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January 5, 2004

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
Docket No. ER04-____ - 000**

Transmission Access Charge Informational Filing - Errata

Dear Secretary Salas:

On December 31, 2003, the California Independent System Operator Corporation ("ISO") made an informational filing to provide notice regarding the updated transmission Access Charges that reflect a revision in its transmission Access Charge rates to account for the changes to the rates of Pacific Gas and Electric Company ("PG&E"), specifically, those resulting from the Transmission Owner Tariff proceeding in Docket No. ER04-109-000,¹ and to revise the Transmission Revenue Balancing Accounts ("TRBAs") of the current Participating Transmission Owners.

It has come to the ISO's attention that the worksheets included with the December 31 filing as Attachment A contained errors. The rates provided in the transmittal letter, however, were correct.

The ISO is making this errata filing to replace the erroneous worksheets from Attachment A of the December 31 filing with corrected worksheets. No

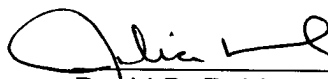
¹ See *Pacific Gas and Electric Company*, 105 FERC ¶ 61,389 (2003). This order accepted PG&E's filing of a revised Transmission Owner Tariff, suspended the filing, and made it effective January 1, 2004.

other changes are being made to the December 31 filing. We apologize for any inconvenience this may have caused.

The ISO has served copies of this transmittal letter and all attachments hereto on the Public Utilities Commission of the State of California, the California Energy Commission, the California Electricity Oversight Board, the Participating Transmission Owners, and on all parties with effective Scheduling Coordinator Service Agreements under the ISO Tariff. In addition, the ISO is posting this transmittal letter and all attachments on the ISO Home Page.

Two additional copies of this filing are enclosed to be date-stamped and returned to our messenger. If there are any questions concerning this filing, please contact the undersigned.

Respectfully submitted,



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ATTACHMENT A

January 1, 2004 TAC Rate
Based on Filed Annual TRR/TRBA and Load Data

TAC Components:

	Filed Annual TRR Existing HV Facilities (\$)	Filed Annual TRR New HV Facilities (\$)	Filed Annual Gross Load (MWh)	TAC Area	Total Filed TRR (\$)	EHVF only Utility Specific Rate (\$/MWh)	EHVF only TAC Area Rate (\$/MWh)	HV Utility Specific Rate (\$/MWh)	TAC Area Rate (\$/MWh)
	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]
RATE @ 1Jan04					= [1] + [2]	= [6] / [3]	= [7] / [2]	= [8] / [3]	= [9] / [5]
PG&E	\$ 146,199,679	\$ 45,188,967	83,389,232	N	\$ 191,388,646	\$ 1.7532	\$ 1.8940	\$ 2.2951	\$ 2.2191
SCE	\$ 173,100,226	\$ 7,193,729	84,358,000	EC	\$ 180,293,955	\$ 2.0520	\$ 2.3332	\$ 2.1372	\$ 2.6583
SDG&E	\$ 35,851,531	\$ 10,423,518	19,404,874	S	\$ 46,275,049	\$ 1.8476	\$ 1.9506	\$ 2.3847	\$ 2.2757
Anaheim	\$ 22,137,921	\$ -	2,589,830	EC	\$ 22,137,921	\$ 8.5480	\$ 2.3332	\$ 8.5480	\$ 2.6583
Azusa	\$ 1,392,585	\$ -	239,575	EC	\$ 1,392,585	\$ 5.8127	\$ 2.3332	\$ 5.8127	\$ 2.6583
Banning	\$ 977,914	\$ -	139,457	EC	\$ 977,914	\$ 7.0123	\$ 2.3332	\$ 7.0123	\$ 2.6583
Riverside	\$ 16,941,060	\$ -	1,814,019	EC	\$ 16,941,060	\$ 9.3390	\$ 2.3332	\$ 9.3390	\$ 2.6583
Vernon	\$ 9,990,364	\$ -	1,210,668	EC	\$ 9,990,364	\$ 8.2519	\$ 2.3332	\$ 8.2519	\$ 2.6583
ISO Total	\$ 406,591,280	\$ 62,806,214	193,145,655		\$ 469,397,494				

STEP 1: Calculate the Access Charge Rate for each TAC Area.

