

Revised Summary of Board Requested Tariff Changes

Requestor	Change Requested	Current Status
Cotton	General: "Regional" needs to be changed to "High Voltage" "Local" needs to be changed to "Low Voltage" Use of ISO Grid-wide needs to be consistent	Change done
Fielder	General: Delete TAC Areas, and have a simple 10-year transition from utility-specific to ISO Grid-wide with a \$20 Million per year cost-shift cap.	Inconsistent with proposal
Ferreira	General: If there is not a package deal, then a number of changes currently proposed would not be acceptable including treatment of Converted Rights; billing Access Charge and GMC on Gross Loads; and the proposed Wheeling Access Charge.	Noted
Barkovich	2.2.7.3 - Unclear as to the limitation on trading if the UDC or MSS does not maintain a Approved Credit Rating	Limitation is that the SC for the UDC or MSS is not entitled to schedule if the Approved Credit Rating has not been maintained.
Fielder	2.2.7.3 - What is the basis for the requirement that a UDC post security for two months of Access Charge payment responsibility given that the majority of those funds are simply owed to itself and not payable to the ISO as stated in Principle # 14 (in the case of existing PTOs)?	The ISO needs to show for bond purposes that all participants paying the ISO are financially viable. The text was changed from "two" to "one" month Access Charge and the net amount is now the amount paid to the ISO. In all likelihood, most UDCs and MSSs meet the Section 2.2.3.2 requirement of "an Approved Credit Rating".
Toenyas	2.4.4.2 - Conversion of Existing Contracts should be limited to transmission service contracts.	The intention is that Existing Contracts that impact transmission, scheduling, and congestion management should be converted.
Florio	2.4.4.2.1 - If the Compromise Proposal is chosen, revise this section to include the reevaluation provision of an "off-ramp" which would allow Existing Contracts to be reinstated.	The reevaluation of the transition has been deleted, so no additional change is required to this section.
Macias	2.4.4.3.1.3 - insert the following at the end of the section: <i>"The recipient of the transmission service received under an Existing Contract that has converted its rights to ISO transmission service will sign a Scheduling Coordinator Agreement, pay all rates and charges thereunder, and schedule its transactions with the ISO."</i>	Concept added to Section 3.1.2.

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Macias	2.4.4.3.1.5 - Revise the section as follows: <i>"The recipient of the transmission service received under an Existing Contract that has converted its rights to ISO transmission service shall, <u>for local transmission service</u>, continue to have the obligation to pay the provider of the service for its transmission service at the rates provided in the Existing Contract, as they may change from time to time under the terms of the Existing Contract, or as mutually agreed between the contract parties, through the term of the contract, subject to the terms and conditions of the contract, including the rights of the parties to the contract to seek unilateral or other changes pursuant to Section 205 or Section 206 of the Federal Power Act and the FERC's Rules and Regulations or as otherwise provided by law. <u>For regional transmission service, the holders of Existing Rights shall pay the ISO the Regional Access Charge provided in Section 7.1.</u>"</i>	All Load and exports will be paying the Access Charge (Regional and Local) in accordance with Section 7.1. However, the proposal contemplates that Existing Contract payments are still made. Change not made
Florio	2.4.4.5.1.5 - insert "Rights" after Existing	Change made
Barkovich	2.4.4.5.1.6 - insert "Rights" after Existing	Change made
Fielder	3 - 1) Specify how the beneficiaries of transmission additions pay during the transition and after. 2) The Tariff should also reflect that transmission added after the effective date of the new Access Charge structure for the purpose of reducing or eliminating RMR requirements should be considered local transmission.	1) Clarification made in Section 3.2.7.4. 2) This is currently implied in the tariff, change not made.
Barkovich	3.1 - 1) add "to" after ISO Governing Board in (2) 2) add "s" after Market Participant in last sentence	1) Text changed so edit not required 2) Change made
Ferreira	3.1 - Add the following: <i>"(3) is the subject of mutual agreement between the ISO and the PTO".</i>	Because execution of the TCA requires all PTOs to mutually agree, the text was added with "PTOs" versus "PTO". Change made

