) in Cash and Cash Equivalents		
86	(Total of lines 22,57 and 83)	26,508,745	-38,047,384
87			
88	Cash and Cash Equivalents at Beginning of Period	12,436,846	96,013,929
89			
90	Cash and Cash Equivalents at End of period	38,945,591	57,966,545



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 11/30/2006	Year/Period of Report End of <u>2006/Q3</u>
--	---	------------------------------	--

NOTES TO FINANCIAL STATEMENTS

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.
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.
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.
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.
5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.
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.
7. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.
8. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.
9. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.

PAGE 122 INTENTIONALLY LEFT BLANK  
SEE PAGE 123 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) 11/30/2006	Year/Period of Report 2006/Q3
NOTES TO FINANCIAL STATEMENTS (Continued)			

**1. Financial Statements Preparation**

California ISO's financial statements have been prepared in conformity with the requirements of the Federal Energy Regulatory Commission (FERC) as set forth in its applicable Uniform System of Accounts and published accounting releases. Accordingly, as required by the FERC, certain information has been presented differently or has been excluded from that which would be required by accounting principles generally accepted in the United States of America (GAAP). Additionally, certain disclosures required by GAAP are not required to be presented by the FERC

**2. Reclassification**

Certain amounts in the 2005 Cash Flow Statements have been reclassified to conform with the 2006 presentation.

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) 11/30/2006	Year/Period of Report End of 2006/Q3
--	---	--	---

SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS  
FOR DEPRECIATION, AMORTIZATION AND DEPLETION

Report in Column (c) the amount for electric function, in column (d) the amount for gas function, in column (e), (f), and (g) report other (specify) and in column (f) common function.

Line No.	Classification (a)	Total Company for the Current Year/Quarter Ended (b)	Electric (c)
1	Utility Plant		
2	In Service		
3	Plant in Service (Classified)	244,204,714	244,204,714
4	Property Under Capital Leases		
5	Plant Purchased or Sold		
6	Completed Construction not Classified		
7	Experimental Plant Unclassified		
8	Total (3 thru 7)	244,204,714	244,204,714
9	Leased to Others		
10	Held for Future Use		
11	Construction Work in Progress	120,402,055	120,402,055
12	Acquisition Adjustments		
13	Total Utility Plant (8 thru 12)	364,606,769	364,606,769
14	Accum Prov for Depr, Amort, & Depl	218,491,847	218,491,847
15	Net Utility Plant (13 less 14)	146,114,922	146,114,922
16	Detail of Accum Prov for Depr, Amort & Depl		
17	In Service:		
18	Depreciation	218,491,847	218,491,847
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)	218,491,847	218,491,847
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)	218,491,847	218,491,847

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) 11/30/2006	Year/Period of Report End of <u>2006/Q3</u>
--	---	--	--

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
					6
					7
					8
					9
					10
					11
					12
					13
					14
					15
					16
					17
					18
					19
					20
					21
					22
					23
					24
					25
					26
					27
					28
					29
					30
					31
					32
					33

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) 11/30/2006	Year/Period of Report End of <u>2006/Q3</u>
--	---	--	--

**ELECTRIC PLANT IN SERVICE AND ACCUMULATED PROVISION FOR DEPRECIATION BY FUNCTION**

1. Report below the original cost of plant in service by function. In addition to Account 101, include Account 102, and Account 106. Report in column (b) the original cost of plant in service and in column(c) the accumulated provision for depreciation and amortization by function.

Line No.	Item (a)	Plant in Service Balance at End of Quarter (b)	Accumulated Depreciation and Amortization Balance at End of Quarter (c)
1	Intangible Plant	178,717,146	173,594,039
2	Steam Production Plant		
3	Nuclear Production Plant		
4	Hydraulic Production - Conventional		
5	Hydraulic Production - Pumped Storage		
6	Other Production		
7	Transmission		
8	Distribution		
9	Regional Transmission and Market Operation	18,907,580	13,231,685
10	General	46,579,988	31,666,123
11	TOTAL (Total of lines 1 through 10)	244,204,714	218,491,847

--	--	--	--

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) 11/30/2006	Year/Period of Report End of 2006/Q3
--	---	--	---

