

SWIDLER BERLIN SHEREFF FRIEDMAN, LLP

THE WASHINGTON HARBOUR
3000 K STREET, NW, SUITE 300
WASHINGTON, DC 20007-5116
TELEPHONE (202) 424-7500
FACSIMILE (202) 424-7647
WWW.SWIDLAW.COM

NEW YORK OFFICE
THE CHRYSLER BUILDING
405 LEXINGTON AVENUE
NEW YORK, NY 10174
TEL (212) 973-0111
FAX (212) 891-9598

JULIA MOORE
DIRECT DIAL: (202) 295-8357
FAX: (202) 424-7643
JULIAMOORE@SWIDLAW.COM

March 10, 2003

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

Re: *California Independent System Operator Corporation,*
Docket Nos. ER02-250-000 and ER02-527-000;
Pacific Gas and Electric Company,
Docket No. ER02-479-000

Dear Secretary Salas:

On March 7, 2003, in accordance with the Commission's letter order dated December 26, 2002 approving the settlement agreement ("Settlement Agreement") in the above-captioned docket and its subsequent notice granting an extension of time, issued on January 27, 2002, the California Independent System Operator Corporation ("ISO") filed its compliance filing report ("Report") on the refunds made pursuant to the Settlement Agreement. It has come to our attention that the Report was incorrect. The Report filed on March 7 included refunds for an entity that had not paid the charge in question, and hence to whom no refunds were due. No refunds were in fact made to this entity, so including them in the Report was done in error.

Herewith please find a corrected refund report, with the totals recalculated to remove the refunds attributable to the entity to whom no refunds were made or due. We apologize for any inconvenience the incorrect Report may have caused.

In addition to the official service list for the above-captioned dockets, the ISO is sending this corrected report to all ISO Scheduling Coordinators, the California Public Utilities Commission, the California Energy Commission, and the California Electricity Oversight Board.

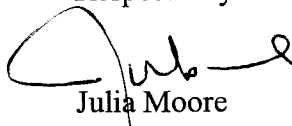
The Hon. Magalie R. Salas

March 10, 2003

Page 2

One original and six copies of the compliance filing report are enclosed for the Commission's use. Two additional copies have been included to be date/time stamped and returned to our messenger. Thank you for your assistance with this matter

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Julia Moore', with a large, stylized initial 'J'.


Julia Moore

Counsel for the
California Independent System Operator
Corporation

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding. The foregoing document also has been served on the Public Utilities Commission of California, the California Energy Commission, the California Electricity Oversight Board, all entities with effective Scheduling Coordinator Service Agreements under the ISO Tariff.

Dated this 10th day of March, 2003 at Washington in the District of Columbia.



Julia Moore
(202) 424-7500

ATTACHMENT A

**California ISO
Compliance Refund Report
Summary of 2002 GMC Refund Amounts**

"CAISO shall file with the Commission a compliance refund report showing monthly billing determinants, revenue receipt dates, revenues under the present and settlement rates, the monthly revenue refund, and the monthly interest computed, together with a summary of such information for the total refund period. CAISO shall furnish copies of the report to the affected customers and to each state commission within whose jurisdiction the affected wholesale customers distribute and sell electric energy at retail."

Summary of Refund and Interest

		Refund	Interest	Total
CT 521	Control Area Services (CAS)	\$ (3,561,439.97)	\$ (92,346.87)	\$ (3,653,786.84)
CT 522	Congestion Management (CONG)	\$ (3,456,019.89)	\$ (88,873.46)	\$ (3,544,893.36)
CT 524	Ancillary Services and RT Energy Operations (ASREO)	\$ (4,622,463.11)	(114,284.10)	\$ (4,736,747.21)
		<u>\$ (11,639,922.97)</u>	<u>\$ (295,504.44)</u>	<u>\$ (11,935,427.41)</u>

Monthly Billing Determinants

Month	CAS	CONG	ASREO
	CT 521	CT 522	CT 524
1	19,485,811	7,220,471	602,265
2	17,428,712	6,446,188	546,818
3	19,136,259	6,781,850	575,206
4	18,655,064	7,633,536	505,643
5	19,834,826	7,138,540	428,661
6	21,151,424	8,384,614	476,542
7	23,502,956	9,460,819	549,564
8	22,688,583	8,648,623	547,827
9			545,740
10			
11			
12			
	<u>161,883,635</u>	<u>61,714,641</u>	<u>4,778,266</u>