TAC-Area portion is the percent of Total TRR in each area which has not yet transitioned to the ISO (60%) divided by the Total Load of each area.
The ISO portion is the percent of all TRR which has transitioned to ISO-Wide (40%), plus the TRR of New HV Facilities, divided by total load.

Annual TRR Existing HV Facilities (\$)	Annual TAC Area TRR (\$)	Annual Gross Load (GWH)	TAC Area Rate (\$/MWh)	ISO Wide TRR Existing HV Facilities (\$)	ISO Wide TRR New HV Facilities (\$)	ISO Wide Annual Gross Load (GWH)	ISO Wide Rate (\$/MWh)	EHVF only ISO-Wide Rate (\$/MWh)	TAC Rate (TAC Area + ISO Wide) (\$/MWh)	Wheeling Rate (TAC Area + ISO Wide) (\$/MWh)	Existing HV Facilities (EHVF) only TAC Rate (\$/MWh)	New HV Facilities (NHVF) only TAC Rate (\$/MWh)
[10]	[11]	[12]	[13]	[14]	[15]	[16]	[17]	[18]	[19]	[20]	[21]	[22]
= [1]	= [10] x 60%	= [3]	= [11] / [12]						= [13] + [17]	= [20]	= [13] + [18]	= [15] / [16]
North	\$ 146,199,679	\$ 87,719,808	83,389,232	\$ 1.0519					\$ 2.2191	\$ 2.2191	\$ 1.8940	\$ 0.3252
East/C	\$ 224,540,070	\$ 134,724,042	90,351,549	\$ 1.4911					\$ 2.6583	\$ 2.6583	\$ 2.3332	\$ 0.3252
South	\$ 35,851,531	\$ 21,510,919	19,404,874	\$ 1.1085					\$ 2.2757	\$ 2.2757	\$ 1.9506	\$ 0.3252
Total	\$ 406,591,280	\$ 243,954,768	193,145,655									
ISO-wide	\$ 162,636,512	\$ 62,806,214	193,145,655	\$ 1.1672				\$ 0.8420				

January 1, 2004 TAC Rate
Based on Filed Annual TRR/TRBA and Load Data

STEP 2: Calculate the HV Access Charge the UDC/MSS pays on Filed Gross Load and Benefit/Burden. Note: ISO total for (Benefit)/Burden may not equal zero due to rounding of TAC Rate.

TAC Area	Filed Gross Load (MWH)	EHVF only TAC Rate (\$/MWH)	Amount Paid Based on Filed Gross Load (\$)	EHVF only Utility Specific Rate (\$/MWH)	Would Have Paid w/ EHVF Utility Specific Rate (\$)	EHVF Access Charge (Benefit)/Burden (\$)
[22] = [4]	[23] = [3]	[24] = [7]	[25] = [23] * [24]	[26] = [6]	[27] = [23] * [26]	[28] = [25] - [27]
PG&E N	83,389,232	\$ 1.8940	\$ 157,936,939	\$ 1.7532	\$ 146,199,679	\$ 11,737,260
SCE EC	84,358,000	\$ 2.3332	\$ 196,819,878	\$ 2.0520	\$ 173,100,226	\$ 23,719,652
SDG&E S	19,404,874	\$ 1.9506	\$ 37,850,613	\$ 1.8476	\$ 35,851,531	\$ 1,999,082
Anaheim EC	2,589,830	\$ 2.3332	\$ 6,042,462	\$ 8.5480	\$ 22,137,921	\$ (16,095,459)
Azusa EC	239,575	\$ 2.3332	\$ 558,964	\$ 5.8127	\$ 1,392,585	\$ (833,621)
Banning EC	139,457	\$ 2.3332	\$ 325,374	\$ 7.0123	\$ 977,914	\$ (652,539)
Riverside EC	1,814,019	\$ 2.3332	\$ 4,232,379	\$ 9.3390	\$ 16,941,060	\$ (12,708,682)
Vernon EC	1,210,668	\$ 2.3332	\$ 2,824,670	\$ 8.2519	\$ 9,990,364	\$ (7,165,694)
ISO Total	193,145,655		\$ 406,591,280		\$ 406,591,280	\$ 0

STEP 3: For Information Only -- Projected annual net benefits/burdens from Access Charge for Existing Facilities.

