

ALSTON & BIRD LLP

601 Pennsylvania Avenue, N.W.
North Building, 10th Floor
Washington, DC 20004-2601

202-756-3300
Fax: 202-756-3333
www.alston.com

Julia Moore

Direct Dial: 202-756-3407

E-mail: julia.moore@alston.com

February 28, 2006

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

**Re: *California Independent System Operator Corporation*
Docket No. ER06-____ - 000**

Transmission Access Charge Informational Filing

Dear Secretary Salas:

The enclosed informational filing by the California Independent System Operator Corporation ("ISO") is intended to provide notice regarding the revised transmission Access Charges for the period of July 1 through December 31, 2005. The basis for the revision is a settlement agreement resolving the proceeding regarding a revised Transmission Revenue Requirement filed by the City of Anaheim in Docket No. EL05-131. The settlement agreement was approved by the Federal Energy Regulatory Commission on January 19, 2006.¹

Changes in Rates

The transmission Access Charges provided in the present filing revises the Access Charges and Wheeling Access Charges first provided for informational purposes in the ISO's submission of August 29, 2005 in Docket No. ER05-1404. The changes in the present filing are effective July 1 through December 31, 2005.

Worksheets illustrating the recalculation of the ISO's transmission Access Charge are included with the present transmittal letter as Attachment A. The refunds are scheduled to be invoiced on March 1, 2006 and paid on March 8,

¹ *City of Anaheim*, 114 FERC § 61,044 (2006).

2006. The re-calculated rates for each of the TAC Areas, effective July 1 through December 31, 2005, are as follows:

Northern Area -	\$ 2.1191/MWh
East Central Area -	\$ 2.5016/MWh
Southern Area -	\$ 2.0390/MWh

Communications regarding this filing should be addressed to the following individuals, whose names should be placed on the official service list established by the Secretary with respect to this submittal:

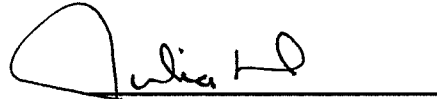
Deborah A. Le Vine*	Michael E. Ward*
California Independent System Operator Corporation	Julia Moore
151 Blue Ravine Road	Alston & Bird LLP
Folsom, CA 95630	601 Pennsylvania Avenue, NW
Phone: (916) 608-7143	North Building, 10 th Floor
Fax: (916) 608-7296	Washington, DC 20004
dlevine@caiso.com	Phone: (202) 756-3300
	Fax: (202) 756-3333
	michael.ward@alston.com
	julia.moore@alston.com

*Individuals designated for service pursuant to Rule 203(b)(3),
18 C.F.R. § 385.203(b)(3).

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,



Charles F. Robinson
General Counsel
Anthony J. Ivancovich
Assistant General Counsel
The California Independent System
Operator Corporation
151 Blue Ravine Road
Folsom, CA 95630
Tel: (916) 608-7049
Fax: (916) 608-7296

Kenneth G. Jaffe
Michael E. Ward
Julia Moore
Alston & Bird, LLP
601 Pennsylvania Ave., NW
North Building, 10th Floor
Washington, DC 20004
Tel: (202) 756-3300
Fax: (202) 756-3333

Attorneys for the California Independent
System Operator Corporation

ATTACHMENT A

July 1, 2005 TAC Rate Based on Filed Annual TRR/TRBA and Load Data

Per City of Anaheim's Revised Transmission Revenue Requirement (Docket No. EL05-131-000)

TAC Components:

	Filed Annual TRR Existing HV Facilities (\$)	Filed Annual TRR New HV Facilities (\$)	Filed Annual Gross Load (MWh)	TAC Area	Total Filed TRR (\$)	EHV only Utility Specific Rate (\$/MWh)	EHV only TAC Area Rate (\$/MWh)	HV Utility Specific Rate (\$/MWh)	TAC Area Rate (\$/MWh)
	[1]	[2]	[3]	[4]	[5] = [1] + [2]	[6] = [1] / [3]	[7] = [2] / [4]	[8] = [3] / [3]	[9] = [9] / [10]
PGE	\$ 121,897,883	\$ 38,762,806	83,389,232	N	\$ 160,660,689	\$ 1,4618	\$ 1,6332	\$ 1,9266	\$ 2,1191
SCE	\$ 142,035,479	\$ 5,902,735	84,358,000	EC	\$ 147,938,214	\$ 1,6837	\$ 2,0157	\$ 1,7537	\$ 2,5016
SDGE	\$ 26,298,519	\$ 13,487,019	20,204,653	S	\$ 39,785,538	\$ 1,3016	\$ 1,5531	\$ 1,9691	\$ 2,0390
Anaheim	\$ 24,347,171	\$ -	2,766,313	EC	\$ 24,347,171	\$ 8,8013	\$ 2,0157	\$ 8,8013	\$ 2,5016
Azusa	\$ 1,383,218	\$ -	239,575	EC	\$ 1,383,218	\$ 5,7736	\$ 2,0157	\$ 5,7736	\$ 2,5016
Banning	\$ 1,028,184	\$ -	139,457	EC	\$ 1,028,184	\$ 7,3728	\$ 2,0157	\$ 7,3728	\$ 2,5016
Pasadena	\$ 9,485,065	\$ -	1,239,884	EC	\$ 9,485,065	\$ 7,6500	\$ 2,0157	\$ 7,6500	\$ 2,5016
Riverside	\$ 16,268,161	\$ -	1,814,019	EC	\$ 16,268,161	\$ 8,9680	\$ 2,0157	\$ 8,9680	\$ 2,5016
Vernon	\$ 9,803,614	\$ -	1,210,668	EC	\$ 9,803,614	\$ 8,0977	\$ 2,0157	\$ 8,0977	\$ 2,5016
Trans-Elect	\$ -	\$ 36,775,863	-	N	\$ 36,775,863	\$ -	\$ -	\$ -	\$ 2,1191
ISO Total	\$ 352,547,294	\$ 94,928,423	195,361,801		\$ 447,475,717				

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 (50%) divided by the Total Load of each area. The ISO portion is the percent of all TRR which has transitioned to ISO-Wide (50%), plus the TRR of New HV Facilities, divided by total load.

	Annual TRR Existing HV Facilities (\$)	Annual TRR TAC Area TRR (\$)	Annual Gross Load (GWh)	TAC Area Rate (\$/MWh)	ISO Wide Annual Gross Load (GWh)	ISO Wide Annual TRR HV Facilities (\$)	ISO Wide TRR HV Facilities (\$)	ISO Wide TRR New HV Facilities (\$)	ISO Wide TRR HV Facilities (\$)	ISO Wide TRR HV Facilities (\$)	ISO Wide TRR HV Facilities (\$)	ISO Wide TRR HV Facilities (\$)	ISO Wide TRR HV Facilities (\$)	ISO Wide TRR HV Facilities (\$)	ISO Wide TRR HV Facilities (\$)	ISO Wide TRR HV Facilities (\$)	ISO Wide TRR HV Facilities (\$)	ISO Wide TRR HV Facilities (\$)	ISO Wide TRR HV Facilities (\$)
	[10]	[11] = [10] x 50%	[12]	[13] = [11] / [12]	[14]	[15] = [14] x 50%	[16]	[17] = [15] / [16]	[18]	[19]	[20]	[21]	[22]	[23]	[24]	[25]	[26]	[27]	[28]
North	\$ 121,897,883	\$ 60,948,942	83,389,232	\$ 0,7309	83,389,232	\$ 94,928,423	\$ 94,928,423	\$ 94,928,423	\$ 94,928,423	\$ 94,928,423	\$ 94,928,423	\$ 94,928,423	\$ 94,928,423	\$ 94,928,423	\$ 94,928,423	\$ 94,928,423	\$ 94,928,423	\$ 94,928,423	\$ 94,928,423
East/C	\$ 204,350,892	\$ 102,175,446	91,767,916	\$ 1,1134	91,767,916	\$ 13,149,260	\$ 13,149,260	\$ 13,149,260	\$ 13,149,260	\$ 13,149,260	\$ 13,149,260	\$ 13,149,260	\$ 13,149,260	\$ 13,149,260	\$ 13,149,260	\$ 13,149,260	\$ 13,149,260	\$ 13,149,260	\$ 13,149,260
South	\$ 26,298,519	\$ 13,149,260	20,204,653	\$ 0,6508	20,204,653	\$ 176,273,647	\$ 176,273,647	\$ 176,273,647	\$ 176,273,647	\$ 176,273,647	\$ 176,273,647	\$ 176,273,647	\$ 176,273,647	\$ 176,273,647	\$ 176,273,647	\$ 176,273,647	\$ 176,273,647	\$ 176,273,647	\$ 176,273,647
Total	\$ 352,547,294	\$ 176,273,647	195,361,801		195,361,801	\$ 1,3882	\$ 94,928,423	\$ 94,928,423	\$ 94,928,423	\$ 94,928,423	\$ 94,928,423	\$ 94,928,423	\$ 94,928,423	\$ 94,928,423	\$ 94,928,423	\$ 94,928,423	\$ 94,928,423	\$ 94,928,423	\$ 94,928,423