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Macias	3.1 - Add the following at the end of the section: <i>"In addition to signing a Transmission Control Agreement, any New Participating TO will be required to sign a Scheduling Coordinator Agreement, agree to pay all rates and charges thereunder, and be responsible for scheduling its loads and resources with the ISO in accordance with the ISO Scheduling Protocol. The Scheduling Coordinator function may be assigned to a third party."</i>	Similar change made in Section 3.1.2.
Barkovich	3.1.1 - April to July is 3 months but November to January is two months. Should they both be the same period? Is two months enough?	Three months should be used in both places to November was changed to October.
Toenyas	3.1.2 - Need to clarify that if both parties agree, the RPTO may remain the SC for Converted Rights	Change made.
Fielder	3.3 - Clarify MSS principle related to RMR and specifically that a MSS that leans on RMR Units outside their MSS area should have to pay for some of those RMR costs.	Clarification made.
Toenyas	3.3 - Clarify what happens to MSS if new Zones are created.	This clarification will be made when new zones are created and a MSS exists.
Ferreira	3.3.1.1 - delete the following sentence: <i>"The ISO shall not be obligated to accept Schedules, Adjustment Bids or bids for Ancillary Services which would require Energy to be transmitted to or from the MSS unless the relevant MSS Operator undertakes in writing to the ISO to comply with all applicable provisions of the ISO Tariff as they may be amended from time to time, including, without limitation, the applicable provisions of this Section 3.3."</i>	A fundamental principle of the Negotiating Group is to comply with the ISO Tariff and all Protocols. Deleting this text would exempt MSS Operators from honoring this principle. Change withdrawn.

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Ferreira	3.3.2 - Revised the second sentence as follows: <i>"All information pertaining to the physical state or operation, maintenance and failure of the MSS affecting the operation of the ISO Control Area that is made available to the ISO by the MSS Operator shall also be made available to Scheduling Coordinators, provided that the ISO shall provide reasonable notice to the MSS Operator."</i>	The MSS text mirrors the UDC text. The discussed process was that if a Muni executed the MSS Agreement, it would not have to execute the UDC Agreement. If the Muni did not want to be an MSS, but wanted to execute a UDC Agreement it could. Consequently terms in the ISO Tariff that UDCs are required to meet, have been included in the MSS text. To date, the ISO has made available to Scheduling Coordinators the information made available to it by the UDCs, and believes it is important for transparent markets. 2/11/00: Concern is need for confidentiality for commercial and reliability sensitive information. Needs to be discussed. Confidentiality is already addressed in other parts of the Tariff, change not made.
Ferreira	3.3.3 - Add the following sentence at the end of the section: <i>"Reciprocal coordination will be accomplished in a like manner."</i>	Similar change made.
Ferreira	3.3.4.1 and 3.3.4.2 - Add the following text at the end of the paragraph: <i>"and be entitled to reciprocal treatment from the ISO"</i>	After discussion, change not needed.
Ferreira	3.3.4.3 - Add the following text at the end of the paragraph: <i>"and receive reciprocal treatment from the ISO, PTOs and Generators"</i>	After discussion, change not needed
Ferreira	3.3.4.4 - Revise the paragraph as follows: <i>"be responsible for any Reliability Must-Run Generation and Voltage Support required for reliability of the MSS, including the responsibility for any costs of such RMR Generation, <u>Black Start</u>, and Voltage Support, and not responsible for any portion of such charges originating from other Market Participants"</i>	The addition of Black Start included. The inclusion of the second change is more problematic. Some parties who are proposing to be MSSs are not self-sufficient and should pay a portion of another PTOs RMR costs in accordance with Section 5.2.8. Change not made. However, section expanded to discuss the ability to self-provide these requirements.

