

**Stakeholder Comments on:
The CAISO's White Paper Release of 2009 CRRs and
the start-up of the MRTU Markets**

Submitted by (Name and phone number)	Company or Entity	Date Submitted
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Southern California Edison Company ("SCE") hereby submits its initial comments on the California Independent System Operator's ("CAISO") White Paper Release of 2009 CRRs and the start-up of the MRTU Markets, dated August 8, 2008.

I. Introduction:

SCE appreciates the opportunity to submit comments regarding the CAISO's White Paper Release of 2009 CRRs and the start-up of the MRTU Markets ("CRR White Paper"). SCE commends the CAISO on all its efforts in developing a workable solution to handle the CRR issues in spite of the MRTU project delay. Based on the CAISO's CRR White Paper, SCE will provide specific comments to the CAISO below assuming a first quarter of calendar year 2009 MRTU start-up. In the event the MRTU start-up continues to slip beyond first quarter 2009, SCE requests that the CAISO re-initiate the stakeholder process and revise its CRR White Paper to accommodate the new MRTU start-up date.

II. CRR Process:

In regards to quarter 1 of calendar year 2009, SCE requests that the CAISO complete the CRR nominations for the entire quarter, including the month of January

2009, even though the MRTU Go-Live date may start on February 1, 2009. This approach will be a simplified and manageable process by not needing to treat January 2009 as “Year 1” of the CRR Process in 2010. Moreover, SCE would like to request that the CAISO treat remaining quarters 2, 3, and 4 of calendar year 2009 as part of the CRR Priority Nomination Process (“PNP”) Tier Process.

III. CRR Release Schedule:

Due to MRTU delays, SCE strongly urges the CAISO to delay its start date of the CRR PNP Schedule by two weeks, to September 17, 2008, instead of September 3, 2008. The delay in MRTU has created additional issues that need to be addressed before the start of the 2009 PNP process. These issues include: 1) The CAISO announced to the market participants that there is a need to “unwind” CRRs for quarter 4 of 2008; 2) There are still outstanding load migration issues in obtaining all utility distribution companies’ (“UDC”) customer specific records, performing the necessary analysis to determine appropriate impacts to the CRRs, allowing sufficient time for market participants to verify the impacts and issuing dispute resolutions as appropriate; 3) Recently, the CAISO discovered a major production issue with its proposed load migration methodology, which requires scope changes and all UDCs to resubmit their load migration files; 4) Due to unresolved load migration issues, the CAISO is unable to finalize its CRR eligibility quantities with the stakeholders; and 5) The CAISO has not completely resolved all Full Network Model (“FNM”) issues to lock in the FNM for the CRR Process. In summary, SCE believes the two weeks delay in the CRR PNP Schedule

will benefit both the CAISO and market participants to mitigate issues listed above.

Moreover, SCE does not see any “downside” with a two weeks delay.