**ELECTRIC OPERATING REVENUES (Account 400)**

- The following instructions generally apply to the annual version of these pages. Do not report quarterly data in columns (c), (e), (f), and (g). Unbilled revenues and MWH related to unbilled revenues need not be reported separately as required in the annual version of these pages.
- 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 period (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 Year to Date Quarterly/Annual (b)	Operating Revenues Previous year (no Quarterly) (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	42,482,768	161,142,147
22	(456.1) Revenues from Transmission of Electricity of Others		
23	(457.1) Regional Control Service Revenues	101,681,107	
24	(457.2) Miscellaneous Revenues	4,053,825	
25			
26	TOTAL Other Operating Revenues	148,217,700	161,142,147
27	TOTAL Electric Operating Revenues	148,217,700	161,142,147

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) 11/30/2006	Year/Period of Report End of <u>2006/Q3</u>
--	---	--	--

**ELECTRIC OPERATING REVENUES (Account 400)**

5. 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.)
6. See pages 108-109, Important Changes During Period, for important new territory added and important rate increase or decreases.
7. For Lines 2,4,5,and 6, see Page 304 for amounts relating to unbilled revenue by accounts.
8. Include unmetered sales. Provide details of such Sales in a footnote.

MEGAWATT HOURS SOLD		AVG.NO. CUSTOMERS PER MONTH		Line No.
Year to Date Quarterly/Annual (d)	Amount Previous year (no Quarterly) (e)	Current Year (no Quarterly) (f)	Previous Year (no Quarterly) (g)	
				1
				2
				3
				4
				5
				6
				7
				8
				9
				10
				11
				12
				13
				14

Line 12, column (b) includes \$ 0 of unbilled revenues.  
Line 12, column (d) includes 0 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, Da, Yr) 11/30/2006	Year/Period of Report End of <u>2006/Q3</u>
--	---	--	--

REGIONAL TRANSMISSION SERVICE REVENUES (Account 457.1)

1. The respondent shall report below the revenue collected for each service (i.e., control area administration, market administration, etc.) performed pursuant to a Commission approved tariff. All amounts separately billed must be detailed below.

Line No.	Functional Classification (a)	Balance at End of Quarter 1 (b)	Balance at End of Quarter 2 (c)	Balance at End of Quarter 3 (d)	Balance at End of Year (e)
1	Core Reliability		12,323,122	14,294,699	
2	Energy Transmission		21,015,945	23,868,277	
3	Forward Scheduling		2,007,890	2,119,046	
4	Congestion Management		4,535,019	5,130,131	
5	Market Usage		8,201,278	7,833,200	
6	Settlements, Metering, Client Relations		170,000	182,500	
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46	TOTAL		48,253,254	53,427,853	



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) 11/30/2006	Year/Period of Report End of 2006/Q3
--	---	--	---

**ELECTRIC PRODUCTION, OTHER POWER SUPPLY EXPENSES, TRANSMISSION AND DISTRIBUTION EXPENSES**

Report Electric production, other power supply expenses, transmission, regional control and market operation, and distribution expenses through the reporting period.

Line No.	Account (a)	Year to Date Quarter (b)
1	1. POWER PRODUCTION AND OTHER SUPPLY EXPENSES	
2	Steam Power Generation - Operation (500-509)	
3	Steam Power Generation - Maintenance (510-515)	
4	Total Power Production Expenses - Steam Power	
5	Nuclear Power Generation - Operation (517-525)	
6	Nuclear Power Generation - Maintenance (528-532)	
7	Total Power Production Expenses - Nuclear Power	
8	Hydraulic Power Generation - Operation (535-540.1)	
9	Hydraulic Power Generation - Maintenance (541-545.1)	
10	Total Power Production Expenses - Hydraulic Power	
11	Other Power Generation - Operation (546-550.1)	
12	Other Power Generation - Maintenance (551-554.1)	
13	Total Power Production Expenses - Other Power	
14	Other Power Supply Expenses	
15	Purchased Power (555)	
16	System Control and Load Dispatching (556)	
17	Other Expenses (557)	
18	Total Other Power Supply Expenses (line 15-17)	
19	Total Power Production Expenses (Total of lines 4, 7, 10, 13 and 18)	
20	2. TRANSMISSION EXPENSES	
21	Transmission Operation Expenses	
22	(560) Operation Supervision and Engineering	1,114,532
23	(561) Load Dispatching	5,481,595
24	(561.1) Load Dispatch-Reliability	1,808,049
25	(561.2) Load Dispatch-Monitor and Operate Transmission System	6,209,352
26	(561.3) Load Dispatch-Transmission Service and Scheduling	3,523,227
27	(561.4) Scheduling, System Control and Dispatch Services	
28	(561.5) Reliability, Planning and Standards Development	2,282,504
29	(561.6) Transmission Service Studies	
30	(561.7) Generation Interconnection Studies	331,865
31	(561.8) Reliability, Planning and Standards Development Services	
32	(562) Station Expenses	
33	(563) Overhead Line Expenses	
34	(564) Underground Line Expenses	
35	(565) Transmission of Electricity by Others	
36	(566) Miscellaneous Transmission Expenses	
37	(567) Rents	
38	(567.1) Operation Supplies and Expenses (Non-Major)	

