

**Email Text Entitled Basic Discrepancies  
from Larry Conn of the California PX**

The attached spreadsheet compares numbers taken from the exhibit ISO-30 and numbers taken directly from files sent to the PX by ISO. As you can see the numbers do not reconcile. Please explain what would cause these differences. As a side note, we tried including and excluding certain charge types as described in the summary spreadsheet files provided on the ISO-29 CD (e.g., Rerun Summary 102000-2.xls), but we still had no luck in reconciling. Also it would be useful to know exactly which charge types have been left out of the summary spreadsheet instead of the generic language provided (i.e., "ISO Charge Type ID. Several categories of charges are not altered in the FERC Rerun and are not listed in this workbook. The excluded charges include Interzonal Congestion Charges, GMC, Wheeling and High Voltage Access Charges.").

Also, on ISO-29 there were 59 dates which were recalculated that would impact the PX. We have not yet had a chance to look at each individual file, but we do have a few questions. Is ISO-30 based upon these recalculated files on ISO-29? Were the recalculated files on ISO-29 sent to the PX prior to being included on the ISO-29 CD?

On ISO-30 there is a column labeled "COTP Amount." What does this charge represent? What charge type(s) will the be affected? What time period were COTP charges active?

What trade dates did the ISO include in the rerun? ISO-24 (Spence's testimony) lists two dates, September 27, 2001 (see page 23), and August 30, 2001 (see page 24).

Also we need to know for what time period has CERS paid the ISO for the IOU's purchases? This issue becomes particularly important for PXC3. We need to make sure any payments to the ISO for this period are reflected in the account summary for the PX.

Thanks for your help. Give me or Henry Shin (626-685-9874) a call with any questions.

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(See attached file: ISO-30 Reconciliation.xls)

### ISO-30 Reconciliation.xls

CalPX Comparison of Exhibit ISO-30 Amounts and Amounts From ISO Files Sent to CalPX							
BAID	Month	Production Amount from Exhibit ISO-30	Rerun Amount from Exhibit ISO-30	ISO Production File Records	ISO MMCP File Records	Difference ISO-30 Prod Minus 1247 Prod Files	Difference ISO-30 MMCP Minus 1247 MMCP Files
1247	Oct-00	399,846,542.57	188,708,322.74	411,850,619.79	200,727,209.38	(12,004,077.22)	(12,018,886.64)
	Nov-00	655,465,479.78	427,286,381.43	666,891,413.70	438,649,213.94	(11,425,933.92)	(11,362,832.51)
	Dec-00	1,507,831,134.37	1,147,635,689.20	1,528,267,132.35	1,165,827,231.05	(20,435,997.98)	(18,191,541.85)
	Jan-01	449,788,507.36	321,578,472.17	476,026,211.28	348,444,437.39	(26,237,703.92)	(26,865,965.22)
	Feb-01	(12,087,663.24)	(10,664,495.91)	4,689,673.16	6,110,435.38	(16,777,336.40)	(16,774,931.29)
	Mar-01	6.02	6.02	(16,822,733.38)	(16,822,749.80)	16,822,739.40	16,822,755.82
	Apr-01	12,519.51	12,519.51	12,519.51	12,519.51	-	-
	May-01			(14,834,639.61)	(14,834,639.61)	14,834,639.61	14,834,639.61
	Jun-01					-	0
	Jul-01			399,123.56		(399,123.56)	0
	Aug-01			412,709.98		(412,709.98)	0
	Sep-01			(811,833.54)		811,833.54	0
	Oct-01					-	0
	Nov-01			(9,296.76)		9,296.76	0
<b>Sub Total 1247</b>		<b>3,000,856,526.37</b>	<b>2,074,556,895.16</b>	<b>3,056,070,900.04</b>	<b>2,128,113,657.24</b>	<b>(55,214,373.67)</b>	<b>(53,556,762.08)</b>
BAID	Month	Production Amount from Exhibit ISO-30	Rerun Amount from Exhibit ISO-30	ISO Production File Records	ISO MMCP File Records	Difference ISO-30 Prod Minus 1247 Prod Files	Difference ISO-30 MMCP Minus 1247 MMCP Files
3336	Oct-00						
	Nov-00	1,292,537.99	1,178,749.83	1,449,759.90	1,387,771.16	1,239,603.90	1,177,661.83
	Dec-00	12,710,210.89	9,334,494.62	12,702,325.31	9,542,126.80	2,133,359.54	1,810,353.26
	Jan-01	186,775,237.28	139,847,715.14	2,133,234.71	1,810,228.43	12,430,580.55	9,270,395.47
	Feb-01	298,494,613.13	241,034,627.25				
	Mar-01						
	Apr-01						
<b>Sub Total 3336</b>		<b>499,272,599.29</b>	<b>391,395,586.84</b>	<b>16,285,319.92</b>	<b>12,740,126.39</b>	<b>15,803,543.99</b>	<b>12,258,410.56</b>

## California ISO Responses to California PX Questions

1) The differences that you are referring to are caused by several factors. The Rerun numbers you are referring to in columns 'C' and 'D' have excluded one-sided charges (i.e. charges that do generate corresponding allocations to the market directly, but rather are ISO administrative charges or trustee amounts collected by the ISO for future consideration and itemized in response 2). The ISO Production File Records in column 'E' are a snapshot of the records you received at the time of settlement for the rerun trade dates based on statement date data and provided in column B of ISO 30. These numbers do not exclude one-sided charges, as do the ones in columns 'C' and 'D' because they represent the amounts actually invoiced from production. We are not clear as to what numbers you may have recalculated in Column 'F' and we will contact you for further clarification on as to this issue on Wednesday.

2) The charge types that have been excluded from the totals in columns 'C' and 'D' of exhibit ISO-30 are:

CT351- Monthly GMC

CT485- Insufficient Response to AWE Instruction

CT521- Control Area Services GMC

CT522- Interzonal Scheduling GMC

CT523- Market Operations GMC

CT550- FERC Fee

CT591- Emissions Cost Recovery

CT592- Start-Up Cost Recovery

CT593- Emissions Cost due Trustee

CT3999- Interest and Penalty Charge

3) Yes. ISO-30 is based upon the recalculated files on ISO-29. No, the recalculated files were not sent to the PX prior to being included on the ISO-29 CD, and as such, these noted corrections will require reprocessing by the PX.

4) COTP Amount represents the estimated allocation of the COTP Charge (California Oregon Transmission Project). This Charge is distributed to the market based on total load and exports and is represented by CT1210 (Existing Contracts Cash Neutrality). The numbers are an estimate based on the gross amounts that accrued to COTP and rather than manually calculate each individual charge type, and in the interest of time, the ISO chose to defer calculating the fine details until the "final" settlements recalculation..

5) The ISO took the production database snapshot as of September 27, 2001, which included the preliminary trade date statements through August 5, 2001, and any adjustments to the refund period shown on statements through that

date. August 30, 2001 was referenced in error and was not the starting point for the production snapshot used in the refund re-calculations.

6) CDWR/CERS has paid the ISO for all amounts invoiced on behalf of the IOU's from January 17<sup>th</sup>, 2001 to December 2001. All payments to the ISO for this period have been reflected in the account summary for the PX. In the last two days, Michael Epstein has provided clarification and updates as requested by Lynn Miller for the purposes of reconciling these apparent discrepancies.