\$32/32/8 million cap for IOUs; munis are held harmless; IOUs pay muni cost increases in proportion to their cap relative to the total cap.

EHVF Access Charge (Benefit)/Burden (\$)	IOU Burden Annual Cap (\$)	Amount IOUs' Cap Exceeds IOUs' Burden (\$)	Amount IOU's Burden Exceeds IOU's Cap (\$)	Payments by Entities with Net Benefit (\$)	Mitigation Payments (\$)	Adjusted Net (Benefit) / Burden (\$)	Reallocation IOU Burden (\$)	Transition Charge (\$)	Adjusted Net (Benefit) / Burden (\$)	Transition Charge Rate (\$/MWh)
[29] = [28]	[30]	[31] IF ([30] - [29] > 0) = [30] - [29]. If no cap, then 0.	[32] IF [29] - [30] > 0 = [29] - [30]. If no cap, then 0.	[33] IOUs = ([31] / total[31]) * total[32]. Munis w/ Benefit = ([29] / total[29]) * total[32] - total[31]	[34]	[35] = [29] + [34]	[36] Reallocate IOU Burden [38] so it is proportional to IOU Cap [30] = [38] - [35]	[37]	[38] = [35] + [36]	[39] = [37] / [23]
PG&E \$ 11,737,260	\$ 32,000,000	\$ 20,262,740	\$ 0	\$ 0	\$ 0	\$ 11,737,260	\$ 4,909,849	\$ 4,909,849	\$ 16,647,109	\$ 0.0589
SCE \$ 23,719,652	\$ 32,000,000	\$ 8,280,348	\$ 0	\$ 0	\$ 0	\$ 23,719,652	\$ (7,072,544)	\$ (7,072,544)	\$ 16,647,109	\$ (0.0838)
SDG&E \$ 1,999,082	\$ 8,000,000	\$ 6,000,918	\$ 0	\$ 0	\$ 0	\$ 1,999,082	\$ 2,162,695	\$ 2,162,695	\$ 4,161,777	\$ 0.1115
Anaheim \$ (16,095,459)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (16,095,459)	\$ 0	\$ 0	\$ (16,095,459)	\$ 0
Azusa \$ (833,621)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (833,621)	\$ 0	\$ 0	\$ (833,621)	\$ 0
Banning \$ (652,539)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (652,539)	\$ 0	\$ 0	\$ (652,539)	\$ 0
Riverside \$ (12,708,682)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (12,708,682)	\$ 0	\$ 0	\$ (12,708,682)	\$ 0
Vernon \$ (7,165,694)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (7,165,694)	\$ 0	\$ 0	\$ (7,165,694)	\$ 0
Total	\$ 72,000,000	\$ 34,544,006	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

STEP 4: For Information Only -- Projected annual net benefits/burdens from Access Charge for New Facilities and Total projected annual net benefits/burdens from Access Charge.