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) 11/30/2006	Year/Period of Report End of 2006/Q3
--	---	--	---

**ELECTRIC PRODUCTION, OTHER POWER SUPPLY EXPENSES, TRANSMISSION AND DISTRIBUTION EXPENSES**

Report Electric production, other power supply expenses, transmission, regional control and market operation, and distribution expenses through the reporting period.

Line No.	Account (a)	Year to Date Quarter (b)
39	Total Transmission Operation Expenses (Lines 22 - 38)	20,751,124
40	Transmission Maintenance Expenses	
41	(568) Maintenance Supervision and Engineering	4,316,795
42	(569) Maintenance of Structures	
43	(569.1) Maintenance of Computer Hardware	
44	(569.2) Maintenance of Computer Software	
45	(569.3) Maintenance of Communication Equipment	
46	(569.4) Maintenance of Miscellaneous Regional Transmission Plant	
47	(570) Maintenance of Station Equipment	
48	(571) Maintenance Overhead Lines	
49	(572) Maintenance of Underground Lines	
50	(573) Maintenance of Miscellaneous Transmission Plant	
51	(574) Maintenance of Transmission Plant	
52	Total Transmission Maintenance Expenses (Lines 41 - 51)	4,316,795
53	Total Transmission Expenses (Lines 39 and 52)	25,067,919
54	<b>3. REGIONAL MARKET EXPENSES</b>	
55	Regional Market Operation Expenses	
56	(575.1) Operation Supervision	2,487,678
57	(575.2) Day-Ahead and Real-Time Market Facilitation	3,925,373
58	(575.3) Transmission Rights Market Facilitation	457,321
59	(575.4) Capacity Market Facilitation	
60	(575.5) Ancillary Services Market Facilitation	533,541
61	(575.6) Market Monitoring and Compliance	1,881,847
62	(575.7) Market Facilitation, Monitoring and Compliance Services	
63	Regional Market Operation Expenses (Lines 55 - 62)	9,285,760
64	Regional Market Maintenance Expenses	
65	(576.1) Maintenance of Structures and Improvements	
66	(576.2) Maintenance of Computer Hardware	322,705
67	(576.3) Maintenance of Computer Software	211,813
68	(576.4) Maintenance of Communication Equipment	757
69	(576.5) Maintenance of Miscellaneous Market Operation Plant	
70	Regional Market Maintenance Expenses (Lines 65-69)	535,275
71	Total Regional Control and Market Operation Expenses (Lines 63,70)	9,821,035
72	<b>4. DISTRIBUTION EXPENSES</b>	
73	Distribution Operation Expenses (580-589)	
74	Distribution Maintenance Expenses (590-598)	
75	Total Distribution Expenses (Lines 73 and 74)	

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) 11/30/2006	Year/Period of Report End of 2006/Q3
--	---	--	---

**ELECTRIC CUSTOMER ACCOUNTS, SERVICE, SALES, ADMINISTRATIVE AND GENERAL EXPENSES**

Report the amount of expenses for customer accounts, service, sales, and administrative and general expenses year to date.