Monthly Revenue Refunds

Month	Revenue Receipt Date (1)	CT 521	CT 522	CT 524	Total
1	April 3, 2002	(\$428,687.85)	(\$404,346.39)	(\$576,367.59)	(\$1,409,401.83)
2	April 30, 2002	(\$383,431.65)	(\$360,986.54)	(\$523,305.09)	(\$1,267,723.28)
3	May 30, 2002	(\$420,997.69)	(\$379,783.61)	(\$550,472.26)	(\$1,351,253.56)
4	July 1, 2002	(\$410,411.41)	(\$427,478.01)	(\$483,900.53)	(\$1,321,789.95)
5	August 1, 2002	(\$436,366.17)	(\$399,758.25)	(\$410,228.82)	(\$1,246,353.23)
6	August 29, 2002	(\$465,331.33)	(\$469,538.40)	(\$456,050.67)	(\$1,390,920.40)
7	October 1, 2002	(\$517,065.04)	(\$529,805.84)	(\$525,932.45)	(\$1,572,803.33)
8	October 31, 2002	(\$499,148.82)	(\$484,322.86)	(\$524,269.98)	(\$1,507,741.66)
9	December 2, 2002	\$0.00	\$0.00	(\$571,935.73)	(\$571,935.73)
10	January 7, 2003	\$0.00	\$0.00	\$0.00	\$0.00
11	February 4, 2003	\$0.00	\$0.00	\$0.00	\$0.00
12	March 5, 2003	\$0.00	\$0.00	\$0.00	\$0.00
		<u>(\$3,561,439.97)</u>	<u>(\$3,456,019.89)</u>	<u>(\$4,622,463.11)</u>	<u>(\$11,639,922.97)</u>

Monthly Interest Computed

Month	Interest Commencement Date	CT 521	CT 522	CT 524	Total
1	April 3, 2002	(\$17,409.35)	(\$16,420.83)	(\$23,406.74)	(\$57,236.93)
2	April 30, 2002	(\$14,176.71)	(\$13,346.84)	(\$19,348.28)	(\$46,871.82)
3	May 30, 2002	(\$13,864.08)	(\$12,506.84)	(\$18,127.87)	(\$44,498.79)
4	July 1, 2002	(\$11,747.10)	(\$12,235.59)	(\$13,850.55)	(\$37,833.24)
5	August 1, 2002	(\$10,700.39)	(\$9,802.70)	(\$10,059.46)	(\$30,562.55)
6	August 29, 2002	(\$9,686.95)	(\$9,774.53)	(\$9,493.75)	(\$28,955.23)
7	October 1, 2002	(\$8,507.34)	(\$8,716.97)	(\$8,653.24)	(\$25,877.55)
8	October 31, 2002	(\$6,254.95)	(\$6,069.17)	(\$6,569.75)	(\$18,893.87)
9	December 2, 2002	\$0.00	\$0.00	(\$4,774.45)	(\$4,774.45)
10	January 7, 2003	\$0.00	\$0.00	\$0.00	\$0.00
11	February 4, 2003	\$0.00	\$0.00	\$0.00	\$0.00
12	March 5, 2003	\$0.00	\$0.00	\$0.00	\$0.00
		(\$92,346.87)	(\$88,873.46)	(\$114,284.10)	(\$295,504.44)

Notes:

- (1) All amounts deemed received on preliminary invoice due dates.
 (2) Interest calculated for each charge by scheduling coordinator, from receipt date to February 5, 2003.
 Interest rates as follows:

Interest Rate			
Q2-2002	Q3-2002	Q4-2002	Q1-2003
4.78%	4.75%	4.75%	4.62%
Source: http://www.ferc.fed.us/oil/oil_int.htm			

- (3) Refund amounts calculated as follows:

	Rate Billed	Rate Per Settlement	Rate Difference	Qty.	Refund Amount = Qty. * Difference
CT 521 - CAS	0.575	0.553	(0.022)	161,883,635	(3,561,439.97)
CT 522 - CONG	0.368	0.312	(0.056)	61,714,641	(3,456,019.89)
CT 524 - ASREO (A/S self provision)	0.957	0	(0.957)	4,232,526	(4,050,527.38)
	1.048	0	(1.048)	545,740	(571,935.73)
					(11,639,922.97)

Rate for CT524 was \$.957 from January - August and \$1.048 in September 2002.