

REVISIONS TO ACCESS CHARGE TARIFF MARCH 3, 2000

Based on discussions at the ISO Governing Board Meeting on March 3, 2000 regarding the proposed Access Charge, the Board had the following conceptual discussions and is making the following changes to the proposal:

Review of Impact of Transition: Based on concerns raised at the meeting, this section has been deleted. (Appendix F, Schedule 3, Section 4.6)

FTRs for Existing Contracts: It was decided to evaluate the amount of FTRs that would be commensurate with the transmission capacity the New Participating TO is turning over to ISO Operational Control when the New Participating TO executes the Transmission Control Agreement. This change revises ISO Tariff Sections 9.4.3, 9.5.1, 9.6.3, 9.6.6, and 9.7.3.

Net versus Gross Load: It was decided to assess the Access Charge to gross Load with specific exemptions for existing arrangements. This changes Appendix F, Schedule 3, Section 3.2.

Recovery of and Credit to Access Charge: Because of concerns with the ability for the IOUs to recover the Access Charge, including the transition payment, additional language was added to various sections trying to clarify this issue. Revisions were made to Section 7.1, and Appendix F, Schedule 3, Sections 1 and 2.1.

Filing: Based on concerns raised regarding the timing of the filing and the content of the filing, the Board discussed allowing another year for continued negotiations. The discussion resulted in decision to proceed with the filing as currently contemplated.

Hold Harmless: The Board had an additional discussion regarding the hold harmless provisions currently in the proposed Tariff and did not change them.

Attached are the proposed Tariff changes to coincide with implementing the changes. For ease of reading, the new changes are highlighted in yellow. If you are looking at a printout, the new changes will be shaded.