

ALSTON & BIRD LLP

The Atlantic Building
950 F Street, NW
Washington, DC 20004-1404

202-756-3300
Fax: 202-756-3333
www.alston.com

Julia Moore

Direct Dial: 202-756-3407

E-mail: julia.moore@alston.com

February 2, 2007

The Honorable Magalie R. Salas
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

**Re: *California Independent System Operator Corporation*
Docket No. ER07-____ - 000**

Transmission Access Charge Informational Filing

Dear Secretary Salas:

The enclosed informational filing by the California Independent System Operator Corporation ("ISO") is intended to provide notice regarding the revised transmission Access Charges effective January 1, 2007. The basis for the revision is to implement the revised Transmission Revenue Requirement ("TRR") associated with the revised Transmission Revenue Balancing Accounts ("TRBA") of the Participating Transmission Owners ("Participating TOs").¹ The docket numbers of the filings of the Participating TOs updating their respective TRRs are provided in Attachment A to this informational filing.

Changes in Rates

The transmission Access Charges provided in the present filing revises the Access Charges and Wheeling Access Charges provided for informational purposes in the ISO's submission of November 7, 2006 in Docket No. ER07-186. The changes in the present filing are effective January 1, 2007 in accordance with the ISO Tariff, Appendix F, Schedule 3, Section 8.

¹ The Participating TOs are Atlantic Path 15, LLC; Pacific Gas and Electric Company; San Diego Gas & Electric Company; Southern California Edison Company; and the Cities of Anaheim, Azusa, Banning, Pasadena, Riverside, and Vernon, California.

Worksheets illustrating the recalculation of the ISO's transmission Access Charge are included with the present transmittal letter as Attachment B. The recalculated rates for each of the TAC Areas, effective January 1, 2007, are as follows:

Northern Area -	\$ 2.7892 /MWh
East Central Area -	\$ 2.9288 /MWh
Southern Area -	\$ 2.8563 /MWh

Communications regarding this filing should be addressed to the following individuals, whose names should be placed on the official service list established by the Secretary with respect to this submittal:

Deborah A. Le Vine*
California Independent System
Operator Corporation
151 Blue Ravine Road
Folsom, CA 95630
Phone: (916) 608-7143
Fax: (916) 608-7296
dlevine@caiso.com

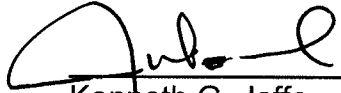
Michael E. Ward*
Julia Moore
Alston & Bird LLP
950 F Street, NW
Washington, DC 20004
Phone: (202) 756-3300
Fax: (202) 756-3333
michael.ward@alston.com
julia.moore@alston.com

*Individuals designated for service pursuant to Rule 203(b)(3),
18 C.F.R. § 385.203(b)(3).

The ISO has served copies of this transmittal letter and attachments hereto on the Public Utilities Commission of the State of California, the California Energy Commission, the California Electricity Oversight Board, the Participating Transmission Owners, and on all parties with effective Scheduling Coordinator Service Agreements under the ISO Tariff. In addition, the ISO is posting this transmittal letter and all attachments on the ISO Home Page.

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,



Anthony J. Ivancovich
Assistant General Counsel
The California Independent System
Operator Corporation
151 Blue Ravine Road
Folsom, CA 95630
Tel: (916) 608-7049
Fax: (916) 608-7296

Kenneth G. Jaffe
Michael E. Ward
Julia Moore
Alston & Bird LLP
950 F Street, NW
Washington, DC 20004
Tel: (202) 756-3300
Fax: (202) 756-3333

Attorneys for the California Independent
System Operator Corporation

ATTACHMENT A

Participating Transmission Owners' 2007 TRR Filings

PTO	Docket No.	Date of Filing
Atlantic Path 15, LLC	ER07-129	10/31/06
City of Anaheim	EL07-24	12/08/06
City of Azusa	EL07-19	12/01/06
City of Banning	EL07-23	12/05/06
City of Pasadena	EL07-26	12/22/06
City of Riverside	EL07-22	12/05/06
City of Vernon	EL07-29	12/28/06
Pacific Gas and Electric Company	ER07-16	10/05/06
San Diego Gas & Electric Company	ER07-386	12/29/06
Southern California Edison Company	ER07-78	10/27/06