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Ferreira	3.3.4.5 - Add the following text at the end of the paragraph: <i>"and not responsible for any portion of such charges originating from other Market Participants"</i>	See previous discussion
Edwards	3.3.5 - Insert prior to "Generating Units forming", "System or other"	Change was not needed because System Units was already included after "Generating Units forming part of the MSS" as follows: <i>"All Schedules submitted on behalf of a MSS Operator for the delivery of Energy and Ancillary Services to Loads connected to the MSS and for the delivery of Energy and Ancillary Services from Generating Units forming part of the MSS or System Units shall be submitted by a Scheduling Coordinator that complies with all applicable provisions of the ISO Tariff, which Scheduling Coordinator may be the MSS Operator, provided that the MSS Operator complies with all applicable requirements for Scheduling Coordinators."</i>
Ferreira	3.3.5 - Change first sentence as follows: <i>"All Schedules submitted on behalf of a MSS Operator for the delivery of Energy and Ancillary Services to Loads connected to the MSS from the ISO Controlled Grid and for the delivery of Energy and Ancillary Services from Generating Units forming part of the MSS to the ISO Controlled Grid shall be submitted by a Scheduling Coordinator that complies with all applicable provisions of the ISO Tariff, which Scheduling Coordinator may be the MSS Operator, provided that the MSS Operator complies with all applicable requirements for Scheduling Coordinators. <u>All other Schedules will be submitted to the ISO but are not subject to future changes in the ISO Tariff and Protocols that may be adverse to the MSS or usurp its local control over non-ISO Controlled Grid assets and policies.</u>"</i>	The schedules submitted need to be balance - Energy and Load. Additionally, the schedules need to include Energy and Load that is internal and external, so the reference "from" and "to" the ISO Controlled Grid is not needed. Ancillary Services are required to be either self-provided or purchased, but they need to be accounted for in the Schedule. Freezing the tariff based on execution of a MSS Agreement is not workable for the ISO. All Market Participants must honor any future changes to the Tariff. Changes not made in 1/18/00 draft. Change withdrawn

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Edwards	3.3.5.1 - Insert "System Unit, Generating Units, and other" in front of Generation. The original text: <i>"Without limiting the foregoing, the Scheduling Coordinator for the MSS must submit information regarding gross Generation, imports, exports and gross Loads to the ISO in the format and in accordance with the timelines applicable to other Scheduling Coordinators."</i>	Change made, but second reference to Generation was not needed because of the addition of "Generating Units". <i>Without limiting the foregoing, the Scheduling Coordinator for the MSS must submit information regarding gross System Unit, gross Generating Unit, imports, exports and gross Loads to the ISO in the format and in accordance with the timelines applicable to other Scheduling Coordinators.</i>
Ferreira	3.3.5.2 - Revise the section as follows: <i>"The Scheduling Coordinator for the MSS will designate, in discrete quantities and with prices for both Ancillary Services and Energy: (1) Schedules in Day-Ahead and Hour-Ahead Energy markets (including schedules for internal Generation and internal Load and, separately, bids into ISO energy markets), (2) bids or self-provided Schedules for Regulation, Spinning Reserve, Non-Spinning Reserve, and Replacement Reserve capacity and associated bid Energy, (3) Adjustment Bids, (4) Supplemental Energy bids, or (5) any feasible combination thereof"</i>	Presently, the ISO does not have the capability of having two IDs for one Scheduling Coordinator. Consequently, a "separate bid" can not be made. All information must be contained in the SCs balanced schedule. After discussion, change withdrawn.
Edwards	3.3.10 - Delete sentence <i>"Only transmission facilities approved by the ISO may be included in the MSS's Transmission Revenue Requirement."</i>	Change made
Ferreira	3.3.10 - Revise the section as follows: <i>"Each MSS Operator and any Participating TO with which its system is interconnected, if applicable, shall coordinate in the planning and implementation of any expansion or modifications of a MSS's or Participating TO's system that will affect their transmission interconnection, the ISO Controlled Grid or the transmission services to be required by the MSS Operator. The MSS Operator and any other Participating TO with which the MSS is interconnected shall be responsible for coordinating with the ISO."</i>	In addition to coordinating transmission expansions or modification between the MSS Operator and the PTO, the expansion or modification must be coordinated with the ISO so that the ISO can maintain reliability. Change withdrawn.