July 1, 2005 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) [23] = [4]	EHVF only TAC Rate (\$/MWH) [25] = [7]	Amount Paid Based on Filed Gross Load (\$) [26] = [24] x [25]	EHVF Utility Specific Rate (\$/MWH) [27] = [6]	Would Have Paid w/ EHVF Utility Specific Rate (\$) [28] = [24] x [27]	EHVF Access Charge (Benefit)/Burden (\$) [29] = [26] - [28]
PGE	83,389,232	1.6332	\$ 136,190,488	1.4618	\$ 121,897,883	\$ 14,292,605
SCE	84,358,000	2.0157	\$ 170,040,821	1.6837	\$ 142,035,479	\$ 28,005,342
SDGE	20,204,653	1.5531	\$ 31,379,783	1.3016	\$ 26,298,519	\$ 5,081,264
Anaheim	2,766,313	2.0157	\$ 5,576,070	8.8013	\$ 24,347,171	\$ (18,771,101)
Azusa	239,575	2.0157	\$ 482,912	5.7736	\$ 1,383,218	\$ (900,306)
Banning	139,457	2.0157	\$ 281,104	7.3728	\$ 1,028,184	\$ (747,080)
Pasadena	1,239,884	2.0157	\$ 2,499,240	7.6500	\$ 9,485,065	\$ (6,985,825)
Riverside	1,814,019	2.0157	\$ 3,656,527	8.9680	\$ 16,268,161	\$ (12,611,634)
Vernon	1,210,668	2.0157	\$ 2,440,349	8.0977	\$ 9,803,614	\$ (7,363,265)
ISO Total	195,361,801		\$ 352,547,294		\$ 352,547,294	\$ 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 (\$) [30] = [29]	IOU Burden Annual Cap (\$) [31]	IOUs' Cap Exceeds IOUs' Burden (\$) [32] IF ([31] - [30] > 0) = [31] - [30], if no cap, then 0.	Amount IOUs' Burden Exceeds IOUs' Cap (\$) [33] IF [30] - [31] > 0 = [30] - [31], if no cap, then 0.	Payments by Entities with Net Benefit (\$) [34] IOUs = ([32] / total[32]) x total[33]; Munis w/ Benefit = ([30] / total[30]) x total[33] - total[32]	Mitigation Payments (\$) [35] = [34] - [33]	Adjusted Net (Benefit) / Burden (\$) [36] = [30] + [35]	Reallocation IOU Burden (\$) [37] Reallocate IOU Burden [39] so, it is proportional to IOU Cap [31] = [39] - [36]	Transition Charge (\$) [38] = [36] + [37]	Adjusted Net (Benefit) / Burden (\$) [39] = [36] + [37]	Transition Charge Rate (\$/MWh) [40] = [38] / [24]
\$ 14,292,605	\$ 32,000,000	\$ 17,707,395	\$ 0	\$ 0	\$ 0	\$ 14,292,605	\$ 6,764,822	\$ 6,764,822	\$ 21,057,427	\$ 0.0811
\$ 28,005,342	\$ 32,000,000	\$ 3,994,658	\$ 0	\$ 0	\$ 0	\$ 28,005,342	\$ (6,947,915)	\$ (6,947,915)	\$ 21,057,427	\$ (0.0824)
\$ 5,081,264	\$ 8,000,000	\$ 2,918,736	\$ 0	\$ 0	\$ 0	\$ 5,081,264	\$ 183,093	\$ 183,093	\$ 5,264,357	\$ 0.0091
\$ (18,771,101)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (18,771,101)	\$ 0	\$ 0	\$ (18,771,101)	\$ 0
\$ (900,306)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (900,306)	\$ 0	\$ 0	\$ (900,306)	\$ 0
\$ (747,080)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (747,080)	\$ 0	\$ 0	\$ (747,080)	\$ 0
\$ (6,985,825)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (6,985,825)	\$ 0	\$ 0	\$ (6,985,825)	\$ 0
\$ (12,611,634)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (12,611,634)	\$ 0	\$ 0	\$ (12,611,634)	\$ 0
\$ (7,363,265)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (7,363,265)	\$ 0	\$ 0	\$ (7,363,265)	\$ 0
Total	\$ 72,000,000	\$ 24,620,789	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