Line No.	Account (a)	Year to Date Quarter (b)
1	(901-905) Customer Accounts Expenses	3,753,809
2	(907-910) Customer Service and Information Expenses	2,336,921
3	(911-917) Sales Expenses	
4	<b>8. ADMINISTRATIVE AND GENERAL EXPENSES</b>	
5	Operations	
6	920 Administrative and General Salaries	20,918,935
7	921 Office Supplies and Expenses	4,555,761
8	(Less) 922 Administrative Expenses Transferred-Credit	
9	923 Outside Services Employed	14,239,824
10	924 Property Insurance	2,050,574
11	925 Injuries and Damages	14,612
12	926 Employee Pensions and Benefits	
13	927 Franchise Requirements	
14	928 Regulatory Commission Expenses	2,746,768
15	(Less) 929 Duplicate Charges-Credit	
16	930.1 General Advertising Expenses	15,438
17	930.2 Miscellaneous General Expenses	321,939
18	931 Rents	9,263,862
19	<b>TOTAL Operation (Total of lines 6 thru 18)</b>	<b>54,127,713</b>
20	Maintenance	
21	935 Maintenance of General Plant	6,673,322
22	<b>TOTAL Administrative and General Expenses (Total of lines 19 and 21)</b>	<b>60,801,035</b>

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) 11/30/2006	Year/Period of Report End of 2006/Q3
--	---	--	---

**TRANSMISSION OF ELECTRICITY BY ISO/RTOs**

1. Report in Column (a) the Transmission Owner receiving revenue for the transmission of electricity by the ISO/RTO.
2. Use a separate line of data for each distinct type of transmission service involving the entities listed in Column (a).
3. In Column (b) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO – Firm Network Service for Others, FNS – Firm Network Transmission Service for Self, LFP – Long-Term Firm Point-to-Point Transmission Service, OLF – Other Long-Term Firm Transmission Service, SFP – Short-Term Firm Point-to-Point Transmission Reservation, NF – Non-Firm Transmission Service, OS – Other Transmission Service and AD- Out-of-Period Adjustments. Use this code for any accounting adjustments or “true-ups” for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.
4. In column (c) identify the FERC Rate Schedule or tariff Number, on separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (b) was provided.
5. In column (d) report the revenue amounts as shown on bills or vouchers.
6. Report in column (e) the total revenues distributed to the entity listed in column (a).

Line No.	Payment Received by (Transmission Owner Name) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Total Revenue by Rate Schedule or Tariff (d)	Total Revenue (e)
1	San Diego Gas & Electric Co.	FNO	Charge Type 204 - DA	( 643,932)	
2	San Diego Gas & Electric Co.	FNO	Charge Type 254 - HA	( 17,457)	
3	San Diego Gas & Electric Co.	FNO	Charge Type 374 - HV	( 20,056,490)	
4	San Diego Gas & Electric Co.	FNO	Charge Type 384 - HV	( 1,453,206)	
5	San Diego Gas & Electric Co.				( 22,171,085)
6	Southern California Edison Co.	FNO	Charge Type 204 - DA	( 1,576,370)	
7	Southern California Edison Co.	FNO	Charge Type 254 - HA	( 95,924)	
8	Southern California Edison Co.	FNO	Charge Type 374 - HV	( 54,468,556)	
9	Southern California Edison Co.	FNO	Charge Type 384 - HV	( 6,147,191)	
10	Southern California Edison Co.	FNO	Charge Type 385 - LV	( 11,417)	
11	Southern California Edison Co.				( 62,299,458)
12	Pacific Gas & Electric Company	FNO	Charge Type 204 - DA	( 847,337)	
13	Pacific Gas & Electric Company	FNO	Charge Type 254 - HA	( 64,208)	
14	Pacific Gas & Electric Company	FNO	Charge Type 374 - HV	( 77,488,059)	
15	Pacific Gas & Electric Company	FNO	Charge Type 384 - HV	( 8,155,919)	
16	Pacific Gas & Electric Company	FNO	Charge Type 385 - LV	( 4,734,274)	
17	Pacific Gas & Electric Company				( 91,289,796)
18	City of Azusa - PTO	FNO	Charge Type 374 - HV	( 418,230)	
19	City of Azusa - PTO	FNO	Charge Type 384 - HV	( 6,864)	
20	City of Azusa - PTO				( 425,094)
21	City of Banning - PTO	FNO	Charge Type 374 - HV	( 379,803)	
22	City of Banning - PTO	FNO	Charge Type 384 - HV	( 5,551)	
23	City of Banning - PTO				( 385,354)
24	City of Anaheim - PTO	FNO	Charge Type 374 - HV	( 6,902,810)	
25	City of Anaheim - PTO	FNO	Charge Type 384 - HV	( 240,657)	
26	City of Anaheim - PTO				( 7,143,467)
27	City of Vernon - PTO	FNO	Charge Type 374 - HV	( 2,640,808)	
28	City of Vernon - PTO	FNO	Charge Type 384 - HV	( 39,867)	
29	City of Vernon - PTO				( 2,680,675)
30	City of Riverside - PTO	FNO	Charge Type 374 - HV	( 6,154,298)	
31	City of Riverside - PTO	FNO	Charge Type 384 - HV	( 154,869)	
32	City of Riverside - PTO				( 6,309,167)
33	City of Pasadena - PTO	FNO	Charge Type 374 - HV	( 3,189,436)	
34	City of Pasadena - PTO	FNO	Charge Type 384 - HV	( 102,103)	
35	City of Pasadena - PTO				( 3,291,539)
36					
37					
38					
39					
40	TOTAL			( 195,995,636)	( 195,995,635)



