SWIDLER BERLING

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April 22, 2005

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 Amendment No. 69 to the CAISO Tariff
Docket No. ER05-___- 000
Request for Expedited Consideration and Shortened Comment Period

Docket No. ER05-718-000, Amendment No. 66 to the CAISO Tariff

Dear Secretary Salas:

Pursuant to Section 205 of the Federal Power Act ("FPA"), 16 U.S.C. § 824d, and Sections 35.11 and 35.13 of the regulations of the Federal Energy Regulatory Commission ("Commission"), 18 C.F.R. §§ 35.11, 35.13, the California Independent System Operator Corporation ("CAISO") respectfully submits for filing an original and five copies of an amendment ("Amendment No. 69") to the CAISO Tariff. Commission approval of Amendment No. 69 is necessary in order for full and complete implementation of Amendment No. 66 to the CAISO Tariff. In Amendment No. 66, Docket No. ER05-718-000, the CAISO proposed an interim solution to the problem of excessive costs incurred as a result of the manner in which import and export bids from System Resources are cleared and settled under Phase 1B of the CAISO's Market Redesign and Technology Upgrade ("MRTU").

Capitalized terms not otherwise defined herein are defined in the Master Definitions Supplement, CAISO Tariff Appendix A, as filed August 15, 1997, and subsequently revised.

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The CAISO filed Amendment No. 66 on March 23, 2005 and requested a March 24, 2005 effective date, expedited consideration and a shortened comment period, due to the magnitude of the problem as described in the CAISO's pleadings in that docket. The Commission granted the CAISO's request and issued its *Order on Tariff Filing*, 111 FERC ¶ 61,008 (2005) on April 7, 2005 ("April 7 Order") accepting the tariff filing effective as of March 24, 2005. Late last week, in the course of preparing the necessary changes to the settlement systems to implement Amendment No. 66, it came to the CAISO's attention that the March 23, 2005 tariff revisions were incomplete and that further tariff revisions would be necessary for full and complete implementation of Amendment No. 66.

Because the changes proposed in Amendment No. 69 consist solely of modifications necessary to fully implement Amendment No. 66 as approved by the Commission in the April 7 Order, the CAISO respectfully requests that the Commission waive the 60-day notice requirement prescribed by Section 205(d) of the FPA and make these modifications effective as of the date March 24, 2005, the effective date of Amendment No. 66. In the alternative, if the Commission declines to make these changes effective retroactively, the CAISO requests that these additional tariff revisions be made effective as of April 23, 2005. In addition, the CAISO requests that the Commission act on this Amendment in an expedited fashion. Specifically, the CAISO requests that the Commission shorten the time for interventions and protests to seven days, or to April 29, 2005, and issue an order accepting Amendment No. 69, by May 9, 2005, so that the complete "pay as bid" settlement methodology proposed in Amendment Nos. 66 and 69 can apply to transactions occurring as of the March 24 Trade Day consistent with the timing of the CAISO's settlement process.

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Specifically, the Commission accepted Amendment No. 66 as an interim solution to remain in place until the earlier of the effective date of a future tariff change implementing a long-term solution or September 30, 2005. April 7 Order at Ordering Paragraph B.

Because the additional tariff revisions sought in Amendment No. 69 only relate to settlement of intertie transactions in excess of the \$250 price cap and no such transactions have occurred since March 24, 2005, the effective date of Amendment No. 66, as of the date of this filing, the CAISO does not anticipate any practical consequences if the Commission establishes April 23, 2005 as the effective date.

I. NEED FOR FURTHER TARIFF CHANGES TO IMPLEMENT AMENDMENT NO. 66

The Tariff revisions filed in Amendment No. 66 correctly implement the "pay as bid" interim solution for pre-dispatched Energy transactions associated with bid prices below the prevailing \$250 Maximum Bid Level. Further Tariff revisions to the relevant settlement equations are necessary, however, in order to ensure the correct settlement treatment for pre-dispatched Energy under conditions where bid prices are in excess of either the Resource-Specific Settlement Interval Ex Post Price, the Maximum Bid Level or below the Bid Floor. These revised settlement equations achieve congruency with the existing Tariff language located within Section 11.2.4 pertaining to Imbalance Energy.

