

incorporated the terms of several recent amendments to the ISO Tariff that the Commission had accepted in whole or in part.³ On May 11, 2000, the Transmission Agency of Northern California, M-S-R Public Power Agency, Modesto Irrigation District, City of Santa Clara, California, and City of Redding, California (collectively “Joint Commenters”) filed comments on the Compliance Filing (“Comments”). Joint Commenters raised issues as quoted below. The ISO’s response on each issue follows.

II. ANSWER TO COMMENTS

A. Issues Concerning the ISO Tariff.

- “The reference to Section 2.23.2.1 in the Compliance Filing is incorrect. It should be numbered Section 2.5.23.2.1.”⁴

ISO response: Joint Commenters are correct. The ISO submits with this filing a corrected Tariff sheet to reflect the change described.

- “The changes to Section 2.5.27.1 are not all present in the Compliance Filing. The Section in the Compliance Filing at page 106 starts half-way through at ‘Scheduling Coordinators for Generating Units shall receive the following payment for Energy output from Regulation.’”⁵

³ See *California Independent System Operator Corporation*, 89 FERC ¶ 61,169 (1999) (concerning Amendment No. 21); *California Independent System Operating Corporation*, 89 FERC ¶ 61,229 (1999) (concerning Amendment No. 22); *California Independent System Operator Corporation*, 90 FERC ¶ 61,315 (2000) (concerning Amendment No. 22 compliance filing); *California Independent System Operator Corporation*, 90 FERC ¶ 61,006 (2000) (concerning Amendment No. 23); *California Independent System Operator Corporation*, 90 FERC ¶ 61,316 (2000) (concerning Amendment No. 25); *California Independent System Operator Corporation*, 90 FERC ¶ 61,345 (2000) (concerning Amendment No. 26). In addition, the Compliance Filing included a change to Section 2.2.4.6 of the ISO Tariff. See Transmittal Letter for Compliance Filing, Docket Nos. ER98-3760-005, *et al.* (Apr. 20, 2000), at 1-2 (“Compliance Filing Transmittal Letter”).

⁴ Comments at 3.

⁵ *Id.*

ISO Response: The remaining portions of Section 2.5.27.1 that related to the Offer of Settlement that were not filed in the Compliance Filing were previously filed with the Commission as part of the Amendment No. 14 compliance filing, Docket No. ER99-1971-002 (July 2, 1999), which was approved by the Commission on October 8, 1999. Thus, the corrected Tariff sheets were already on file with the Commission and did not need to be provided again.

- “In addition the equation that precedes ‘REPA_{inx} = the Regulation Energy Payment Adjustment’ in the Compliance Filing should contain the language in that quotation, as reflected in the Offer of Settlement.”⁶

ISO Response: The ISO believes that Joint Commenters meant to reference the equation that precedes “REPA_{ixt} = the Regulation Energy Payment Adjustment”⁷ Joint Commenters are correct. The ISO submits with this filing a corrected Tariff sheet to reflect the changes described.

- “Section 7.2.6.2 adds the phrase, ‘and 11.2.4.2’ which is not in the Offer. Also, the Compliance Filing does not show the changes to the last line: ‘as allowed under the Tariff, including Section 2.4.2 and 2.4.4’”⁸

ISO Response: The phrase “and 11.2.4.2” was added to Section 7.2.6.2 as part of the Amendment No. 23 filing, Docket No. ER00-555-000 (Nov. 10, 1999), and was approved by the Commission’s order dated January 7, 2000. Joint Commenters are correct about the changes to the last line of Section 7.2.6.2. The ISO submits with this filing a corrected Tariff sheet to reflect the changes described.

- “Section 11.2.4.1, under the subheading ‘Unaccounted for Energy Charge,’ is missing the last three equations added in the Offer of Settlement.”⁹

⁶ *Id.*
⁷ Emphasis added.
⁸ Comments at 3.

ISO Response: The three equations were already part of the ISO Tariff prior to their being included as part of the Offer of Settlement; their inclusion in the Offer of Settlement was an error. Therefore, the Compliance Filing did not need to include these equations.

- “A subsection (e) is added to Section 11.2.9, which is not included in the Offer of Settlement.”¹⁰

ISO Response: Subsection (e) was added to Section 11.2.9 as part of the Amendment No. 22 filing, Docket No. ER99-4545-000 (Sept. 27, 1999), and the Amendment No. 22 compliance filing, Docket No. ER99-4545-003 (Dec. 22, 1999), and has been accepted by the Commission. Accordingly, it was properly reflected in the Compliance Filing.

- “The Compliance Filing added language to Sections 11.3.1 and 11.3.2 where there were no changes to those Sections reflected in the Offer of Settlement.”¹¹

ISO Response: The added language was the result of an error in the black-lined Tariff sheet of the Compliance Filing containing these sections. The correct language for Section 11.3.1 is in the current version of the Tariff; it has never been modified. The correct language for Section 11.3.2 is in the current version of the Tariff, as updated by the Amendment No. 17 filing, Docket No. ER99-3289-000 (June 17, 1999), and the Amendment No. 25 filing, Docket No. ER00-1239-000 (Jan. 27, 2000).

⁹ *Id.*
¹⁰ *Id.*
¹¹ *Id.*

- “Sections 24 and 29 were deleted in the Offer of Settlement. The Compliance Filing does not include Sections stating that Sections 24 and 29 are ‘[Not Used].’ It is assumed, subject to confirmation by the ISO, that these Sections have been deleted.”¹²

ISO Response: Joint Commenters are correct in their assumption.

B. Issue Concerning the Protocols.

- “SBP 5.1.1 was deleted in the Offer of Settlement. The Compliance Filing does not include a Section stating that the Section is ‘[Not Used].’ It is assumed, subject to confirmation by the ISO, that SBP 5.1.1 has been deleted.”¹³

ISO Response: SBP 5.1.1 was formerly contained in temporary Section 29.2.2. As a result of the Offer of Settlement, all “temporary” sections in the Tariff were removed and their provisions were incorporated into the applicable Tariff sections. In addition, a new section of the SBP – SBP 5.1.1.1 – was included as part of the Amendment No. 25 filing. SBP 5.1.1.1 contains language identical to that used in SBP 5.1.1.

C. Issue Concerning the Appendices to the Protocols.

- “D 3.46 omits ‘section C3.67’ after the reference to ‘Appendix C.’”¹⁴

ISO Response: Joint Commenters are correct. The ISO submits with this filing a corrected Tariff sheet to restore the deleted language.

¹² *Id.*
¹³ *Id.* at 4.
¹⁴ *Id.*

D. Issue Concerning the Black-Lined Tariff Sheets.

- “At the end of the Compliance Filing volume, six pages of black-lined material [were included], the impact of which is not clear. The ISO should clarify the intent and impact of including these pages.”¹⁵

ISO Response: The pages were included as a reference tool. The ISO took the then-current Tariff, black-lined the changes made to certain Tariff pages subsequent to the Offer of Settlement, and filed these black-lined pages as part of the Compliance Filing.¹⁶

III. CONCLUSION

For the foregoing reasons, the Commission should accept the Compliance Filing with only such commitments and modifications as the ISO has agreed to make in this Answer.

Respectfully submitted,

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¹⁵ *Id.*

¹⁶ See Compliance Filing Transmittal Letter at 1-2.