Filed Annual TRR New HV Facilities (\$)	ISO Wide Annual Gross Load (MWh)	New HVTRR Rate (\$/MWH)	New HVTRR Cost Responsibility (\$)	NHVF Access Charge (Benefit)/Burden (\$)	Total Access Charge (Benefit)/Burden (\$)
[40] = [2]	[41] = [3]	[42] = ([15]) / [18]	[43] = ([42]) * [43]	[44] = ([42]) - [40]	[45] = ([44]) + [38]
PG&E \$ 45,188,967	83,389,232	\$ 0.3252	\$ 27,116,126	\$ (18,072,841)	\$ (1,425,732)
SCE \$ 7,193,729	84,358,000	\$ 0.3252	\$ 27,431,146	\$ 20,237,417	\$ 36,884,525
SDG&E \$ 10,423,518	19,404,874	\$ 0.3252	\$ 6,309,987	\$ (4,113,531)	\$ 48,247
Anaheim \$ -	2,589,830	\$ 0.3252	\$ 842,149	\$ 842,149	\$ (15,253,310)
Azusa \$ -	239,575	\$ 0.3252	\$ 77,904	\$ 77,904	\$ (755,717)
Banning \$ -	139,457	\$ 0.3252	\$ 45,348	\$ 45,348	\$ (607,191)
Riverside \$ -	1,814,019	\$ 0.3252	\$ 589,874	\$ 589,874	\$ (12,118,807)
Vernon \$ -	1,210,668	\$ 0.3252	\$ 393,679	\$ 393,679	\$ (6,772,014)
Total	\$ 62,806,214	193,145,655	\$ 62,806,214	\$ (0)	\$ 0

1 January 2004 ISO Access Charge Rate
HIGH VOLTAGE AND LOW VOLTAGE COMPONENTS

PTO	HV TRR	LV TRR	New HV Facilities	New LV Facilities	Total HV Filed TRR	Total LV Filed TRR	Info Only	
							Combined TRR	
PGE	Base TRR (TO7)	175,953,634	280,755,071	61,280,933		237,234,568	280,755,071	517,989,638
	TRBAA (as of 30Sep03)	(29,036,584)	(35,635,155)	(15,703,915)		(44,740,499)	(35,635,155)	(80,375,654)
	Standby Credit	(717,371)	(1,123,252)	(388,051)		(1,105,423)	(1,123,252)	(2,228,675)
	Total	146,199,679	243,996,663	45,188,967		191,388,646	243,996,663	435,385,309
	Gross Load	83,389,232	83,389,232	83,389,232		83,389,232	83,389,232	83,389,232
	Utility Specific Access Charges (\$/kWh)	1.7532	2.9260	0.5419		2.2951	2.9260	5.2211
Effective Date	1-Jan-04 ER04-109		1-Jan-04 ER04-109					
Docket #	1-Jan-04 ER04-??		1-Jan-04 ER04-??					
SCE	Base TRR	213,079,025	29,065,800	8,855,175		221,934,200	29,065,800	251,000,000
	TRBAA (as of 30Sep03)	(38,907,501)	(1,061,600)	(1,616,925)		(40,524,426)	(1,061,600)	(41,586,026)
	Standby Credit	(1,071,298)	(134,259)	(44,521)		(1,115,819)	(134,259)	(1,250,078)
	Total	173,100,226	27,869,941	7,193,729	-	180,293,955	27,869,941	208,163,896
	Gross Load	84,358,000	84,358,000	84,358,000		84,358,000	84,358,000	84,358,000
	Utility Specific Access Charges (\$/kWh)	2.0520	0.3304	0.0853		2.1372	0.3304	2.4676
Effective Date	1-Sep-02 ER02-925		1-Sep-02 ER02-925					
Docket #	1-Jan-04 ER04-??		1-Jan-04 ER04-??					
SDGE	Base TRR	53,195,000	53,750,000	10,799,000	17,899,000	63,994,000	71,649,000	135,643,000
	TRBAA (as of 30Sep03)	(17,102,713)	(3,827,323)	(326,231)	(110,153)	(17,428,944)	(3,937,476)	(21,366,420)
	Standby Credit	(240,756)	(243,303)	(49,251)	(80,690)	(290,007)	(323,993)	(614,000)
	Total	35,851,531	49,679,374	10,423,518	17,708,157	46,275,049	67,387,531	113,662,580
	Gross Load	19,404,874	19,404,874	19,404,874	19,404,874	19,404,874	19,404,874	19,404,874
	Utility Specific Access Charges (\$/kWh)	1.8476	2.5601	0.5372	0.9126	2.3847	3.4727	5.8574
Effective Date	1-Oct-03 ER03-601		1-Oct-03 ER03-601					
Docket #	1-Jan-04 ER04-??		1-Jan-04 ER04-??					
Vernon	Base TRR	10,216,178				10,216,178		10,216,178
	TRBAA (as of 30Sep03)	(225,814)				(225,814)		(225,814)
	Standby Credit	-				-		-
	Total	9,990,364				9,990,364		9,990,364
	Gross Load	1,210,668				1,210,668		1,210,668
	Utility Specific Access Charges (\$/kWh)	8.2519				8.2519		8.2519
Effective Date	1/1/2003 EL03-31							
Docket #	1/1/2004 EL04-34							

