UNITED STATES OF AMERICA BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

)

)

California Independent System Operator Corporation Docket No. ER05-416-004

ANSWER TO COMMENTS OF SOUTHERN CALIFORNIA EDISON COMPANY BY THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION

Pursuant to Rule 213 of the Rules and Regulations of the Federal Energy Regulatory Commission ("Commission" or "FERC"), the California Independent System Operator Corporation's ("ISO") hereby responds to the Comments of Southern California Edison Company ("SCE") filed in the above-captioned proceeding on May 3, 2005, involving an update of the transmission Access Charge.

RESPONSE TO COMMENTS

SCE argues that the ISO should not be permitted to include in the transmisison Access Charge changes in the Transmission Revenue Requirements ("TRRs") of any Participating Transmission Owner ("Participating TO") that has not been filed with the Commission. As noted by SCE, the ISO's April 12, 2005 errata filing involves a change to the TRR of San Diego Gas & Electric Company ("SDG&E").

The ISO has been in communication with SDG&E on this matter. The ISO understands that SDG&E did not make a filing to update its TRR because the October 26, 2004 Commission Letter Order in Docket ER04-1163-000 that SDG&E relied upon in

changing the TRR did not order SDG&E to make any type of filing – *i.e.*, compliance, informational, or otherwise. Further, SDG&E's update or "true-up" of its TRR <u>decreases</u> the revenue requirement by approximately \$2.0 million. It is this true-up number that updated SDG&E's TRR that the ISO used in calculating the Access Charge filed on April 12, 2005. Nevertheless, to address SCE's concerns, SDG&E has informed the ISO that within 10 business days it will file the TRR revision or true-up and an accompanying explanatory statement in this docket.

Respectfully submitted,

Anthony J. Ivancovich Associate General Counsel John Anders Corporate Counsel California Independent System Operator Corporation 151 Blue Ravine Road Folsom, CA 95630 _/s/ Julia Moore Kenneth G. Jaffe Michael Ward Julia Moore Swidler Berlin LLP 3000 K Street, NW Suite 300 Washington, DC 20007

Dated: May 18, 2005

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Folsom, CA, this 18th day of May, 2005.

/s/John Anders John Anders