ALSTON&BIRD LLP

601 Pennsylvania Avenue, N.W. North Building, 10th Floor Washington, DC 20004-2601

> 202-756-3300 Fax: 202-756-3333

Bradley R. Miliauskas

Direct Dial: 202-756-3405

Email: bradley.miliauskas@alston.com

October 3, 2005

The Honorable Magalie Roman Salas Secretary Federal Energy Regulatory Commission 888 First Street, NE Washington, DC 20426

Re: California Independent System Operator Corporation Docket No. ER05-____-000 Supplementary and Errata Filing

Dear Secretary Salas:

On September 30, 2005, the California Independent System Operator Corporation ("ISO") submitted for Commission filing and acceptance, in the above-captioned docket, Amendment No. 4 ("Amendment No. 4") to the Interconnected Control Area Operating Agreement between the ISO and the Sacramento Municipal Utility District. Attachment B to that filing contained the clean rate schedule sheets for Amendment No. 4.

Some, but not all, of the clean rate schedule sheets that were supposed to be included in the September 30 filing of Amendment No. 4 were in fact provided. Attachment A to the instant filing provides the clean rate schedule sheets (Sheet Nos. 22C-22L, 23-27, 33-34D, 37, and 39) that were not provided in the September 30 filing. Please insert the above-referenced sheets attached to the present filing into Attachment B of the September 30 filing.

In addition, two of the clean rate schedule sheets (Nos. 13 and 22B) included in the September 30 filing of Amendment No. 4 did not correctly reflect all of the changes contained in the black-line submitted with Amendment No. 4. The correct versions of

The Honorable Magalie Roman Salas October 3, 2005 Page 2

these clean rate schedule sheets are included in Attachment A to the present filing. Please insert Sheet Nos. 13 and 22B contained in Attachment A to the present filing in place of the corresponding numbered sheets in Attachment B to the September 30 filing.

Also, the black-line for ICAA 2.2.7 – one of the sections added in the September 30 filing of Amendment No. 4 – did not contain a portion of the text of that section as shown in Attachment A to the September 30 filing. Attachment B to the present filing contains a black-line of the correct text of ICAA 2.2.7, and that text is reflected on Sheet No. 5A in Attachment A to the present filing. Please insert Sheet No. 5A contained in Attachment A to the present filing in place of the corresponding numbered sheet in Attachment B to the September 30 filing.

We apologize for any inconvenience this may have caused. Please contact the undersigned with any questions.

Respectfully submitted,

R. Miliaushan

Kenneth G. Jaffe Bradley R. Miliauskas Alston & Bird LLP North Building, 10th Floor Washington, DC 20004-2601

Attorneys for the California Independent System Operator Corporation

ATTACHMENT A

CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION ORIGINAL FERC RATE SCHEDULE NO. 42 Substitute First Revised Sheet No. 5A INTERCONNECTED CONTROL AREA OPERATING AGREEMENT Superseding Original Sheet No. 5A

- ICAA 2.2.2 California-Oregon Intertie Path Operator Agreement: The agreement among Southern California Edison Company, San Diego Gas & Electric Company, PG&E, the COTP Participants, Western and the ISO that, together with the Owner's Coordinated Operating Agreement, governs the COI path operation.
- ICAA 2.2.3 California-Oregon Transmission Project ("COTP"): A 500-kV transmission line and associated facilities between Captain Jack Substation near the California-Oregon border and the eastern boundary of the existing right-of-way of the Tesla-Tracy 500 kV transmission line.
- ICAA 2.2.4 COTP Interconnection Point: The point of Interconnection between the ISO Control Area and the Expanded SMUD Control Area related to the COTP at the Tracy 500 kV substation, described in more detail in Service Schedule 1 as the Tracy 500 kV Interconnection.
- ICAA 2.2.5 COTP Interconnection Rate Schedule: The pre-existing contract between PG&E as a Participating Transmission Owner and the COTP Participants described in Service Schedule 2 as PG&E Rate Schedule for the Interconnection of the COTP and the PG&E Electric System – FERC Rate Schedule #144.
- ICAA 2.2.6 COTP Participants: Western, Transmission Agency of Northern California, California Department of Water Resources, Shasta Dam Area Public Utility District, Carmichael Water District, the City of Vernon, California, PG&E, San Juan Suburban Water District, and their successors and assigns.
- ICAA 2.2.7 COTP Terminus: The point of interconnection between the PG&E electric system and the COTP, located at the eastern boundary of the existing right-of-way of PG&E's Tesla-Los Banos No. 2 500 kV line, at which the COTP's conductors extending from the Tracy Substation Expansion meet PG&E's conductors extending from PG&E's Tesla-Los Banos No. 2 500 kV line.
- ICAA 2.2.8 Expanded SMUD Control Area: The area for which SMUD has reliability responsibility pursuant to WECC and NERC guidelines and requirements.

Issued by: Charles F. Robinson, Vice President and General Counsel Issued on: October 3, 2005

CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION ORIGINAL FERC RATE SCHEDULE NO. 42 Substitute Second Revised Sheet No. 13 INTERCONNECTED CONTROL AREA OPERATING AGREEMENT Superseding First Revised Sheet No. 13

reasonably practicable. The ISO and SMUD shall, where practicable, keep operators in affected control areas and the appropriate WECC Reliability Coordinators informed as to the nature and extent of the system emergency.

