



March 7, 2005

The Honorable Magalie R. Salas
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

**Re: California Independent System Operator Corporation
Compliance Filing
Docket No. ER04-632- 001**

Dear Secretary Salas:

The California Independent System Operator Corporation ("ISO")¹ respectfully submits six copies of the present filing in compliance with the Commission's February 18, 2005 order in the captioned docket, 110 FERC ¶ 61,173 ("February 18 Order"), concerning the May 21, 2004 compliance filing ("May 21 Filing") made by the ISO in response to the Commission's May 8, 2004 order regarding a stipulation associated with Amendment No. 49 to the ISO Tariff.

The purpose of the May 21 Filing was to implement changes to the ISO Tariff directed by the Commission in a May 6, 2004 Order. February 18 Order at PP 1, 1. The Modesto Irrigation District made a protest of that compliance filing as the ISO inadvertently included one reference to SCPTO in Section 10.2 of Appendix F, Schedule 3 of the ISO Tariff that should have been deleted. *Id.* at PP 4. Therefore, the Commission directed the ISO to submit a compliance filing "deleting the term SCPTO from section 10.2 of the CAISO tariff." *Id.* PP 2, 5.

¹ Capitalized terms not otherwise defined herein are defined in the Master Definitions Supplement, ISO Tariff Appendix A., as filed August 15, 1997, and subsequently revised.

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The tariff changes described above are shown in the revised sheets for Appendix F, Schedule 3, Section 10.2 of the ISO Tariff provided in Attachment A to the present filing, and are shown in black-line format in Attachment B. Additionally, the ISO submits, in Attachment C, a form notice of filing suitable for publication in the Federal Register, along with a computer diskette containing the notice of filing.

Two additional copies of this filing are enclosed to be date-stamped and returned in the enclosed self-addressed prepaid Federal Express envelope. If there are questions concerning this filing, please contact the undersigned.

Respectfully submitted,



Charles F. Robinson
General Counsel
Anthony J. Ivancovich
Associate General Counsel
Sidney Mannheim Davies
Senior Regulatory Counsel

California Independent System
Operator Corporation
151 Blue Ravine Road
Folsom, CA 95630
Tel: (916) 351-4400
Fax: (916) 608-7296

ATTACHMENT A

times the actual Gross Load of such UDCs **and** MSS Operators ("Utility-specific HVAC"); or

- (ii) for a Participating TO that is not a UDC **or** MSS Operator and that does not have Gross Load in its TO Tariff in accordance with Appendix F, Schedule 3, Section 9, then calculate the Participating TO's portion of the total Billed HVAC/TC in subsection (a) based on the ratio of the Participating TO's High Voltage Transmission Revenue Requirement to the sum of all Participating TOs' High Voltage Revenue Requirements.
- (c) if the total Billed HVAC/TC in subsection (a) received by the ISO less the total dollar amounts calculated in Utility-specific HVAC in subsection (b)(i) and subsection (b)(ii) is different from zero, the ISO shall allocate the positive or negative difference among those Participating TOs that are subject to the calculations in subsection (b)(i) based on the ratio of each Participating TO's High Voltage Transmission Revenue Requirement to the sum of all of those Participating TOs' High Voltage Transmission Revenue Requirements that are subject to the calculations in subsection (b)(i). This monthly distribution amount is the "HVAC Revenue Adjustment";
- (d) the sum of the HVAC revenue share determined in subsection (b) and the HVAC Revenue Adjustment in subsection (c) will be the monthly disbursement to the Participating TO.

10.2 If the same entity is both a Participating TO and a UDC or MSS Operator, then the monthly High Voltage Access Charge and Transition Charge amount billed by the ISO will be the charges payable by the UDC or MSS Operator in accordance with Section 7.1.2 of the ISO Tariff less the disbursement determined in accordance with Section 10.1(d). If this difference is negative, that amount will be paid by the ISO to the Participating TO.

11 Determination of Transmission Revenue Requirement Allocation Between High Voltage and Low Voltage Transmission Facilities.

11.1 Each Participating TO shall allocate its Transmission Revenue Requirement between the High Voltage Transmission Revenue Requirement and Low Voltage Transmission Revenue Requirement based on the "Procedure for Division of Certain Costs Between the High and Low Voltage Transmission Access Charges" posted on the ISO Home Page.

ATTACHMENT B

APPENDIX F, SCHEDULE 3

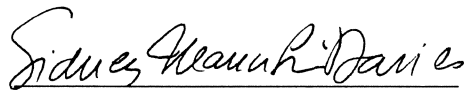
10.2 If the same entity is both a Participating TO and a UDC or MSS Operator, then the monthly High Voltage Access Charge and Transition Charge amount billed by the ISO will be the charges payable by the UDC, or MSS Operator, ~~or SCPTO~~ in accordance with Section 7.1.2 of the ISO Tariff less the disbursement determined in accordance with Section 10.1(d). If this difference is negative, that amount will be paid by the ISO to the Participating TO.

ATTACHMENT C

CERTIFICATE OF SERVICE

I hereby certify that I have caused the public version of the foregoing document to be served upon all parties of the official service lists maintained by the Secretary for this proceeding.

Dated at Folsom, California, this 4th day of March 2005.



Sidney Mannheim Davies
The California Independent System
Operator Corporation
151 Blue Ravine Road
Folsom, California 95630