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Edwards	3.3.13.1.1 Questioned the following text as it relates to liability but did not suggest an edit: <i>"The ISO and each MSS Operator shall each have the right, if mutually agreed, on reasonable notice to install or to have installed equipment (including metering equipment) or other facilities on the property of the other, to the extent that such installation is necessary for the installing party to meet its service obligations unless to do so would have a negative impact on the reliability of the service provided by the party owning the property."</i>	The text mirrors the existing text in the Utility Distribution Company section. It is anticipated that an MSS would execute just the MSS Agreement and not both the MSS Agreement and the UDC Agreement. Consequently, the MSS language includes UDC requirements. Changes can be made if text is suggested.
Ferreira	3.3.14.1 - 1) In second sentence, reference should be to agreement not Section 3.3.15. 2) Delete requirement to comply with the ISO Tariff.	1) Change made 2) See discussion in 3.3.1.1.
Edwards	3.3.14.2.1 - delete "and the individual resources that make up the System Unit" in the following text: <i>"is required to have a direct communication link to the ISO's EMS satisfying the requirements applicable to Generating Units owned by Participating Generators, or Participating Loads, as applicable, for the System Unit and the individual resources that make up the System Unit;"</i>	The concept that had previously been agreed to by the Munis and the ISO was that the ISO would be able to "see" each individual unit, but only a System Unit would need to be scheduled and in an emergency, the System Unit would respond. This text reflected that agreement. The ISO believes that visibility of the unit is critical so that we can see the generation output of the unit, see the Ancillary Services capability in an emergency and validate the Operating Reserves to meet WSCC MORC requirements. Change not made.
Edwards	3.3.14.2.2 - delete section. <i>"shall provide resource-specific information regarding the Generating Units and Loads comprising the System Unit to the ISO through telemetry to the ISO's EMS;"</i>	See discussion of 3.3.14.2.1
Ferreira	3.3.14.2.4 - delete requirement that the ISO have AGC control over System Unit self-providing Regulation.	By definition, Regulation is provided by a unit that is under AGC control. Units that are self-providing Regulation still need the ISO to have AGC control. Change not made.

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Ferreira	<p>3.3.15.4 - Revise the section as follows: <i>"Subject to Section 3.3.14.5, the ISO shall have the authority to exercise control over the System Unit <u>when bidding Energy into ISO markets or when self-providing or bidding Ancillary Services</u> to the same extent that it may exercise control pursuant to the ISO Tariff over any other Participating Generator, Generating Unit or, if applicable, Participating Load, but the ISO shall not have the authority to direct the MSS Operator to adjust the operation of the individual resources that make up the System Unit to comply with directives issued with respect to the System Unit."</i></p>	<p>The insert is already covered in Section 3.3.14.5 and is cross-reference in the lead-in, "Subject to Section 3.3.14.5" and is therefore not needed.</p>
Macias	<p>5.2.7 - Revised the section as follows: <i>"For Reliability Must-Run Generating Units providing regional support, the The ISO shall recover the costs it incurs through payments under each Reliability Must-Run Contracts in the Regional Transmission Access Charge. Unless otherwise determined by FERC, for Reliability Must-Run Generating Units providing local support, the ISO shall recover the costs it incurs through payments under each Reliability Must-Run Contract from the utility that is a party to the TCA in whose Service Area the Reliability Must-Run Generating Unit is located less, the revenues received from the ISO's sale of Ancillary Services purchased under the Reliability Must-Run Contract."</i></p>	<p>After discussion with Board members, change not made.</p>
Fielder	<p>7.1 - Insert language stating that the current utility-specific method, including utility-specific treatment of the costs of transmission additions, remains in effect until the first New PTO joins.</p>	<p>Change made.</p>

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Fielder	7.1.2 - Billing and settlement will be done on a net basis to PTOs that are UDCs or MSSs, the text does not reflect this.	Change made. The following sentence was added: <i>"A UDC or a MSS who is also Participating TO will pay the difference between what they are charged versus what they will receive in the revenue disbursement."</i>
Fielder	7.1.4.1 - State that all facilities comprising a scheduling point at which energy exits the ISO Controlled Grid, back to the nearest 200 kV and above facilities, should be included in the regional revenue requirement of the PTOs. It simply makes no sense to limit the regional classification strictly to the 200KV substation at the interface. The lines connecting that interface are also required for the scheduling point and should also be considered regional facilities.	The determination of facilities to be included in the High Voltage Transmission Facilities versus the Low Voltage Transmission Facilities will be addressed in the ISO procedures referenced in Appendix F, Schedule 3, Section 3.1. Change not made.
Ferreira	7.1.4.1 - Reference to the exception is unclear.	The exception text is as follows: Wheeling Access Charges shall not apply for Wheeling under a bundled non-economy Energy coordination agreement of a Participating TO executed prior to July 9, 1996. The text was previously in the Tariff and is required for the IOUs. Staff will work with the IOUs to see if a clarification can be made.
Fielder	7.1.4.3 - Why should Wheeling revenue be disbursed based on total TRR rather than the Regional Wheeling Revenue being distributed based on the Regional TRR and the Local Wheeling Revenues being distributed solely to the PTO that assesses the utility-specific charge generating that revenue?	1) This was the agreement of the Negotiating Group. 2) The Wheeling revenue is a combination of area-specific high voltage, low voltage and joint owned facilities. The charge at a specific Scheduling Point is based on the voltage level and participation at that point. Disbursement based on total TRR seemed reasonable.
Fielder	7.1.4.3 - Allocate regional wheeling revenues on the basis of regional revenue requirements, and to provide for local wheeling with allocation of such wheeling revenues 100% to the PTO providing service.	Wheeling revenues are being allocated based on owned capacity at the Scheduling Point and split between regional and local facilities. Change made.