**1 January 2004 ISO Access Charge Rate
HIGH VOLTAGE AND LOW VOLTAGE COMPONENTS**

PTO	HV TRR	LV TRR	New HV Facilities	New LV Facilities	Total HV Filed TRR	Total LV Filed TRR	Info Only	
							Combined TRR	
Anaheim	Base TRR	22,900,000			22,900,000		22,900,000	
	TRBAA (as of 30Sep03)	(762,079)			(762,079)		(762,079)	
	Standby Credit	-			-		-	
	Total	22,137,921			22,137,921		22,137,921	
	Gross Load	2,589,830			2,589,830		2,589,830	
	Utility Specific Access Charges (\$/kWh)	8.5480			8.5480		8.5480	
Effective Date	1/1/2003 EL03-15							
Docket #	1/1/2004 EL04-40							
Azusa	Base TRR	1,500,000			1,500,000		1,500,000	
	TRBAA (as of 30Sep03)	(107,415)			(107,415)		(107,415)	
	Standby Credit	-			-		-	
	Total	1,392,585			1,392,585		1,392,585	
	Gross Load	239,575			239,575		239,575	
	Utility Specific Access Charges (\$/kWh)	5.8127			5.8127		5.8127	
Effective Date	1/1/2003 EL03-14							
Docket #	1/1/2004 EL04-35							
Banning	Base TRR	1,105,000	53,647		1,105,000	53,647	1,158,647	
	TRBAA (as of 30Sep03)	(127,086)	-		(127,086)	-	(127,086)	
	Standby Credit	-	-		-	-	-	
	Total	977,914	53,647		977,914	53,647	1,031,561	
	Gross Load	139,457	139,457		139,457	139,457	139,457	
	Utility Specific Access Charges (\$/kWh)	7.0123	0.3847		7.0123	0.3847	7.3970	
Effective Date	1/1/2003 EL03-21							
Docket #	1/1/2004 EL04-??							
Riverside	Base TRR	17,500,000			17,500,000		17,500,000	
	TRBAA (as of 30Sep03)	(558,940)			(558,940)		(558,940)	
	Standby Credit	-			-		-	
	Total	16,941,060			16,941,060		16,941,060	
	Gross Load	1,814,019			1,814,019		1,814,019	
	Utility Specific Access Charges (\$/kWh)	9.3390			9.3390		9.3390	
Effective Date	1/1/2003 EL03-20							
Docket #	1/1/2004 EL04-39							
For Information Only								
Total CAISO Grid	Base TRR	495,448,837	363,624,518	80,935,108	17,899,000	576,383,946	381,523,518	957,907,463
	TRBAA (as of 30Sep03)	(86,828,132)	(40,524,078)	(17,647,071)	(110,153)	(104,475,203)	(40,634,231)	(145,109,434)
	Standby Credit	(2,029,425)	(1,500,814)	(481,823)	(80,690)	(2,511,249)	(1,581,504)	(4,092,753)
	Total	406,591,280	321,599,625	62,806,214	17,708,157	469,397,494	339,307,782	808,705,276
	Gross Load	193,145,655	187,291,563	187,152,106	19,404,874	193,145,655	187,291,563	193,145,655
	Utility Specific Access Charges (\$/kWh)	2.1051	1.7171	0.3356	0.9126	2.4303	1.8117	4.1870

ATTACHMENT B