ICAA 7.3 Operations Exercised Independently

Emergency operation in response to unforeseen system occurrences that may jeopardize the safety of personnel and the general public and/or system stability may be performed independently by SMUD or the ISO. SMUD shall forward the outcomes of its emergency operation to the ISO Control Center as soon as practicable after the occurrence. The ISO shall forward the outcomes of the emergency operation to which it is a party to the Expanded SMUD Control Center as soon as practicable after the occurrence. The duties and responsibilities for the ISO Control Center and the Expanded SMUD Control Center under the foregoing circumstances are described in more detail in Service Schedule 14.

ICAA 7.4 Restoration Coordination

The ISO and SMUD shall coordinate restoration on the facilities affecting the Interconnection, and shall take necessary restoration measures on facilities affecting the Interconnection in their respective control areas following an interruption, including coordinating the restarting of either or both systems from a black start, if requested. The ISO and SMUD shall develop restoration procedures, as described in more detail in Service Schedule 15.

ICAA 7.5 Voltage Collapse

The ISO and SMUD shall take measures within their respective control areas to arrest collapsing voltage that affects the Interconnection.

ICAA 7.6 Co-Mitigation of California-Oregon Intertie Derates

The ISO and SMUD as Control Area operators will implement the COI Power Flow Reduction Measures, as directed by the Path Operator of COI provided the COI owners provide resources to, or accept curtailments from, (in the event that the COI Power Flow Reduction Measures allow) their respective Control Area Operator to facilitate

CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION ORIGINAL FERC RATE SCHEDULE NO. 42 Substitute Second Revised Sheet No. 22B INTERCONNECTED CONTROL AREA OPERATING AGREEMENT Superseding First Rev. Sheet No. 22B

HERDLYN INTERCONNECTION

The Interconnection point with the Western system is metered on the Herdlyn-Tracy 69 kV line at Tracy Substation. The meter is currently a Quad-4 that has the capability of metering Watthours and Varhours. The meters are located in the 69 kV yard. This is a bi-directional meter with the accuracy rating of 0.3 %. The instrument transformers (C.T.s and P.T.s) for revenue meters are located in the 69 kV switchyard at the Interconnection point of the 69 kV bus. All P.T.s and C.T.s are rated at 0.3 % accuracy class with CT ratio of 240:1 and PT ratio of 320:1. The meter's MW and MVar milliamp analog outputs (bi-directional) and the MWh and MVarh pulse outputs are provided to the ISO's EMS RTU. The MWh and MVarh pulse (bi-directional) outputs are also stored in internal data recorders for MV90 use. The meters are polled by Western's / SMUD's MV90 system via dial-up telephone lines on a daily basis.

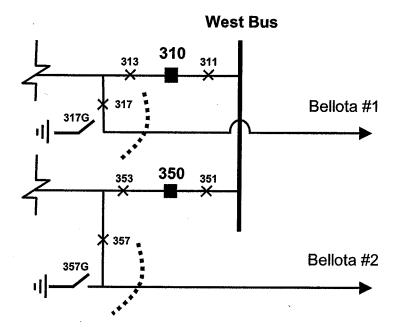
Although a physical interconnection exists between the Expanded SMUD Control Area and the ISO Control Area at Herdlyn, the Parties agree it will not be considered a scheduling point.

• TRACY 500 KV INTERCONNECTION

The Interconnection point with the Western system is metered on the Tracy–Tesla 500 kV line at Tracy Substation. The meter is currently a Quad-4+ that has the capability of metering Watthours and Varhours. The meters are located in the 230 kV yard. This is a bi-directional meter with accuracy rating of 0.3%. The instrument transformers (C.T.s and P.T.s) for revenue meters are located in the 500 kV switchyard at the Interconnection point of the 500 kV bus. All P.T.s and C.T.s are rated at 0.3% accuracy class with CT ratio of 2000/5 and PT ratio of 2500/1. The meter's MW and MVar milliamp analog outputs (bi-directional) and the MWh and MVarh pulse outputs are provided to the ISO's EMS RTU. The MWh and MVarh pulse (bi-directional) outputs are also stored in internal data recorders for MV90 use. The meters are polled by Western/SMUD MV90 system via dial-up telephone lines on a daily basis.

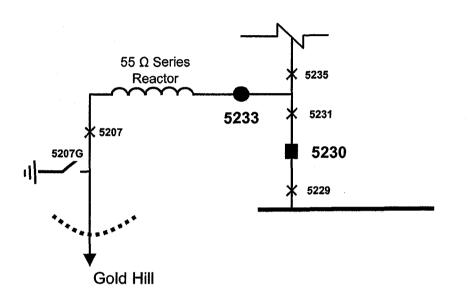
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Rancho Seco



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CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION ORIGINAL FERC RATE SCHEDULE NO. 42 First Revised Sheet No. 22D INTERCONNECTED CONTROL AREA OPERATING AGREEMENT Superseding Original Sheet No. 22D

