CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION FERC ELECTRIC TARIFF FIRST REPLACEMENT VOLUME NO. I

Original Sheet No. 46B

2.3.4.1 Commencing one hour prior to the start of the Settlement Period, the ISO will, based on available Adjustment Bids, Supplemental Energy bids and Ancillary Service Energy bids, issue Dispatch instructions to Scheduling Coordinators to reduce Generation and imports for the next operating hour.

Issued by: Charles F. Robinson, Vice President and General Counsel

Issued on: November 7, 2001 Effective: May 29, 2001