II. SPECIFIC TARIFF MODIFICATIONS

In order to fully implement the "settle as bid" interim solution, the CAISO proposes the following additional modifications limited to Sections D 2.1.2 and D 2.6.3 in Appendix D of the Settlements and Billing Protocol. These revisions are necessary in order to ensure that the equations in Appendix D are consistent with the provisions concerning settlement of Imbalance Energy under Tariff Section 11.2.4.

1) The equation in D 2.1.2 contains only those bid costs that are below the Maximum Bid Level, which is consistent with Tariff Section 11.2.4.2.2.1. A revision to D 2.1.2 is necessary, however, to ensure that any pre-dispatched bids for Energy above the Maximum Bid Level are first settled using the Resource-Specific Settlement Interval Ex Post Price, as set forth in Tariff Section 11.2.4.1.1. Therefore, to facilitate proper allocation for those bid costs in excess of the Maximum Bid Level, D 2.1.2 has been modified so that uplift payments are calculated consistent with D 2.6.5 and pursuant to Tariff Section 11.2.4.2.2.1, for the difference between any bid costs above the Maximum Bid Level and the resource-specific settlement amount calculated in D 2.1.2. Absent this Tariff revision to D 2.1.2, bid costs that are in excess of the Maximum Bid Level would not be properly settled for the amount of pre-dispatched Energy using the Resource-Specific Settlement Interval Ex Post Price.

Although the ISO refers to this methodology as "pay as bid," it is important to note that this methodology also applies to offers to buy energy, which result in a Scheduling Coordinator being "charged as bid," rather than paid.

- 2) The equations in both D 2.1.2 and D 2.6.3 have been further refined to include both bid costs and settlement amounts equal to zero. This modification is necessary to ensure that any bid costs for incremental Energy that are in excess of the resource-specific settlement amount are accounted for consistent with Tariff Section 11.2.4.2.2.
- 3) Consistent with Tariff Section 28.1.3, the equations located in D 2.1.2 and D 2.6.3 have been limited to the Bid Floor when bid prices for predispatched Energy are below than the Bid Floor.

III. REQUESTED EFFECTIVE DATE AND REQUEST FOR EXPEDITED CONSIDERATION

The CAISO respectfully requests, pursuant to Section 35.11 of the Commission's regulations, 18 C.F.R. § 35.11, that the Commission accept Amendment No. 69 for filing effective as of March 24, 2005. For the reasons described above and in the Amendment No. 66 docket, ER05-718, the CAISO believes that it is necessary and that good cause exists to waive the 60-day notice requirement in order to implement the complete "pay as bid" settlement solution approved by the Commission in its April 7 Order. In the alternative, as detailed above, the ISO requests that the Commission make Amendment No. 69 effective as of April 23, 2005.

The CAISO also requests expedited consideration⁵ and specifically requests that the Commission issue an order on or before May 9, 2005 in order to avoid any delays or complications in the timing of the CAISO settlements process as described in the CAISO's Amendment No. 66 filing in Docket No. ER05-718. To this end, the CAISO is also requesting a shortened comment period, so that interventions and protests would be due on or before April 29, 2005.

See, e.g., Wisconsin Power and Light Company, 16 FERC ¶ 61,104 (1981) (granting, for good cause, Wisconsin's request to expedite Commission consideration of its motion to amend its original rate schedule, and waiver of the notice requirement of 18 C.F.R. § 35.3).