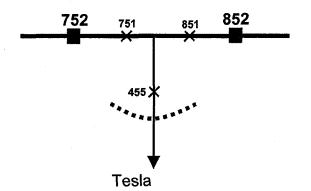


Lake

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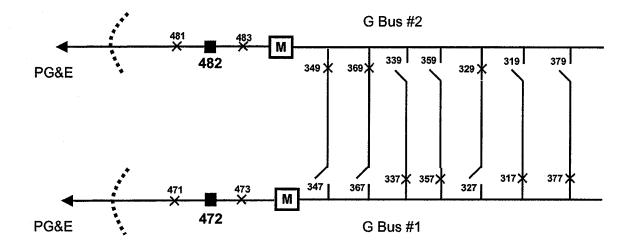




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CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION ORIGINAL FERC RATE SCHEDULE NO. 42 First Revised Sheet No. 22F INTERCONNECTED CONTROL AREA OPERATING AGREEMENT Superseding Original Sheet No. 22F

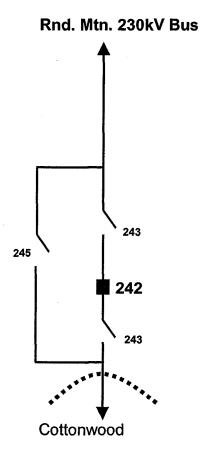




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CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION ORIGINAL FERC RATE SCHEDULE NO. 42 First Revised Sheet No. 22G INTERCONNECTED CONTROL AREA OPERATING AGREEMENT Superseding Original Sheet No. 22G

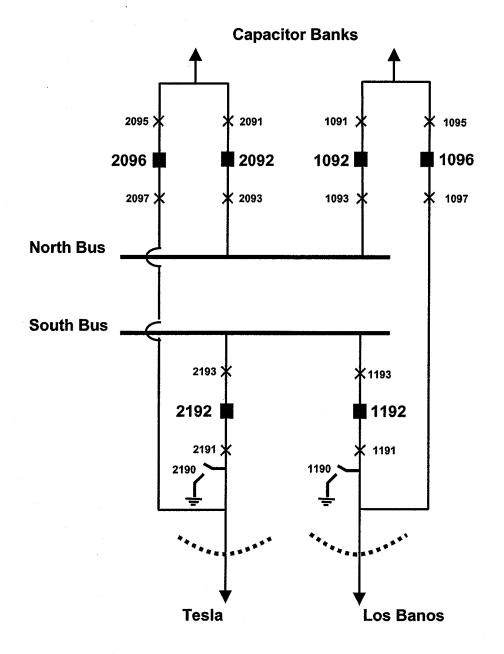
Round Mountain



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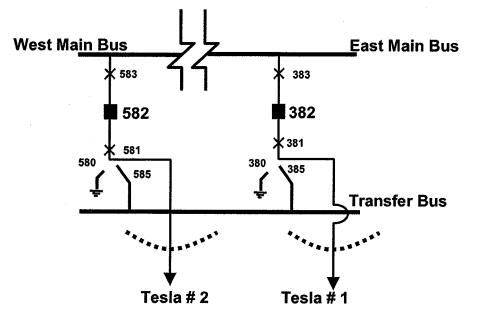




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CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION ORIGINAL FERC RATE SCHEDULE NO. 42 First Revised Sheet No. 22I INTERCONNECTED CONTROL AREA OPERATING AGREEMENT Superseding Original Sheet No. 22I

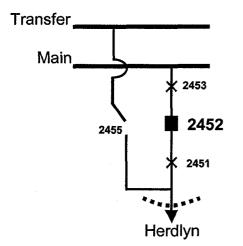




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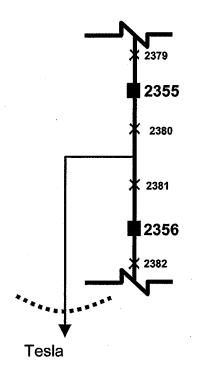
CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION ORIGINAL FERC RATE SCHEDULE NO. 42 First Revised Sheet No. 22J INTERCONNECTED CONTROL AREA OPERATING AGREEMENT Superseding Original Sheet No. 22J

Tracy 69kV



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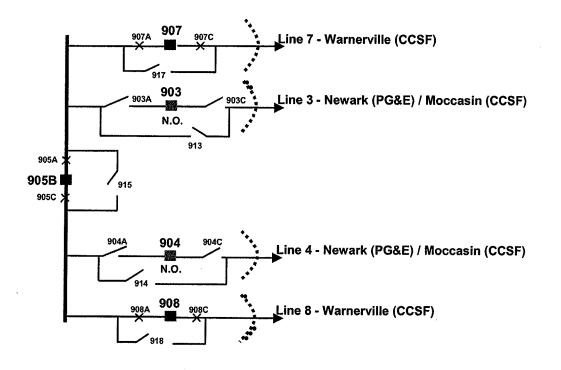


Westley

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Original Sheet No. 22L

Standiford



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CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION ORIGINAL FERC RATE SCHEDULE NO. 42 Second Revised Sheet No. 23 INTERCONNECTED CONTROL AREA OPERATING AGREEMENT Superseding First Revised Sheet No. 23

SERVICE SCHEDULE 2

Pre-Existing Contracts: Provisions and Information

[Section 3.1.2]

As set forth in ICAA 3.1.2 and ICAA 3.3, the ISO and SMUD will operate in accordance with pre-existing transmission service contract rights.

All power flows over ISO Controlled Grid facilities pursuant to pre-existing transmission service contracts shall be scheduled and settled in accordance with the ISO Tariff by a Scheduling Coordinator.

