



**GENERAL SESSION MINUTES  
BOARD OF GOVERNORS MEETING  
April 30, 2007  
ISO Headquarters  
Folsom, California**

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Mason Willrich, Chair of the Board of Governors, called the meeting to order. Roll call was taken and the presence of a quorum was determined.

**ATTENDANCE**

The following members of the Board of Governors were in attendance:

Mason Willrich, Chair  
Tim Gage  
Elizabeth Lowe  
Linda Capuano

Tom Page was not in attendance.

**GENERAL SESSION**

The following agenda items were discussed in General Session:

**PUBLIC COMMENT**

Tony Braun, on behalf of California Municipal Utilities Association, and Ellen Wolfe, on behalf of Western Power Trading Forum, provided comments that pertained to the April 19, 2007 agenda item: "Board Decision on Authorization to File Tariff Amendment to Enable Business Practice Manuals". Brief discussion followed, including discussion regarding the formal appeal process.

Governor Lowe requested a status update on this item be provided at the next Board meeting

**DECISION ON TARIFF CHANGES TO ENHANCE RULES FOR THE CONGESTION REVENUE RIGHTS  
"CRR" RELEASE PROCESS**

Proposal

Chuck King, Vice President of Market Development and Program Management, provided a recap of events that took place since the April 19, 2007 Board deferral on the "Decision on Proposed Tariff Changes to Enhance rules for the CRR Release Process" agenda item. Mr. King recommended that the Board approve the proposal in order to allow the Federal Energy Regulatory Commission to issue a Ruling in time to enable the ISO to start the CRR release process in July 2007.

## Public Comment

Michael Niggli, Chief Operating Officer with San Diego Gas & Electric Company, provided comments on the CRR proposal and noted concerns with the equity of the proposal. Mr. Niggli provided an overview of his presentation to the Board. Mr. Niggli also informed the Board that SDG&E was currently at 6% in meeting the State's Renewables Requirement.

Don Garber, on behalf of San Diego Gas & Electric Company, provided comments on the CRR proposed and noted a few points in rebuttal to Management's proposal. Mr. Garber expressed concern regarding the just and reasonableness of the proposal as well as concern about the flexibility of the proposal.

Brian Hitson, on behalf of Pacific Gas & Electric Company, acknowledged the efforts of staff and provided supporting comments for the CRR proposal.

Pedro Pizzaro, Senior Vice President – Power Procurement with Southern California Edison, provided comments in support of the CRR proposal and noted that the Board should approve the proposal as part of the principles that had been developed over the last several years.

Elizabeth Dorman, on behalf of the California Public Utilities Commission, provided recap on the status of negotiations between SDG&E and SCE. Ms. Dorman noted that both parties actively engaged in discussions to find a solution outside of the ISO Tariff, but were unsuccessful. Ms. Dorman stated that the CPUC generally supported Management's proposal and noted that a few minor suggestions would be outlined in the CPUC's response to FERC.

Discussion followed regarding the proposed modifications and the origination of the 10-year requirement and other issues related to the proposal.

Governor Capuano noted that the purpose of the April 19<sup>th</sup> Board deferral was strictly to allow time for SCE and SDG&E to come to an agreement, and that she was not willing to reopen the matter.

Governor Lowe concurred and commented on the two-year stakeholder process that had already taken place.

Anna McKenna, ISO Legal Counsel, stated that the 10-year period was required by the Energy Policy Act and noted that the ISO filing to FERC would address the issues. Brief discussion followed.

## Decision

### Motion:

#### **Governor Lowe:**

***MOVED, That the ISO Board of Governors approve the "Proposed Tariff Changes to Enhance Rules for the CRR Release Process", as outlined in the memorandum dated April 26, 2007, and related attachments; and***



***That the ISO Board of Governors authorizes Management to make all the necessary and appropriate filings with the Federal Energy Regulatory Commission to implement this proposal.***

**Motion seconded by Governor Gage, and approved 4-0-0.**

**ADJOURNED**

There being no additional business items to discuss, the general session of the Board of Governors was adjourned.