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IV. **COMMUNICATIONS**

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:

Charles F. Robinson Sidney Mannheim Davies The California Independent System **Operator Corporation** 151 Blue Ravine Road Folsom, California 95630 Tel: (916) 351-4400

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٧. **SERVICE**

The CAISO has served copies of this transmittal letter, and all attachments, on the California Public Utilities Commission, the California Energy Commission, the California Electricity Oversight Board, all parties with effective Scheduling Coordinator Service Agreements under the CAISO Tariff and all parties to Docket No. ER05-718. In addition, the CAISO is posting this transmittal letter and all attachments on the CAISO Home Page.

VI. **ATTACHMENTS**

The following documents, in addition to this letter, support this filing:

Attachment A Revised CAISO Tariff sheets

Attachment B Black-lined CAISO Tariff provisions

Attachment C Notice of this filing, suitable for publication in the

Federal Register (also provided in electronic format).

Two extra copies of this filing are also enclosed. Please stamp these copies with the date and time filed and return them to the messenger. Please feel free to contact the undersigned if you have any questions concerning this matter.

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Respectfully submitted,

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ATTACHMENT A

D 2.1.2 Instructed Imbalance Energy Charges on Scheduling Coordinators

Standard Ramping Energy is Energy associated with a Standard Ramp and shall be deemed delivered and settled at a price of zero dollars per MWh.

Ramping Energy Deviation is Energy produced or consumed due to hourly schedule changes in excess of Standard Ramping Energy and shall be paid or charged, as the case may be, at a Resource-Specific Settlement Interval Ex Post Price calculated using the applicable Dispatch Interval Ex Post Prices as described in this Appendix D 2.4. For Scheduling Coordinators scheduling a MSS that has elected to follow its Load, this Ramping Energy Deviation will account for the units following Load.

Ramping Energy Deviation shall be settled as an explicit component of Instructed Imbalance Energy for each resource i in Dispatch Interval k of Settlement Interval o for hour h, and calculated as follows:

$$REDC_{i,h,o} = \left(\sum_{1}^{k} RED_{i,h,o,k}\right) * STLMT _ PRICE_{i,h,o}$$

Hourly Predispatched energy from System Resources is an explicit component of Instructed Imbalance Energy for each interchange resource *i* in Dispatch Interval *k* of Settlement Interval *o* for hour *h*, and settled pursuant to Sections 11.2.4.1.1 and 11.2.4.1.1.2 of the ISO Tariff. The settlement calculation is as follows:

If (
$$(COST_AT_STLMT_PRICE_{i,h,o}>=0$$
 And
$$BID_COST_{i,h,o}>=0)$$
 Then
$$IIEC_PREDISPATCH_{i,h,o}=(-1)*$$

$$\left[min(COST_AT_STLMT_PRICE_{i,h,o},BID_COST_{i,h,o}) + (STLMT_PRICE_{i,h,o}*PRE_DISP_ABC_BQ_{i,h,o})\right]$$
 Else

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Effective: March 24, 2005

$$IIEC_PREDISPATCH_{i,h,o} = (-1) *$$

$$[BID_COST_{i,h,o} + (STLMT_PRICE_{i,h,o} * PRE_DISP_ABC_BQ_{i,h,o})]$$

Where

 $COST_AT_STLMT_PRICE_{i,h,o} =$

$$\left(\sum_{1}^{k} \textit{IIE} _\textit{PREDISPATCH}_{i,h,o,k}\right) * \textit{STLMT} _\textit{PRICE}_{i,h,o}$$

$$BID\ COST_{iho} =$$

$$\sum_{i=1}^{k} \sum_{j=1}^{m} IIE _PREDISPATCH _FOR _SEGMENT_{i,h,o,k,m} * IIE _PRICE_{i,h,o,k,m}$$

for the portion of incremental energy bid segments with $IIE_PRICE_{i,h,o,k,m}$ less than or equal to the Maximum Bid Level and all decremental energy bid segments with $IIE_PRICE_{i,h,o,k,m}$ limited to the Bid Floor when $IIE_PRICE_{i,h,o,k,m}$ is less than the Bid Floor.