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Pre-Existing Transmission Service Contracts

The following contracts have been identified by SMUD, the ISO, and PG&E as preexisting transmission service contracts that currently affect the operation of the Interconnection.

PG&E – SMUD Pre-Existing Transmission Contracts

CONTRACT #1. EHV Transmission Agreement – FERC Rate Schedule #37 - PG&E previously provided SMUD 200 MW bi-directional firm transmission between Malin and Rancho Seco and Lake Substation 230kV busses. PG&E sought FERC approval to terminate service provided under this Contract effective January 1, 2005. The FERC approved PG&E's request to terminate service provided under this Contract effective January 1, 2005. SMUD has appealed the FERC order terminating service to the District of Columbia Court of Appeals. The Parties shall modify this Operating Agreement in the event that the FERC order terminating service is reversed on appeal, and PG&E is required to continue to provide service under the Contract.

CONTRACT #2. Midway Transmission Service/South of Tesla Principles – FERC Rate Schedule #143 - PG&E provides SMUD via TANC 46 MW of bi-directional firm service between Rancho Seco and Lake Substation 230 kV busses and Midway with a transaction point at the COTP southern terminus.

CONTRACT #3. Camp Far West Transmission Agreement – FERC Rate Schedule # 91 - PG&E provides SMUD 7.9 MW of firm transmission service from Camp Far West Power Plant in Yuba County to Rancho Seco and Lake substation 230 kV busses

CONTRACT #4. Interconnection Agreement – FERC Rate Schedule #136 - PG&E provides SMUD 16 MW of non-firm transmission from the Russell Wind Plant in Solano County to Rancho Seco and Lake 230 kV busses. PG&E will be filing with FERC an amendment to this agreement to provide SMUD with up to 100 MW of transmission service with a requested effective date of January 1, 2006.

CONTRACT #5. Slab Creek Transmission Agreement – FERC Rate Schedule # 88 - PG&E provides SMUD 0.420 MW of firm transmission from Slab Creek Power Plant in El Dorado County to Rancho Seco and Lake 230 kV busses.

CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION ORIGINAL FERC RATE SCHEDULE NO. 42 First Revised Sheet No. 25 INTERCONNECTED CONTROL AREA OPERATING AGREEMENT Superseding Original Sheet No. 25

The following is a summary of operational information on the above contracts:

SMUD – PG&E

Contract Title	Contract Reference Number	Points of Receipt and Delivery	MW Amount of Transfer	Scheduling Timelines	Curtailment ¹	Current Scheduling Coordinator	Trans- mission Owner
Midway Transmission – South of Tesla			directional	the lesser of 135 minutes in advance of the delivery hour or the deadline for	ZP26-NP15, pro rata for Tesla to SMUD POI limitations	PG&E acts as Path 15 facilitator for Path 15 transfer to/from APX	PG&E
Camp Far West (CFW) Transmission Agreement			7.9 MW generation to load	no later than the lesser of 135 minutes in advance of the delivery hour or the deadline for	affected facility, or as needed to avoid control area jeopardy	APX	PG&E

¹ In the event that ISO-SMUD transfer capability limits the ability to transfer the total amount of the existing transfers between SMUD and PG&E to less than the 1271 MW maximum PG&E-SMUD transfer limit, SMUD will provide the ISO a determination of which of the transmission services it will reduce to limit its total existing contract transfers to the constrained transfer limit.

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Original Sheet No. 25A

Solano Wind – TBD by ISO Russell 16 MW no later than Curtailed first off APX	PG&E
Interconnection substation - generation to the lesser of for Russell to	roul
Agreement Rancho load; 135 minutes in SMUD POI	
Seco/Lake anticipated to advance of the limitations	
230 kV increase to delivery hour or	
busses 100 MW the deadline for	
effective submitting	
1/1/06 Preferred Hour-	
Ahead	
schedules to	
the ISO's Hour-	
Ahead Market,	
whichever	
occurs closer to	
the delivery	
hour; during	
active hour in	
emergencies	
Slab Creek TBD by ISO Slab Creek 0.420 MW no later than Pro rata based APX	PG&E
Transmission Plant - generation to the lesser of on maximum	- Out
Agreement Rancho load 135 minutes in capability of	
Seco/Lake advance of the affected facility,	
230 kV delivery hour or or as needed to	·
busses the deadline for avoid control	
submitting area jeopardy	
Preferred Hour-	
Ahead	
schedules to	
the ISO's Hour-	
Ahead Market,	
whichever	
occurs closer to	
the delivery	
hour; during	
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active hour in	

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CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION ORIGINAL FERC RATE SCHEDULE NO. 42 Second Revised Sheet No. 26 INTERCONNECTED CONTROL AREA OPERATING AGREEMENT Superseding First Revised Sheet No. 26

Additional Third Party Contract with Delivery Rights at Rancho Seco and Lake 230 kV Busses

The following information is provided regarding a contract of the California Department of Water Resources (CDWR) that has delivery rights at the Interconnection between the ISO and Expanded SMUD Control Areas:

CDWR Comprehen- sive Agreement	TBD by ISO	Rancho Seco/Lake 230 kV busses	Up to 500 MW for SMUD- CDWR transfer, subject to CDWR request, and not to exceed 1355 MW total on PG&E backbone	As per CDWR-ISO Scheduling Coordinator agreement	Pro rata based on maximum OTC of constrained path	CDWR	PG&E
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PG&E Pre-Existing Transmission Contracts Related to the COTP Terminus

CONTRACT #1. PG&E Rate Schedule for the Interconnection of the COTP and the PG&E Electric System – FERC Rate Schedule #144 - PG&E and the COTP Participants. This contract establishes the terms for interconnection of the COTP with the PG&E electric system, and provides that neither party will charge the other party any fees, losses, or other charges for use of the Tesla Bypass section of the COTP between the Tracy Substation and the Southern Terminus. For purposes of interchange at the ISO-SMUD Control Area boundary at the Tracy 500-kV bus, including service under the SOTP, that boundary is deemed to be equivalent to the COTP Terminus.

CONTRACT #2. Midway Transmission Service/South of Tesla Principles (SOTP) – FERC Rate Schedule #143 - PG&E provides TANC 46 MW of bi-directional firm service between SMUD's connections to the PG&E backbone (i.e. Rancho Seco and Lake Substation 230 kV busses) and Midway with a transaction point at the COTP Terminus. SOTP service includes transmission from Midway Substation to COTP Terminus and separate service from COTP Terminus to Midway Substation. For purposes of interchange at the ISO-SMUD Control Area boundary at the Tracy 500-kV bus, including service under the SOTP, that boundary is deemed to be equivalent to the COTP Terminus. Service under the SOTP cannot be used for TANC member-to-TANC member trades within the ISO Control Area.

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CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION ORIGINAL FERC RATE SCHEDULE NO. 42 Second Revised Sheet No. 27 INTERCONNECTED CONTROL AREA OPERATING AGREEMENT Superseding First Revised Sheet No. 27

CONTRACT #3. Owners Coordinated Rate Schedule -- FERC Rate Schedule #229 – PG&E and the other owners establish the coordinated operation, curtailment sharing, system protection, and other protocols required to operate the COTP and the PACI as an coordinated three line system.

The descriptions provided in this Service Schedule 2 do not modify the terms of contracts between the ISO or SMUD and third parties, nor do these provisions provide any basis for any pre-existing contract interpretation or implementation contrary to instructions provided by PG&E to the ISO. In case of any conflicts in interpretation, the terms of the contracts shall prevail.

This Service Schedule may be modified upon mutual agreement of the Parties.

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SERVICE SCHEDULE 4

RESPECTIVE JURISDICTION FOR OPERATIONAL CONTROL OF

INTERCONNECTION

[Section 3.2.1]

Rancho Seco Interconnection (Rancho Seco – Bellota #1 and #2-230 kV Lines)

PG&E has ownership and maintenance, switching and clearance jurisdiction of both lines and all its associated facilities from Bellota Substation up to but <u>not</u> including disconnect switches 357 and 317 at Rancho Seco Substation. The ISO has operational control of Bellota Substation and the lines up to but not including switches 357 and 317, and will be involved in coordination of switching.

SMUD has operational control, ownership, maintenance, switching and clearance jurisdiction of all facilities at Rancho Seco Substation up to and including disconnect switches 357 and 317.

Common point of Tie Line Control Metering: Rancho Seco Substation.

 Lake Interconnection (Lake – Gold Hill 230 kV Line)

SMUD has operational control, ownership and maintenance, switching and clearance jurisdiction of the line and all its associated facilities from Lake Substation to Gold Hill Substation up to but not including the termination structure at Gold Hill Substation.

PG&E has ownership and maintenance, switching and clearance jurisdiction of all facilities at Gold Hill Substation beginning at the termination structure. The ISO has the operational control of Gold Hill Substation, including disconnect switches 233 and 235 and will be involved in coordination of switching.

Common point of Tie Line Control Metering: Lake Substation.

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Cottonwood Interconnection ("G" 230 kV Bus Tie)

PG&E owns the 230 kV busses, which use common meters that are switched with the energized bus.

Western has operational control, and PG&E has ownership, maintenance, switching and clearance jurisdiction of both "G" Section busses and all of its associated facilities including disconnect switches 471 and 473 (PCB 472) on the 230 kV bus #1 and disconnect switches 481 and 483 (PCB 482) on the 230 kV bus #2 which control shall be exercised consistent with directions when issued by SMUD as Control Area operator and in coordination with the ISO as the immediately adjacent Control Area operator as necessary and appropriate.

PG&E has ownership, maintenance, switching and clearance jurisdiction of its lines and all its associated facilities at the Cottonwood Substation. The ISO has the operational control of the PG&E lines at this facility and will be involved in coordination of switching, except to the extent that operational control has been delegated to Western in the Transmission Exchange Agreement.

Common point of Tie Line Control Metering: Cottonwood Substation

LLNL Interconnection (LLNL 115 kV Bus Tie)

Western and PG&E share 115 kV busses at adjacent substations, which use common meters that are switched with the energized bus. LLNL has operational control, ownership, maintenance, switching and clearance jurisdiction of the busses and all its associated facilities up to and including disconnect switch 455, which control will be exercised consistent with directions when issued by SMUD as Control Area operator and in coordination with the ISO as the immediately adjacent Control Area operator as necessary and appropriate.