ATTACHMENT B

January 1, 2007 TAC Rates Based on Filed Annual TRR/TRBA and Load Data

TAC Components:

	Filed Annual TRR Existing HV Facilities (\$) [1]	Filed Annual TRR New HV Facilities (\$) [2]	Filed Annual Gross Load (MWh) [3]	TAC Area [4]	Total Filed TRR (\$) [5] = [1] + [2]	EHV only Utility Specific Rate (\$/MWh) [6] = [1] / [3]	EHV only TAC Area Rate (\$/MWh) [7] = [2] / [3]	HV Utility Specific Rate (\$/MWh) [8] = [5] / [3]	TAC Area Rate (\$/MWh) [9] = [19]
PGE	\$ 134,992,115	\$ 114,987,126	89,121,865	N	\$ 249,979,241	\$ 1.5147	\$ 1.6847	\$ 2.8049	\$ 2.7892
SCE	\$ 135,861,900	\$ 42,066,851	91,670,569	EC	\$ 177,928,751	\$ 1.4821	\$ 1.8243	\$ 1.9410	\$ 2.9288
SDGE	\$ 36,357,168	\$ 42,082,122	20,915,303	S	\$ 78,439,290	\$ 1.7383	\$ 1.7518	\$ 3.7503	\$ 2.8563
Anaheim	\$ 23,306,702	\$ -	2,766,313	EC	\$ 23,306,702	\$ 8.4252	\$ 1.8243	\$ 8.4252	\$ 2.9288
Azusa	\$ 1,183,561	\$ -	239,575	EC	\$ 1,183,561	\$ 4.9403	\$ 1.8243	\$ 4.9403	\$ 2.9288
Banning	\$ 924,574	\$ -	139,457	EC	\$ 924,574	\$ 6.6298	\$ 1.8243	\$ 6.6298	\$ 2.9288
Pasadena	\$ 9,952,813	\$ -	1,239,884	EC	\$ 9,952,813	\$ 8.0272	\$ 1.8243	\$ 8.0272	\$ 2.9288
Riverside	\$ 15,254,491	\$ -	1,814,019	EC	\$ 15,254,491	\$ 8.4092	\$ 1.8243	\$ 8.4092	\$ 2.9288
Vernon	\$ 9,703,795	\$ -	1,210,668	EC	\$ 9,703,795	\$ 8.0152	\$ 1.8243	\$ 8.0152	\$ 2.9288
Atlantic P15	\$ -	\$ 31,838,387	-	N	\$ 31,838,387	\$ -	\$ -	\$ -	\$ 2.7892
ISO Total	\$ 367,537,118	\$ 230,974,486	209,117,653		\$ 598,511,604				

STEP 1: Calculate the Access Charge Rate for each TAC Area.

TAC-Area portion is the percent of Total TRR in each area which has not yet transitioned to the ISO (30%) divided by the Total Load of each area.
The ISO portion is the percent of all TRR which has transitioned to ISO-Wide (70%), plus the TRR of New HV Facilities, divided by total load.

	Annual TRR Existing HV Facilities (\$) [10] = [1]	Annual TAC Area TRR (\$) [11] = [10] x 30%	Annual Gross Load (MWh) [12] = [3]	TAC Area Rate (\$/MWh) [13] = [11] / [12]	ISO Wide TRR Existing HV Facilities (\$) [14] Total ([10]) x 70%	ISO Wide TRR New HV Facilities (\$) [15] = Total [2]	ISO Wide Annual Gross Load (MWh) [16] = Total [3]	ISO Wide Rate (\$/MWh) [17] = ([14] + [15]) / [16]	EHV only ISO-Wide Rate (\$/MWh) [18] = [14] / [16]	TAC Rate (TAC Area + ISO Wide) (\$/MWh) [19] = [13] + [17]	Wheeling Rate (TAC Area + ISO Wide) (\$/MWh) [20] = [19]	Existing HV Facilities Rate (\$/MWh) [21] = [13] + [18]	New HV Facilities Rate (\$/MWh) [22] = [15] / [16]
North	\$ 134,992,115	\$ 40,497,635	89,121,865	\$ 0.4544					North \$ 2.7892	\$ 2.7892	\$ 1.6847	\$ 1.1045	
East/C	\$ 196,187,835	\$ 58,856,351	99,080,485	\$ 0.5940					East/Central \$ 2.9288	\$ 2.9288	\$ 1.8243	\$ 1.1045	
South	\$ 36,357,168	\$ 10,907,150	20,915,303	\$ 0.5215					South \$ 2.8563	\$ 2.8563	\$ 1.7518	\$ 1.1045	
Total	\$ 367,537,118	\$ 110,261,136	209,117,653										
ISO-wide	\$ 257,275,983	\$ 230,974,486	209,117,653	\$ 2.3348				\$ 1.2303					