**July 1, 2005 TAC Rate
Based on Filed Annual TRR/TRBA and Load Data**

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 (\$) [41] = [2]	ISO Wide Annual Gross Load (MWh) [42] = [3]	New HVTRR Rate (\$/MWh) [43] = ([15])/[16]	New HVTRR Cost Responsibility (\$) [44] = ([42]) * [43]	NHVF Access Charge (Benefit)/Burden (\$) [45] = ([44]) - [41]	Total Access Charge (Benefit)/Burden (\$) [46] = ([45]) + [39]
PGE	\$ 38,762,806	83,389,232	\$ 0.4859	\$ 40,519,734	\$ 1,756,928	\$ 22,814,355
SCE	\$ 5,902,735	84,358,000	\$ 0.4859	\$ 40,990,469	\$ 35,087,734	\$ 56,145,161
SDGE	\$ 13,487,019	20,204,653	\$ 0.4859	\$ 9,817,661	\$ (3,669,358)	\$ 1,594,998
Anaheim	\$ -	2,766,313	\$ 0.4859	\$ 1,344,182	\$ 1,344,182	\$ (17,426,919)
Azusa	\$ -	239,575	\$ 0.4859	\$ 116,412	\$ 116,412	\$ (783,894)
Banning	\$ -	139,457	\$ 0.4859	\$ 67,764	\$ 67,764	\$ (679,316)
Pasadena	\$ -	1,239,884	\$ 0.4859	\$ 602,473	\$ 602,473	\$ (6,383,352)
Riverside	\$ -	1,814,019	\$ 0.4859	\$ 881,452	\$ 881,452	\$ (11,730,183)
Vernon	\$ -	1,210,668	\$ 0.4859	\$ 588,277	\$ 588,277	\$ (6,774,988)
Trans-Elect	\$ 36,775,863	0	\$ 0.4859	\$ 0	\$ (36,775,863)	\$ (36,775,863)
Total	\$ 94,928,423	195,361,801		\$ 94,928,423	\$ 0	\$ 0