Common point of Tie Line Control Metering: LLNL U-424 Substation

Round Mountain Interconnection (Round Mountain – Cottonwood 230 kV Bus Tie)

PG&E operates 230 kV and 500 kV busses at the Round Mountain Substation.

Western has operational control, ownership, maintenance, switching and clearance jurisdiction of the Cottonwood-Round Mountain 230 kV line and all of its associated facilities up to but not including disconnect switches 243 and 245 (PCB 242), which control will be exercised consistent with directions when issued by SMUD as Control Area operator and in coordination with the ISO as the immediately adjacent Control Area operator as necessary and appropriate.

PG&E has ownership and maintenance, switching and clearance jurisdiction of its lines and all its associated facilities at Round Mountain Substation. The ISO has the operational control of this facility and will be involved in coordination of switching.

Common point of Tie Line Control Metering: Round Mountain Substation

Tracy 500 kV Interconnection (Tracy-Tesla & Tracy-Los Banos 500 kV Lines)

The COTP Participants have ownership and Western has operational control, maintenance, switching and clearance jurisdiction of the Tracy 500 kV bus and all its associated facilities including (Tracy-Tesla) disconnect switches 2191 (PCB 2192) and 2097 (PCB 2096), and (Tracy-Los Banos) disconnect switches 1191 (PCB 1192) and 1097 (PCB 1096) which control will be exercised consistent with directions when issued by SMUD as Control Area operator and in coordination with the ISO as the immediately adjacent Control Area operator as necessary and appropriate.

PG&E has ownership, maintenance, switching and clearance jurisdiction of all its facilities at Tesla and Los Banos Substations. The ISO has the operational control of this facility and will be involved in coordination of switching, which control will be exercised consistent with directions when issued by the ISO as Control Area operator and in coordination with the ISO as the immediately adjacent Control Area operator as necessary and appropriate.

The COTP Participants own the lines exiting Tracy Substation and spanning approximately eight miles until they interconnect with the PG&E lines originating from Tesla and Los Banos at Tower 36. The lines between Tracy 500 and Tower 36 will be operated as part of the ISO Control Area in accordance with the provisions of Section ICAA 3.3. Ownership will remain with the COTP Participants. Maintenance, switching, and clearance

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jurisdiction will remain with Western which control will be exercised consistent with directions when issued by the ISO as Control Area operator in coordination with SMUD as the immediately adjacent Control Area operator as necessary and appropriate.

Common point of Tie Line Control Metering: Tracy Substation

Tracy-Tesla 230 kV Interconnection (Tracy-Tesla 230 kV Lines)

Western has operational control, ownership, maintenance, switching and clearance jurisdiction of the Tracy 230 kV bus and all its associated facilities including disconnect switches 381 and 385 (PCB 382) and 581 and 585 (PCB 582), which control will be exercised consistent with directions when issued by SMUD as Control Area operator and in coordination with the ISO as the immediately adjacent Control Area operator as necessary and appropriate.

PG&E has ownership, maintenance, switching and clearance jurisdiction of the line and all its associated facilities at Tesla Substation. The ISO has the operational control of this facility and will be involved in coordination of switching, which control will be exercised consistent with directions when issued by SMUD as Control Area operator and in coordination with the ISO as the immediately adjacent Control Area operator as necessary and appropriate.

Common point of Tie Line Control Metering: Tracy Substation

Herdlyn Interconnection (Herdlyn 69 kV Bus Tie)

Western and ISO share 69 kV busses at adjacent substations, which use common meters that are switched with the energized bus.

Western has operational control, ownership, maintenance, switching and clearance jurisdiction of the Tracy 69 kV bus and all its associated facilities including disconnect switches 2451 and 2453 (PCB 2452) and 2455 on the Tracy 69 kV bus, which control will be exercised consistent with directions when issued by SMUD as Control Area operator and in coordination with the ISO as the immediately adjacent Control Area operator as necessary and appropriate.

PG&E has ownership, maintenance, switching and clearance jurisdiction of the line and all its associated facilities, including disconnect switch 79, at Herdlyn Substation. The ISO has the operational control of this facility and will be involved in coordination of switching. SMUD will have operational control of this facility and will be involved in coordination of switching. Common point of Tie Line Control Metering: Tracy Substation

Although a physical interconnection exists between the Expanded SMUD Control Area and the ISO Control Area at Herdlyn, the Parties agree it will not be considered a scheduling point.

Special Operating Condition: Because ISO Control Area load exists on the 69 kV Herdlyn line that extends from the Western side of the Tracy Substation into the ISO Control Area that is served by PG&E, and the connection between the 69 kV Herdlyn line and Tracy Substation is not being operated as a Control Area scheduling point, the Parties have agreed that Tracy meter values will be adjusted to remove the Herdlyn line load from the Expanded SMUD Control Area and add it to the ISO Control Area. The Parties shall amend this Agreement to the extent that the Herdlyn line load becomes subject to any policy and provisions for pseudo ties to the ISO Control Area, provided that such policy and provisions shall be consistent with WECC and NERC business practices and criteria.