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Florio	7.1.5 - 1) The section is confusing, why does the ISO care about retail rates? 2) Why is the difference between wholesale and retail rates considered in the calculation?	1) Edits made to clarify text. The Tariff needs to establish the regulatory authority for establishing the Access Charge. The Municipal Utilities are regulated by their City Councils, irrigation and water districts by their Governing Boards, state agencies by the State and federal agencies by the Federal government. We also need to establish that the proposed rate has two components (high voltage and low voltage) and that a balancing account mechanism needs to be authorized (TRBA). 2) Its not, original change removed.
Barkovich	7.1.5 - text is unclear as to the impact to End-Users and Local Regulatory Authority.	Text changes made to clarify.
Fielder	7.1.5 - Because the TRR of a PTO may change any time during the year, a balancing account needs to be established to account for this issue.	Change made [Appendix F, Schedule 3, Section 3.1(b)]
Fielder	7.1.6.2 - Concerning the recovery of costs of transmission facilities placed in service after the ISO operations date (Section 7.1.6.2), this section references Section 3.2.7, which has been deleted by the Proposed Amendment 24. Is there any provision for the assignment of costs of transmission expansions to the parties that would benefit from such expansions? Proposed Amendment 24 provides for assignment of costs to beneficiaries, if they can be determined.	Change made.
Fielder	8.6 - What is the basis for the requirement that existing PTOs make a <u>separate</u> payment each year for the GMC "hold harmless" provision, as described in 8.6. Since these payments are included in the Regional Revenue requirement of the existing PTOs, will not the ISO be collecting such funds by operation of the Access Charge mechanism anyway?	Section rewritten to address concern.
Ferreira	9.4.3 - language should be clear that FTRs would be given for owned and contracted transmission.	Determination of FTRs at this time has been withdrawn from the proposal. Change not made.

Revised Summary of Board Requested Tariff Changes

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Toenyes	9.4.3 - Recognition of priority transmission rights should be included in the section.	Determination of FTRs at this time has been withdrawn from the proposal. Change not made.
Ferreira	<p>9.4.3 - Revise the text as follows: <i>"For the ten-year transition period described in Section 4 of Schedule 3 of Appendix F, a New Participating TO shall receive directly the FTRs represented by the firm transfer capability of the transmission facilities and Converted Rights that the New Participating TO turns over to the ISO's Operational Control. Such FTRs represented by the firm transfer capability of transmission facilities the New Participating TO turns over to the ISO shall be tradable and shall entitle the FTR Holder to receive Usage Charge revenues and to priority in the Scheduling of Energy in the Day-Ahead Market in accordance with the provisions of the ISO Tariff. <u>FTRs represented by Converted Rights shall be tradable and shall entitle the FTR Holder to receive Usage Charge revenues equal to the amount of Usage Charges paid for scheduling over congested paths on which the New Participating TO has Converted Rights.</u></i> <i>A New Participating TO receiving FTRs through this subsection may request the ISO to make those FTRs available in the auction, but shall not be required to do so during the ten-year transition period. <u>Converted Right FTRs shall terminate on the earlier of Existing Contract termination or the end of the ten-year transition period.</u>"</i></p>	Determination of FTRs at this time has been withdrawn from the proposal. Change not made.

