



January 27, 2005

**VIA ELECTRONIC FILING**

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  
The Amended Comprehensive Market Design Proposal  
("ETC Proposal")  
Docket No. ER02-1656-021**

Dear Secretary Salas:

Transmitted herewith for electronic filing in the above-referenced proceeding is the Errata to the Motion for Leave to File Answer and Answer of the California Independent System Operator Corporation.

Thank you for your attention to this matter.

Respectfully Submitted,

**/s/ Anthony J. Ivancovich**  
Anthony J. Ivancovich

Associate General Counsel  
California Independent System  
Operator Corporation

Enclosure

cc: Service List

**UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION**

**California Independent System    )     Docket No. ER02-1656-021**  
**Operator Corporation    )**

**ERRATA TO THE MOTION FOR LEAVE TO FILE ANSWER AND ANSWER OF THE  
CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION**

The California Independent System Operator Corporation (“ISO”) submits this Errata to the Motion for Leave to File Answer and Answer filed in the above captioned proceeding on January 26, 2005. The ISO’s January 26, 2005 Motion addresses a number of issues raised by intervenors in this proceeding.

On pages thirty eight and thirty nine of the January 26, 2005 filing, the ISO addressed concerns raised by Southern California Edison (“SCE”) regarding a footnote to the ISO’s December 8, 2004 filing of its Proposal for Honoring Existing Transmission Contracts Under the Amended Comprehensive Market Design Proposal (“ETC Proposal”).

SCE’s concerns pertained to, *inter alia*, an erroneous reference at footnote 18 to the proposed GMC Settlement in Docket No ER04-115-000 and specifically COTP schedules’ GMC liability. In its January 26, 2004 filing, the ISO sought to correct the error specifically as it referred to the liability for COTP GMC payments. Subsequent to filing the Answer, it has come to the ISO’s attention that the correction contained in the Answer was incomplete.

In that regard, on page thirty nine of the January 26, 2005 filing, the ISO stated:

Separately, COTP GMC payments are contingent on resolution of a rehearing request in EL02-45-000.

The statement should have read:

Separately, the timing of COTP GMC payments is contingent on resolution of a rehearing request in EL02-45-000.

The ISO is attaching hereto a revised Page 39 to its Answer that reflects the corrected language identified above. The ISO apologizes for any confusion the incomplete correction in the January 26, 2005 Answer may have caused.

Respectfully submitted

**/s/ Anthony J. Ivancovich**

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Dated: January 27, 2005

**ATTACHMENT A**

owners of Mohave El-Dorado hold an ownership interest in the facilities and have the right to use their share of the facilities as owners, not a “holders of existing rights.”

The ISO offers the following corrections to footnote 18. The ISO's 2004-2006 GMC rate structure is contingent upon FERC approval of the 2004 GMC Settlement Agreement in ER04-115-000, et. al. The GMC Settlement Agreement provides that exports from the Mohave Power Plant to Nevada Power and Salt River Project pay 35% of the Core Reliability and Energy Transmission Services - Net Energy components. Separately, the timing of COTP GMC payments is contingent on resolution of a rehearing request in EL02-45-000. With respect to the second error identified by SCE, the ISO mistakenly used the phrase “holders of existing rights on the Mohave-El Dorado line” to describe the party to whom the Core Reliability and Energy Transmission Services – Net Energy components discounts accrue. Only SCE receives the discount and, as described above, the discount is only for exports from the Mohave Power Plant to Nevada Power and Salt River Project. This discount applies irrespective of the ownership of or existing contract rights on the Mohave El-Dorado line.

#### **M. Secondary ETC Rights**

Powerex requests that the Commission clarify that the rights that apply to ETC rights holders also apply to secondary ETC rights holders. In other words, the rights afforded to ETC rights holders should also extend to Scheduling Coordinators (“SCs”) that schedule on ETC transmission that is resold to that SC. Powerex at 3-4.

**CERTIFICATE OF SERVICE**

I hereby certify that I have this 27<sup>th</sup> day of January, 2005 caused to be served a copy of the forgoing document upon all parties listed on the official service list compiled by the Secretary of the Federal Energy Regulatory Commission in this proceeding.

**/s/ Anthony J. Ivancovich**

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