))

where

PRE_DISP_ABC_BQ_{i,h,o} =

 $\sum_{i=1}^{k} \sum_{j=1}^{m} IIE_PREDISPATCH_FOR_SEGMENT_{i,h,o,k,m}$ for the portion of

incremental energy bid segments with *IIE_PRICEi*,h,o,k,m greater than the Maximum Bid Level.

Issued by: Charles F. Robinson, Vice President and General Counsel

Issued on: April 22, 2005

The predispatched uplift payment for each applicable Settlement Interval is calculated as follows:

If (
$$(COST_AT_STLMT_PRICE_{i,h,o}>=0$$
 And
$$BID_COST_{i,h,o}>=0)$$
 Then
$$PREDISPATCH_UPLIFT_{i,h,o}=\\ \min\left(0,COST_AT_STLMT_PRICE_{i,h,o}-BID_COST_{i,h,o}\right)$$
 Where
$$COST_AT_STLMT_PRICE_{i,h,o}=\\ \left(\sum_{1}^{k}IIE_PREDISPATCH_{i,h,o,k}\right)^*STLMT_PRICE_{i,h,o}$$

$$BID_COST_{i,h,o}=\\ \sum_{1}^{k}\prod_{1}IIE_PREDISPATCH_FOR_SEGMENT_{i,h,o,k,m}*IIE_PRICE_{i,h,o,k,m}$$

Issued by: Charles F. Robinson, Vice President and General Counsel

 $PREDISPATC\ H\ _UPLIFT\ _{i,h,o}=0$

Else

for the portion of incremental energy bid segments with IIE_PRICE_{I,h,o,k,m} less than or equal to the Maximum Bid Level and all decremental energy bid segments with IIE PRICE_{I,h,o,k,m} limited to the Bid Floor when IIE PRICE_{I,h,o,k,m} is less than the Bid Floor.

D 2.6.4 Allocation of Unrecovered Cost Payments for Hourly Predispatched System Resources

For each Settlement Interval o, the total uplift payments (PREDISPATCH_PMT_{i,h,o}) for all hourly pre-dispatched System Resources will be included in the Excess Cost Payments to be allocated to a Scheduling Coordinator's Net Negative Deviation through allocation of excess costs and/or ISO metered Demand through excess cost neutrality allocation.

D 2.6.5 Excess Cost Payments for Instructed Incremental Energy Bids above the Maximum Bid Level

Incremental Instructed Imbalance Energy above the Maximum Bid Level will receive an additional Excess Cost Payment subject to operating within a resource's Tolerance Band.

Excess cost payments are calculated as follows:

$$EXCESS_COST_{i,h,o} = \left[\left(\sum_{1}^{k} \sum_{1}^{m} IIE_ECON_{i,h,o,k,m} + \sum_{1}^{k} \sum_{1}^{m} IIE_PREDISPATCH_{i,h,o,k,m} + \sum_{1}^{k} \sum_{1}^{m} RIE_{i,h,o,k,m} \right) * STLMT_PRICE_{i,h,o} - BID_COST_{i,h,o} - BID_COST_RIE_{i,h,o} \right] * PERF_STAT_{i,h,o}$$

for the portion of energy bid segments with IIE PRICE_{i,h,o,k,m} and RIE PRICE_{i,h,o,k,m} greater than the Maximum Bid Level.

D 2.7 Transmission Loss Obligation

The transmission loss obligation charge shall be determined as follows: For Generators:

$$TL_{i,h,o} = ME_{i,h,o} * (1 - GMMa_h)$$

For System Resources, the transmission loss obligation shall be determined as follows:

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FERC ELECTRIC TARIFF
Second Revised Sheet No. 694F
FIRST REPLACEMENT VOLUME NO. II
Superseding First Revised Sheet No. 694F

D 3.2 COST_AT_STLMT_PRICE_{i,h,o} - \$/MWh

The sum of all dollar amounts from each dispatched bid segment for Energy quantities settled at the Resource-Specific Ex Post Price, for resource i during Settlement Interval o of hour h, and limited to those bid segments with Energy Bid prices below the Maximum Bid Level.