January 1, 2007 TAC Rates Based on Filed Annual TRR/TRBA and Load Data

STEP 2: Calculate the HV Access Charge the UDC/MSS pays on Filed Gross Load and Benefit/Burden. Note: ISO total for (Benefit)/Burden may not equal zero due to rounding of TAC Rate.

TAC Area	Filed Gross Load (MWH)	EHVF only TAC Rate (\$/MWH)	Amount Paid Based on Filed Gross Load (\$)	EHVF only Utility Specific Rate (\$/MWH)	Would Have Paid w/ EHVF Utility Specific Rate (\$)	EHVF Access Charge (Benefit)/Burden (\$)
[23] = [4]	[24] = [3]	[25] = [7]	[26] = [24] x [25]	[27] = [6]	[28] = [24] x [27]	[29] = [26] - [28]
PGE N	89,121,865	\$ 1.6847	\$ 150,143,640	\$ 1.5147	\$ 134,992,115	\$ 15,151,525
SCE EC	91,670,569	\$ 1.8243	\$ 167,236,329	\$ 1.4821	\$ 135,861,900	\$ 31,374,429
SDGE S	20,915,303	\$ 1.7518	\$ 36,639,101	\$ 1.7383	\$ 36,357,168	\$ 281,933
Anaheim EC	2,766,313	\$ 1.8243	\$ 5,046,636	\$ 8.4252	\$ 23,306,702	\$ (18,260,066)
Azusa EC	239,575	\$ 1.8243	\$ 437,061	\$ 4.9403	\$ 1,183,561	\$ (746,499)
Banning EC	139,457	\$ 1.8243	\$ 254,414	\$ 6.6298	\$ 924,574	\$ (670,160)
Pasadena EC	1,239,884	\$ 1.8243	\$ 2,261,944	\$ 8.0272	\$ 9,952,813	\$ (7,690,869)
Riverside EC	1,814,019	\$ 1.8243	\$ 3,309,349	\$ 8.4092	\$ 15,254,491	\$ (11,945,142)
Vernon EC	1,210,668	\$ 1.8243	\$ 2,208,644	\$ 8.0152	\$ 9,703,795	\$ (7,495,151)
ISO Total	209,117,653		\$ 367,537,118		\$ 367,537,118	\$ (0)

STEP 3: For Information Only -- Projected annual net benefits/burdens from Access Charge for Existing Facilities.

\$32/32/8 million cap for IOUs; munis are held harmless; IOUs pay muni cost increases in proportion to their cap relative to the total cap.