Revised Summary of Board Requested Tariff Changes

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Florio	<p>9.5.1 - the phrase should read something like "(b) the amount it pays in Usage Charges, for the use of the path(s) to which the FTR(s) applies, in connection with the delivery of Energy to serve Loads in its Service Area." The current text is: <i>"For each Inter-Zonal Interface and direction for which an FTR is defined, the total proceeds received by the ISO through the auction described in Section 9.4 shall be allocated and paid by the ISO to the Participating TO that is entitled in accordance with Section 7.3.1.6 to receive Usage Charge revenues with respect to the corresponding Inter-Zonal Interface. Each Participating TO shall credit its FTR auction proceeds against its Regional TRBA if the FTR is for a Regional Transmission Facility or against its local TRBA if the FTR is for a Local Transmission Facility; provided that, with respect to FTRs issued directly by the ISO to New Participating TOs in accordance with Section 9.4.3, during the ten-year transition period described in Section 4 of Schedule 3 of Appendix F, a New Participating TO shall only be required to credit the positive difference, if any, between: (a) the amount it receives through the auction or other resale of such FTRs; and (b) the amount it pays to acquire FTRs in connection with the delivery of Energy to serve Loads in its Service Area."</i></p>	<p>Determination of FTRs at this time has been withdrawn from the proposal. Change not made.</p>
Ferreira	<p>9.5.1 - language should be clear that auction revenue is netted against congestion revenue.</p>	<p>Determination of FTRs at this time has been withdrawn from the proposal. Change not made.</p>
Ferreira	<p>11.2.9.1 - Change the section as follows: <i>"The total charges levied under Section 11.2.9 shall not exceed \$95/MWh, applied to gross Loads in the ISO Control Area and gross exports from the ISO Control Area to neighboring Control Areas, unless: (a) the ISO Governing Board reviews the basis for the charges above that level and approves the collection of charges above that level for a defined period; and (b) the ISO provides at least seven days' advance notice to Scheduling Coordinators of the determination of the ISO Governing Board."</i></p>	<p>The ISO can not be bound to this limit of the Neutrality Charge but is willing to impose a limit that must be approved by the ISO Governing Board. Change not made.</p>

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Barkovich	Definition of Access Charge: The sentence "A Participating TO that has no transmission customers need not develop an Access Charge" is unclear.	The ISO was ordered by FERC in an earlier proceeding to add the sentence as requested by DWR. An argument was made by DWR that they have contractual rights for transmission but do not have Market Participants or transmission customers who pay for it. Consequently, even if they become a Participating TO using their Existing Rights, they should not have to develop an Access Charge because they have no End-Use customers to change.
Florio	Definition of Existing Participating TO: Change Existing to Original	Change made
Ferreira	Definition of Metered Subsystem: 1) delete requirement to have revenue quality meters on Generators 2) delete requirement to operate in accordance with the MSS Agreement.	1) The ISO has found through experience to date with logical meters that revenue quality meters on Generators is critical to settlements. Additionally, revenue quality meters are required on all Participating Generators. 2) The MSS needs to operate in accordance with its Agreement. Changes not made
Edwards	Definition of System Unit: 1) Make the System Unit "mutually" determined by the MSS Operator and ISO. 2) Delete sentence: "The Generating Units and/or Loads making up a System Unit must be in close physical proximity to each other such that the operation of the resources comprising the System Unit does not result in significant differences in flows on the ISO Controlled Grid."	1) Change made 2) This is one of the criteria staff believes is critical for a functioning System Unit. Specifically the concern of a System Unit resulting in significantly different flows on the ISO Controlled Grid. This has been discuss with the munis and staff is not aware of any party disagreeing with this fundamental principle. If the sentence was deleted, we believe it would be misleading a party who has not been involved in the years worth of discussions on System Units. The primary concern is aggregation of units across zonal boundaries could impact inter-zonal congestion and transmission pricing.
Fielder	Definition of Regional Transmission Facility: The definition of "Regional Transmission Facility" should be clarified to state that, for facilities that comprise a Scheduling Point at which Energy exits the ISO controlled grid, that all facilities from the Scheduling Point back to the nearest 200 kV or above facility are deemed to be included as Regional Transmission Facilities.	This change would result in recovery of only high voltage transmission costs from parties using low voltage transmission. Energy currently exits the ISO Controlled Grid both inside and outside the ISO Control Area. If the definition deems all exit point to be regional facilities, then a number of low facilities will not have their costs recovered. Change not made.