D 3.3 BID_COST_{i,h,o} - \$/MWh

The sum of all dollar amounts from each dispatched bid portion of Energy quantities settled at the maximum of either the corresponding Energy Bid price for those bids with Energy Bid prices below the Maximum Bid Level or the Bid Floor, for resource i during Settlement Interval o during hour h.

D 3.4 PRE_DISP_ABC_BQ_{i,h,o} - MWh

The pre-dispatched Energy from all Energy Bids with any Energy Bid price above the Maximum Bid Level, for resource i during Settlement Interval o during hour h.

D 3.5 IIE_PREDISPATCH_FOR_SEGMENT_{i,h,o,k,m} - MWh

The pre-dispatched Energy for resource i during Dispatch Interval k of Settlement Interval o of hour h for bid segment m.

D 3.6 [Not Used]

D 3.6.1 [Not Used]

D 3.6.2 [Not Used]

D 3.6.3 [Not Used]

D 3.7 $G_{a,i,j,h,o}$ – MWh

The total actual metered Generation of Generator i in Zone j during Settlement Interval o during Settlement Period h.

D 3.8 [Not Used]

Issued by: Charles F. Robinson, Vice President and General Counsel

ATTACHMENT B

SETTLEMENT AND BILLING PROTOCOL APPENDIX D

* * *

D 2.1.2 Instructed Imbalance Energy Charges on Scheduling Coordinators

Standard Ramping Energy is Energy associated with a Standard Ramp and shall be deemed delivered and settled at a price of zero dollars per MWh.

Ramping Energy Deviation is Energy produced or consumed due to hourly schedule changes in excess of Standard Ramping Energy and shall be paid or charged, as the case may be, at a Resource-Specific Settlement Interval Ex Post Price calculated using the applicable Dispatch Interval Ex Post Prices as described in this Appendix D 2.4. For Scheduling Coordinators scheduling a MSS that has elected to follow its Load, this Ramping Energy Deviation will account for the units following Load.

Ramping Energy Deviation shall be settled as an explicit component of Instructed Imbalance Energy for each resource i in Dispatch Interval k of Settlement Interval o for hour h, and calculated as follows:

$$REDC_{i,h,o} = \left(\sum_{1}^{k} RED_{i,h,o,k}\right) * STLMT _PRICE_{i,h,o}$$

Hourly Predispatched energy from System Resources is an explicit component of Instructed Imbalance Energy for each interchange resource *i* in Dispatch Interval *k* of Settlement Interval *o* for hour *h*, and settled pursuant to Sections 11.2.4.1.1 and 11.2.4.1.1.2 of the ISO Tariff. The settlement calculation is as follows:

If (
$$(COST_AT_STLMT_PRICE_{i,h,o}>=0$$
And
$$BID_COST_{i,h,o}>=0)$$
Then
$$\underbrace{IIEC_PREDISPATCH_{i,h,o}=(-1)*}_{min}(COST_AT_STLMT_PRICE_{i,h,o}, BID_COST_{i,h,o})$$

$$IIEC_PREDISPATCH_{i,h,o}=(-1)*$$

$$\underbrace{[min(COST_AT_STLMT_PRICE_{i,h,o}, BID_COST_{i,h,o})]}_{+(STLMT_PRICE_{i,h,o}*PRE_DISP_ABC_BQ_{i,h,o})]}$$