EHVF Access Charge (Benefit)/Burden (\$)	IOU Burden Annual Cap (\$)	Amount IOUs' Cap Exceeds IOUs' Burden (\$)	Amount IOUs' Burden Exceeds IOUs' Cap (\$)	Payments by Entities with Net Benefit (\$)	Mitigation Payments (\$)	Adjusted Net (Benefit) / Burden (\$)	Reallocation IOU Burden (\$)	Transition Charge (\$)	Adjusted Net (Benefit) / Burden (\$)	Transition Charge Rate (\$/MWh)
[30] = [29]	[31]	[32] IF ([31] - [30] > 0) = [31] - [30]. if no cap, then 0.	[33] IF [30] - [31] > 0 = [30] - [31]. if no cap, then 0.	[34] IOUs = ([32] / total[32]) x total[33]. Munis w/ Benefit = ([30] / total[30]) x total[30]	[35] = [34] - [33]	[36] = [30] + [35]	[37] Reallocate IOU Burden [39] so it is proportional to IOU Cap [31] [37] = [30] x [31] / [31]	[38] = [35] + [37]	[39] = [36] + [37]	[40] = [38] / [24]
PGE \$ 15,151,525	\$ 32,000,000	\$ 16,848,475	\$ 0	\$ 0	\$ 0	\$ 15,151,525	\$ 5,651,980	\$ 5,651,980	\$ 20,803,506	\$ 0.0634
SCE \$ 31,374,429	\$ 32,000,000	\$ 625,571	\$ 0	\$ 0	\$ 0	\$ 31,374,429	\$ (10,570,923)	\$ (10,570,923)	\$ 20,803,506	\$ (0.1153)
SDGE \$ 281,933	\$ 8,000,000	\$ 7,718,067	\$ 0	\$ 0	\$ 0	\$ 281,933	\$ 4,918,943	\$ 4,918,943	\$ 5,200,876	\$ 0.2352
Anaheim \$ (18,260,066)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (18,260,066)	\$ 0	\$ 0	\$ (18,260,066)	\$ 0
Azusa \$ (746,499)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (746,499)	\$ 0	\$ 0	\$ (746,499)	\$ 0
Banning \$ (670,160)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (670,160)	\$ 0	\$ 0	\$ (670,160)	\$ 0
Pasadena \$ (7,690,869)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (7,690,869)	\$ 0	\$ 0	\$ (7,690,869)	\$ 0
Riverside \$ (11,945,142)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (11,945,142)	\$ 0	\$ 0	\$ (11,945,142)	\$ 0
Vernon \$ (7,495,151)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (7,495,151)	\$ 0	\$ 0	\$ (7,495,151)	\$ 0
Total	\$ 0	\$ 72,000,000	\$ 25,192,113	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

January 1, 2007 TAC Rates
Based on Filed Annual TRR/TRBA and Load Data

STEP 4: For Information Only -- Projected annual net benefits/burdens from Access Charge for New Facilities and Total projected annual net benefits/burdens from Access Charge.

	Filed Annual TRR New HV Facilities (\$) [41] = [2]	ISO Wide Annual Gross Load (MWh) [42] = [3]	New HVTRR Rate (\$/MWh) [43] = ([15]) / [16]	New HVTRR Cost Responsibility (\$) [44] = ([42]) * [43]	NHVF Access Charge (Benefit)/Burden (\$) [45] = ([44]) - [41]	Total Access Charge (Benefit)/Burden (\$) [46] = ([45]) + [39]
PGE	\$ 114,987,126	89,121,865	\$ 1.1045	\$ 98,436,821	\$ (16,550,305)	\$ 4,253,200
SCE	\$ 42,066,851	91,670,569	\$ 1.1045	\$ 101,251,914	\$ 59,185,063	\$ 79,988,568
SDGE	\$ 42,082,122	20,915,303	\$ 1.1045	\$ 23,101,356	\$ (18,980,766)	\$ (13,779,890)
Anaheim	\$ -	2,766,313	\$ 1.1045	\$ 3,055,446	\$ 3,055,446	\$ (15,204,620)
Azusa	\$ -	239,575	\$ 1.1045	\$ 264,615	\$ 264,615	\$ (481,884)
Banning	\$ -	139,457	\$ 1.1045	\$ 154,033	\$ 154,033	\$ (516,127)
Pasadena	\$ -	1,239,884	\$ 1.1045	\$ 1,369,476	\$ 1,369,476	\$ (6,321,394)
Riverside	\$ -	1,814,019	\$ 1.1045	\$ 2,003,619	\$ 2,003,619	\$ (9,941,523)
Vernon	\$ -	1,210,668	\$ 1.1045	\$ 1,337,206	\$ 1,337,206	\$ (6,157,945)
Atlantic P15	\$ 31,838,387	0	\$ 1.1045	\$ 0	\$ (31,838,387)	\$ (31,838,387)
Total	\$ 230,974,486	209,117,653		\$ 230,974,486	\$ 0	\$ 0