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) 11/30/2006	Year/Period of Report End of 2006/Q3
--	---	--	---

**MONTHLY PEAKS AND OUTPUT**

- (1) (1) Report the monthly peak load and energy output. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system. In quarter 1 report January, February, and March only. In quarter 2 report April, May, and June only. In quarter 3 report July, August, and September only.
- (2) Report on column (b) by month the system's output in Megawatt hours for each month.
- (3) Report on column (c) by month the non-requirements sales for resale. Include in the monthly amounts any energy losses associated with the sales.
- (4) Report on column (d) by month the system's monthly maximum megawatt load (60 minute integration) associated with the system.
- (5) Report on columns (e) and (f) the specified information for each monthly peak load reported on column (d).
- (6) Report Monthly Peak Hours in military time; 0100 for 1:00 AM, 1200 for 12 AM, and 1830 for 6:30 PM, etc.

NAME OF SYSTEM: Data Warehouse "Gen Plus Net Import" report

Line No.	Month (a)	Total Monthly Energy (MWH) (b)	Monthly Non-Requirements Sales for Resale & Associated Losses (c)	MONTHLY PEAK		
				Megawatts (See Instr. 4) (d)	Day of Month (e)	Hour (f)
1	January				0	0
2	February				0	0
3	March				0	0
4	Total					
5	April				0	0
6	May				0	0
7	June				0	0
8	Total					
9	July	25,518,507		50,085	24	1600
10	August	22,806,497		43,577	9	1600
11	September	20,879,280		44,504	5	1600
12	Total	69,204,284		138,166		

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) 11/30/2006	Year/Period of Report End of 2006/Q3
--	---	--	---

**MONTHLY ISO/RTO TRANSMISSION SYSTEM PEAK LOAD**

- (1) Report the monthly peak load on the respondent's transmission system. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.  
(2) Report on Column (b) by month the transmission system's peak load.  
(3) Report on Columns (c ) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).  
(4) Report on Columns (e) through (j) by month the system' monthly maximum megawatt load by statistical classifications. See General Instruction for the definition of each statistical classification.

**NAME OF SYSTEM:**

Line No.	Month (a)	Monthly Peak MW - Total (b)	Day of Monthly Peak (c)	Hour of Monthly Peak (d)	Imports into ISO/RTO (e)	Exports from ISO/RTO (f)	Through and Out Service (g)	Network Service Usage (h)	Point-to-Point Service Usage (i)	Total Usage (j)
1	January									
2	February									
3	March									
4	Total for Quarter 1									
5	April									
6	May									
7	June									
8	Total for Quarter 2									
9	July	50,085	24	1600	7,370,127	-1,773,783	-625,266			4,971,078
10	August	43,577	9	1600	7,010,887	-1,159,789	-576,812			5,274,286
11	September	44,504	5	1600	6,328,437	-950,507	-532,755			4,845,175
12	Total for Quarter 3	138,166			20,709,451	-3,884,079	-1,734,833			15,090,539
13	October									
14	November									
15	December									
16	Total for Quarter 4									
17	Total Year to Date/Year	138,166			20,709,451	-3,884,079	-1,734,833			15,090,539