Else

$$HEC_PREDISPATCH_{i,h,o} = (-1) * BID_COST_{i,h,o}$$

IIEC PREDISPATCH $_{iho} = (-1)$ *

[BID $COST_{j,h,o} + (STLMT PRICE_{j,h,o} * PRE DISP ABC BO_{j,h,o})]$

Where

COST AT STLMT PRICE iha =

$$\left(\sum_{i=1}^{k} IIE_PREDISPATCH_{i,h,o,k}\right) * STLMT_PRICE_{i,h,o}$$

 $BID_COST_{i,h,o} =$

$$\sum_{i=1}^{k} \sum_{j=1}^{m} IIE _PREDISPATCH _FOR _SEGMENT_{i,h,o,k,m} * IIE _PRICE_{i,h,o,k,m}$$

for the portion of incremental energy bid segments with IIE_PRICE_{i,h,o,k,m} less than or equal to the Maximum Bid Level and all decremental energy bid segments with IIE_PRICE_{i,h,o,k,m} greater—than—or—equallimited to the Bid Floor_when IIE_PRICE_{i,h,o,k,m} is less than the Bid Floor.

))

where

PRE DISP ABC BQ,h,o =

 $\sum_{i=1}^{k} \sum_{j=1}^{m} IIE_PREDISPATCH_FOR_SEGMENT_{i,h,o,k,m}$ for the portion of

incremental energy bid segments with *IIE_PRICEi_h,o,k,m* greater than the Maximum Bid Level.

The amount of Instructed Imbalance Energy that will be deemed delivered in each Dispatch Interval will be based on Dispatch Instructions, as provided for in Section 2.5.22.6, and Final Hour-Ahead Schedules. The amount of Instructed Imbalance Energy to be settled in a Settlement Interval will be equal to the sum of all Instructed Imbalance Energy for all Dispatch Intervals within the relevant Settlement Interval. Instructed Imbalance Energy for each Settlement Interval shall be settled at the relevant Resource Specific Settlement Interval Ex Post Price. Generating Units, Participating Loads, and System Units may be eligible to recover their Energy Bid costs in accordance with Section 11.2.4.1.1.1. Instructed Imbalance Energy from System Resources shall be settled in accordance with Section 11.2.4.1.1.2.

D 2.6.3

Calculation of Unrecovered Bid Cost Payment for System Resources

As set forward in Section 11.2.4.1.1.2, System Resources that are predispatched hourly incremental or decremental Instructed Imbalance Energy will be settled based on their Energy bid costs for each Settlement Interval for the quantity of Energy delivered in each Settlement Interval. The hourly pre-dispatched Instructed Imbalance Energy is first settled as set forth in Section D 2.1.2. An additional uplift payment for any applicable Settlement Interval shall be determined when settlement as set forth in Section D 2.1.2 is insufficient recovery of its bid costs for the Settlement Interval. For pre-dispatched hourly Instructed Imbalance Energy, where the resource-specific settlement amount is positive and the bid-cost is positive, an uplift payment is determined for each Settlement Interval based on the minimum of zero or the difference between the resource-specific settlement amount and the bid cost settlement amount as follows:

The predispatched uplift payment for each applicable Settlement Interval is calculated as follows:

If (
$$(COST_AT_STLMT_PRICE_{i,h,o}>\equiv 0$$
 And
$$BID_COST_{i,h,o}>\equiv 0$$
) Then
$$PREDISPATCH_UPLIFT_{i,h,o}=\\ \min\left(0,COST_AT_STLMT_PRICE_{i,h,o}-BID_COST_{i,h,o}\right)$$
 Where
$$COST_AT_STLMT_PRICE_{i,h,o}=\\ \left(\sum_{1}^{k}IIE_PREDISPATCH_{i,h,o,k}\right)^{*}STLMT_PRICE_{i,h,o}$$

$$BID_COST_{i,h,o}=\\ \sum_{1}^{k}\sum_{1}^{m}IIE_PREDISPATCH_FOR_SEGMENT_{i,h,o,k,m}^{*}*IIE_PRICE_{i,h,o,k,m}^{*}$$

Else

 $PREDISPATC H _UPLIFT_{i,h,o} = 0$

for the portion of incremental energy bid segments with IIE PRICE_{jh,o,k,m} less than or equal to the Maximum Bid Level and all decremental energy bid segments with IIE PRICE_{jh,o,k,m} greater than or equal limited to the Bid Floor when IIE PRICE_{jh,o,k,m} is less than the Bid Floor.