Westley Interconnection (Westley-Tesla 230 kV Tie)

MID and TID have joint ownership and MID has operational control, maintenance, switching and clearance jurisdiction of the Westley 230 kV Substation and all its associated facilities including disconnect switches 2380 and 2381 (PCB 2355 and 2356) up to but not including the Westley Junction, which control will be exercised consistent with directions when issued by SMUD as Control Area operator and in coordination with the ISO as the immediately adjacent Control Area operator as necessary and appropriate.

PG&E has ownership, maintenance, switching and clearance jurisdiction of the 230 kV line and all its associated facilities originating from the Tesla Substation up to and including the Westley Junction, located approximately on half mile outside of the Westley Substation. PG&E control will be exercised consistent with directions when issued by the ISO as Control Area operator and in coordination with SMUD as the immediately adjacent Control Area operator as necessary and appropriate.

Common point of Tie Line Control Metering: Westley Junction

Issued by: Charles F. Robinson, Vice President and General Counsel Issued on: October 3, 2005

Original Sheet No. 34D

CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION ORIGINAL FERC RATE SCHEDULE NO. 42 INTERCONNECTED CONTROL AREA OPERATING AGREEMENT

Standiford Interconnection (Standiford-Warnerville lines #7 and #8, and Standiford-Newark/Moccasin #3 & #4 115 kV Lines)

MID has operational control, ownership, maintenance, switching and clearance jurisdiction of the Standiford substation and all associated facilities including disconnect switches 907C, 903 C, 904C, and 908C (PCB 907, 903, 904, 908) which control will be exercised consistent with directions when issued by SMUD as Control Area operator and in coordination with the ISO as the immediately adjacent Control Area operator as necessary and appropriate. Circuit breakers #903 and #904 are and will be operated in the open position, and if this configuration is proposed to be changed, the Parties shall confer and agree on any change to the Interconnection point in advance of the change in this configuration.

CCSF has ownership, maintenance, switching and clearance jurisdiction of the four 115 kV lines from Warnerville, Moccasin, and Newark substations up to but not including the disconnect switches within the Standiford Substation. Control of these lines will be exercised consistent with directions when issued by the ISO as Control Area operator and in coordination with SMUD as the immediately adjacent Control Area operator as necessary and appropriate.

Common point of Tie Line Control Metering: Standiford Substation

Issued by: Charles F. Robinson, Vice President and General Counsel Issued on: October 3, 2005

CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION ORIGINAL FERC RATE SCHEDULE NO. 42 INTERCONNECTED CONTROL AREA OPERATING AGREEMENT

Second Revised Sheet No. 37 Superseding First Revised Sheet No. 37

SERVICE SCHEDULE 6 REAL – TIME OPERATING LIMITS

Service Schedule 6 SMUD-CAISO Control Area Tie Points															
								·····							
	T	T	Points of Inter	connection					[·····	18/1		INC		TT	
Substation	Adjacent Control Area	I Breaker and/or Disconnect	Limiting Criteria of Transfer Capability	NORMAL		MER RATING EMERGENCY		NORMAL		NTER RATING EMERGENCY		Control Area Tie			
				MVA	Amps	MVA	Amps		MVA	Amps	MVA Amps			1000000000000	
Cottonwood	CAISO									1		1			
230kV "G" Bus 1	 	PCB 472	Thermal	797	2000	797	2000	n/a	797	2000	797	2000	n/a	X	
230kV "G" Bus 2	1	PCB 482	Thermal	797	2000	797	2000	n/a	797	2000	797	2000	n/a		
Lawrence Livermore (LLNL)	CAISO		<u> </u>	······	-			+		+		+		+	······
115 kV Tesla Line 1	1	PCB 752 & PCB 852	Thermal	164	825	194	975		256	1262	274	1350		X	
			1		1		1	1		1	1	1			
Round Mountain	CAISO				_								l		
230kV Cottonwood Line		PCB 242 / Disc 245	Thermal	320	800	320	800	n/a	370	930	370	930	n/a	X	
Tracy (COTP Southern Terminus)	CAISO				+		+	+	 	+	h	+			
500kV Tesla Line		PCB 2192 & PCB 2096	Thermal	2253	2478	2683	2951	30 min	2253	2478	2683	2951	30 min		
500kY Los Banos Line	1	PCB 1192 & PCB 1096	Thermal	2253	2478	2683	2951	30 min	2253	2478	2683	2951	30 min	X	
					1					1		1			
230kV Tesla Line 1		PCB 382	Thermal	683	1714	683	1714	n/a	746	1873	746	1873	n/a	X	
230kV Tesla Line 2		PCB 582	Thermal	683	1714	683	1714	n/a	746	1873	746	1873	n/a	X	
59kV Herdlyn Line		PCB 2452	Thermal	95	800	95	800	n/a	95	800	95	800	- 1-	X	
			nennai	30		- 30	000	rva	30	000	30	000	n/a		n/a
Rancho Seco	CAISO	2 2 2	1				1	1		1	 	-		++	
230kV Bellota Line 1		PCB 210 & PCB 310	Contractual	494	1239	590	1482	100h	789	1981	847	2127	100h	X	
230kV Bellota Line 2		PCB 250 & PCB 350	Contractual	494	1239	590	1482	lifetime	789	1981	847	2127	lifetime	X X	
Lake****	01100														
Lake~~~ 230kV Gold Hill Line	CAISO	PCB 5230 & PCB 5236	Contractual	303	760	261	880	20	400	1070	171	1400			
			Courtacroat	303	100	351	000	30 min	426	1070	474	1190	30 min	2:1 X	
Standiford	CAISO			· · · · · · · · · · · · · · · · · · ·	-		+	+		+		+		+	
115-kV CCSF #3 Line (Standiford-Moccasin&Newark)		PCB 903/Disc 903-C	Thermal	87	438	87	438	n/a	133	666	133	666	n/a	X	
115 kV CCSF #4 Line (Standiford-Moccasin&Newark)	ļ	PCB 904/Disc 904-C	Thermal	87	438	87	438	n/a	133	666	133	666	n/a	X	
115-kV CCSF#7Line (Standiford-Warnerville)		PCB 907/Disc 907-C	Thermal	158	792	158	792	n/a	223	1122	223	1122	n/a	X	
115-kV CCSF #8 Line (Standiford-Warnerville)	ļ	PCB 908/Disc 908-C	Thermal	158	792	158	792	n/a	223	1122	223	1122	n/a	X	
Westley			<u> </u>				+				ļ			+	
230-kV Westley-Tesla Line*	CAISO	PCB 2355/DISC 2380 & PCB 2356/DISC 2381	Thermal	599	1504	637	1600	30 m	637	1600	637	1600	30 m		_
				~~~	1			00 111			,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	1000	<u> </u>	20122200220	
NOTES:	}	r	1		-		1	1		1				†	·····
* Control Area Boundary at Westley Junction	See oper	ating procedures for MID/TID imports.			1			Γ						1	
****Rancho Seco & Lake total scheduling limit	ted by cont	ract to 1,271 MW, otherwise individual	ly thermally limi	ited			ļ								
Summer and Winter periods defined by WECC All limits shown are the maximum based on th	OIC Polic	by Committee	<u> </u>  -					ļ							
Fransfer limits may be less than the amounts	shown at th	any element at the identified location. The tie-moints show based on an octability	ichad noth rotin	n or dua to a	nowor flower	ovoodina	limit on on	othor ousta			 				
COTP Ratings from TANC	anown at ti	to no points above based on all establi	ionen harn isnu	9 01 009 10 ]	hower lineas	exceeding	innii on an	umer syster	n element.	+		<u> </u>	<u>.</u>	+	