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Ferreira	Definition of Regional Transmission Facility: Delete 8 last words	Change withdrawn.
Fielder	Appendix F, Schedule 1 - are "Qualified Loads" included in "Monthly Metered Consumption"?	No
Fielder	Appendix F, Schedule 1 - Revise text to ensure that the GMC is not charged to load served by behind-the-meter QF generation	Text reverted to current settlement, except for Converted Rights.
Fielder	Appendix F, Schedule 3, Section 2.6 - What is the basis for including Burbank and Glendale in the East Central Area if they join the ISO prior to the date upon which LADWP joins the ISO?	Burbank and Glendale are so small, we did not believe they justified having their own TAC Area. Additionally, because the costs are so similar to the other resale cities the impact to Edison, under this proposal, is believed to be negligible.
Barkovich	Appendix F, Schedule 3, Section 2.7 - change "became" to "were to become" and "the ISO Governing Board will" to "the ISO Governing Board would"	Change made
Fielder	Appendix F, Schedule 3, Section 3 - Develop balancing account principles and associated tariff language.	Balancing account principles need to be developed. Clarify in the tariff that principles will be developed and posted.
Florio	Appendix F, Schedule 3, Section 3.1(c) - reference to Section 8.6 is confusion.	Section rewritten. We have tried to make sure that all cross references are to the appropriate Tariff/Appendix.
Fielder	Appendix F, Schedule 3, Section 3.1(d) - SCE understands this provision to require that cost-shift benefits received by new PTOs during the transition period would have to be applied to pay down investment in the new PTO's transmission facilities. What is the process whereby the investment would be bought down and how is the ISO going to monitor this to ensure that cost-shift dollars were used for this purpose?	This has now been rewritten in Section 3.1(b) as part of the requirement of the annual TRBA adjustment. This would need to be checked annual and a decrease in the Transmission Revenue Requirement should result.

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Fielder	Appendix F, Schedule 3, Section 4.1 - are the costs of new regional transmission facilities not included in regional revenue requirements? This Section seems to imply that they are not. If they are not then the definition of Regional Transmission Revenue Requirements should be revised. However, it would seem to be better to just delete the reference to new Regional Transmission Facilities, and leave the definition of Regional Transmission Revenue Requirements alone.	Section rewritten for clarification. The Regional Access Charge now consists of two components, the Base Regional Transmission Charge and the Transition Charge. The Base Regional Transmission Charge is equal to the Existing Regional Facilities Charge and the New Regional Facilities Charge. The Transition Charge is the mitigation.
Fielder	Appendix F, Schedule 3, Section 4.1 - all regional transmission facilities should be treated the same, there should not be separate revenue requirements for new and old regional transmission.	Inconsistent with proposal.
Ferreira	Appendix F, Schedule 3, Section 4.2 - Text should be stricken as it is inconsistent with immediate use of municipal transmission by the ISO and will prevent agreement of muni package.	Inconsistent with proposal.
Florio	Appendix F, Schedule 3 Section 4.3 - If a New PTO joins on 1/1/2001, is that the Transition Date or 1/1/2002?	The question is the definition of "join". Section 4.3 states that the Transition Date is January 1 after the execution of the Transmission Control Agreement. Once the agreement is executed, the ISO will need to file it and get FERC approval. Additionally, each of the Existing PTO will need to file a new rate case at FERC and get approval of the rate establishing a Transmission Revenue Requirement based on the ISO's approved Tariff. It is estimated that this process could take 6 to 9 months which is why is the TCA is executed on 1/1/2001, then rate would be implemented on 1/1/2002.
Florio	Appendix F, Schedule 3, Section 4.3 - Do we want to revise the section to allow the Transition Date to be either January 1 or July 1?	Change made.
Fielder	Appendix F, Schedule 3, Section 4.2 - the \$20 million is an absolute cap and the Tariff needs to be clear.	Section rewritten
Fielder	Appendix F, Schedule 3, Section 4.2 - the \$20 million is an absolute cap there should not be a provision for 15%	Change made, 15% text deleted

Revised Summary of Board Requested Tariff Changes

Requestor	Change Requested	Current Status
Macias Florio	Appendix F, Schedule 3, Section 6 - Revise the sentence as follows: <i>"If, within 60 days of publication of such submission the ISO does not raise an objection with the Participating TO, and no affected Market Participant or other affected party raises an objection by written notification to the ISO and the Participating TO, the Transmission Revenue Requirement shall be accepted as submitted."</i>	Change made
Macias	Appendix F, Schedule 3, Section 6 - Revise the sentence as follows: <i>"The decision of the panel will be final except that the <u>any affected party</u> Participating TO, if dissatisfied, can ask FERC to entertain and resolve the dispute."</i>	After discussion, change not made.
Toenyes	Appendix F, Schedule 3, Section 6 - WAPA and other Power Marketing Administrations are treated differently by FERC. A separate paragraph should be added to address PMAs.	Change made.
Fielder	Will the Revenue Requirement Panel have audit authority?	Still to be determined
Fielder	What will the decision-making process of the Revenue Requirement Panel be?	Still to be determined