* * *

- D 3 Meaning of terms in the formulae
- D 3.1 [Not Used]

D 3.2 [Not Used]COST AT STLMT PRICE; ho - \$/MWh

The sum of all dollar amounts from each dispatched bid segment for Energy quantities settled at the Resource-Specific Ex Post Price, for resource i during Settlement Interval o of hour h, and limited to those bid segments with Energy Bid prices below the Maximum Bid Level.

D 3.3 [Not Used]BID_COSTi,h,o - \$/MWh

The sum of all dollar amounts from each dispatched bid portion of Energy quantities settled at the maximum of either the corresponding Energy Bid price for those bids with Energy Bid prices below the Maximum Bid Level or the Bid Floor, for resource i during Settlement Interval o during hour h.

D 3.4 [Not Used]PRE DISP ABC BQiho-MWh

The pre-dispatched Energy from all Energy Bids with any Energy Bid price above the Maximum Bid Level, for resource i during Settlement Interval o during hour h.

D 3.5 [Not Used]IIE PREDISPATCH FOR SEGMENT_{i,h,o,k,m}-MWh

The pre-dispatched Energy for resource i during Dispatch Interval k of Settlement Interval o of hour h for bid segment m.

* * *

ATTACHMENT C

NOTICE OF FILING SUITABLE FOR PUBLICATION IN THE FEDERAL REGISTER

UNITED STATES OF AMERICA BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

California Independent System) Docket No. ER05000
Operator Corporation)
California Independent System) Docket No. ER05-718-000
Operator Corporation)
Notice	of Filing
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Take notice that on April 22, 2005, the California Independent System Operator Corporation (CAISO) tendered for filing an amendment to the CAISO Tariff, Amendment No. 69, for expedited consideration and acceptance by the Commission. The CAISO states that the purpose of Amendment No. 69 is to make certain modifications necessary in order to fully implement the intertie pricing methodology proposed in Amendment No. 66 and approved by the Commission.

The CAISO states that this filing has been served upon the Public Utilities Commission, the California Energy Commission, the California Electricity Oversight Board, and all parties with effective Scheduling Coordinator Agreements under the CAISO Tariff, as well as all parties of record in the Amendment No. 66 docket (ER05-718).

The CAISO is requesting the amendment to be made effective as of March 24, 2005, the effective date approved by the Commission for Amendment No. 66. In the alternative, the CAISO is requesting that the amendment be made effective as of April 23, 2005. The CAISO is also requesting that the Commission act on this Amendment within 45 days of the date of filing, and that the Commission shorten the period for comments and protests to 10 days after the date of filing.

Any person desiring to intervene or to protest this filing should file with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214). Protests will be considered by the Commission in determining the

appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. All such motions or protests should be filed on or before the comment date, and, to the extent applicable, must be served on the applicant and on any other person designated on the official service list. This filing is available for review at the Commission or may be viewed on the Commission's web site at http://www.ferc.gov, using the eLibrary (FERRIS) link. Enter the docket number excluding the last three digits in the docket number field to access the document. For assistance, please contact FERC Online Support at FERCOnlineSupport@ferc.gov or toll-free at (866)208-3676, or for TTY, contact (202)502-8659. Protests and interventions may be filed electronically via the Internet in lieu of paper; see 18 CFR 385.2001(a)(1)(iii) and the instructions on the Commission's web site under the "e-Filing" link. The Commission strongly encourages electronic filings.

Comment	Date:	