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procedures and/or agreements that shall be mutually agreed upon by the Parties prior to the implementation of the Expanded SMUD Control Area.

Nomograms for simultaneous import limits into the Expanded SMUD Control Area will continue to be established by the SVSG and updated on an annual, or as required, basis. SMUD and all other SVSG members have committed to continue participation in the SVSG after SMUD expands its Control Area. SVSG Nomograms shall establish simultaneous import limits into the Expanded SMUD Control Area under specific transmission contingencies as well as with all lines at the Interconnection in service. SMUD shall at all times make such simultaneous import limits, as calculated in real time from the pertinent SVSG Nomogram, electronically available to the ISO. SMUD shall comply with import limits in all circumstances by managing SMUD loads and resources to maintain total imports at or below the simultaneous limit by limiting flows at each Interconnection point to the lower of the contract or thermal limit at that Interconnection point. Operating instructions will be prepared for the ISO and Expanded SMUD Control Areas to implement the SVSG Nomograms in their respective coordinated operating procedures.

## ATTACHMENT B

Vernon, California, PG&E, San Juan Suburban Water District, and their successors and assigns.

- ICAA 2.2.7 COTP Terminus: The point of interconnection between the PG&E electric system and the COTP, located at the eastern boundary of the existing right-of-way of PG&E's Tesla-Los Banos No. 2 500 kV line, at which the COTP's conductors extending from the Tracy Substation Expansion meet PG&E's conductors extending from PG&E's Tesla-Los Banos No. 2 500 kV line.
- <u>ICAA 2.2.5ICAA 2.2.8</u> Expanded SMUD Control Area: The area for which SMUD has reliability responsibility pursuant to WECC and NERC guidelines and requirements.

ICAA 2.2.6ICAA 2.2.9 Forced Outage: An Outage for which sufficient notice cannot be given to allow the Outage to be factored into the preschedule processes and the established Outage coordination principles of the Parties.

- **ICAA 2.2.7ICAA 2.2.10 Good Utility Practice:** Any of the practices, methods, and acts engaged in or approved by a significant portion of the electric utility industry in the WECC region during the relevant time period, or any of the practices, methods, and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety, and expedition. Good Utility Practice is not intended to be any one of a number of the optimum practices, methods, or acts to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region.
- ICAA 2.2.8ICAA 2.2.11 Interconnection: Transmission facilities that connect one control area to another control area. The Interconnection for this Operating Agreement is described in Service Schedule 1.
- ISO: The California Independent System Operator Corporation, a state chartered, nonprofit corporation that controls the transmission facilities of all Participating Transmission Owners, dispatches certain generating units and loads, and is a control area operator.

ISO has reliability responsibility pursuant to NERC and WECC requirements.

ISO Controlled Grid: The system of transmission lines and associated facilities of the Participating Transmission Owners that have been placed under the ISO's operational control.

## **CERTIFICATE OF SERVICE**

I hereby certify that I have this day served the foregoing documents as described in those documents, in accordance with Rule 2010 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 835.2010.

Dated at Folsom, California, on this 3rd day of October, 2005.

John Anders