

July 12, 2013

The Honorable Kimberly D. Bose Secretary Federal Energy Regulatory Commission 888 First Street, NE Washington, DC 20426

Re: California Independent System Operator Corporation

Docket No. ES13-29-_

Filing of Supplemental Information Relating to 204

Application

On June 13, 2013, the California Independent System Operator Corporation ("ISO") filed in this proceeding an application under Section 204 of the Federal Power Act for a Commission order authorizing the ISO to issue bonds in an amount not to exceed \$210 million. The June 13 application included Exhibits A and C through G, as required pursuant to Section 34.4 of the Commission's regulations. With respect to Exhibit B, the ISO provided a placeholder exhibit pending approval of the proposed bond issuance by the ISO's Board of Governors, which occurred on July 11. Attached to this filing is an updated Exhibit B consisting of the Board of Governors resolution approving the issuance.

In addition to Exhibit B, the ISO is including with this filing revised versions of Exhibits C through E and Exhibit G. The revisions to these exhibits have been prepared pursuant to requests from Commission Staff for additional information.

The ISO continues to request that the Commission issue an order on the June 13 application, as supplemented by the information provided in this filing, by no later than August 2, 2013. Also, if the Commission should issue a notice of filing regarding this filing, the ISO requests that the Commission establish an expedited comment date of no more than ten days.²

_

¹ 18 C.F.R. Section 34.4.

No entity protested or filed comments on the June 13 application, for which the due date for comments has passed. Therefore, the ISO does not anticipate that any comments will be submitted regarding this filing of supplemental information.

I. Supplemental Information

A. Provision of Exhibit B Indicating ISO Board of Governor Approval of Proposed Bond Issuance

Section 34.4 of the Commission's regulations require Section 204 applications to include, as Exhibit B, "a copy of all resolutions of the applicant's directors authorizing the issuance of securities for which the application is made; and copies of the resolution of the stockholders approving such issuance if approval of the stockholders has been obtained." In the June 13 application, the ISO explained that it was including a placeholder Exhibit B because the ISO's Board of Governors ("Board") would not decide on the proposed bond issuance until its July 11-12, 2013 meeting. The ISO stated that after this meeting it would file with the Commission as an updated version of Exhibit B the record of the Board's approval. The Board approved the proposed issuance on July 11, and the record thereof is attached to this filing.

B. Revised Exhibits Provided In Response to Requests from Commission Staff

On July 11, 2013, Commission Staff contacted the ISO by telephone to request supplemental information regarding the June 13 application. In the June 13 filing, the ISO estimated, based on prevailing market conditions, that it would issue the proposed bonds at a 3.9% interest rate. Commission Staff requested that the ISO provide the maximum interest rate at which the ISO would issue bonds pursuant to the June 13 filing. Based on discussions with its underwriters, the ISO has determined that the maximum interest rate that it would continue with the proposed issuance would be 4.752%.⁴

Commission Staff also requested that the ISO update the projected *pro forma* data provided in Exhibits C through E to the June 13 application, as well as the indicative bond numbers provided in Exhibit G to the application, by changing two inputs to these exhibits. First, the ISO was asked to revise these exhibits to reflect the maximum interest rate at which the ISO would issue the proposed bonds (which, as explained above, is 4.752%). Second, the ISO was asked to revise these exhibits to reflect the maximum bond issuance amount (\$210 million) indicated in the June 13 filing instead of the actual bond issuance amount the ISO projected based on its underwriters' calculations (\$204,953,611).

June 13 application at 10-11.

Id. at 8. An increase in the interest rate would reduce the savings that the ISO would realize via lower debt service costs for the 2009 bonds. Nevertheless, at a 4.752% rate, the ISO would still realize approximately \$9.5 million in debt service savings.

The Honorable Kimberly D. Bose July 12, 2013 Page 3

The ISO has revised Exhibits C through E and Exhibit G as requested by Commission Staff. The updated exhibits are attached to this filing.

C. Request for August 2 Action Date and Request for Expedited Comment Period

In the June 13 application, the ISO requested that the Commission issue an order authorizing the ISO's proposed bond issuance by August 2, 2013. The ISO explained that a ruling by this date would allow an issuance within the first two weeks of August 2013, which will minimize the risks of interest rate increases, and allow the ISO to avoid the seasonal slowdown in the bond market that generally occurs at the end of August. This reasoning still applies. Moreover, the information provided herein does not significantly alter the substance or the merits of the ISO's application. Therefore, the ISO respectfully reiterates its request for an August 2 order approving the June 13 application.

Additionally, if the Commission determines that this filing merits a new comment period, the ISO respectfully requests that the Commission establish an expedited comment period of no greater than 10 days. An expedited comment period is reasonable for all of the reasons provided in the previous paragraph. Moreover, no protests or comments were filed on the ISO's June 13 application. Therefore, no parties would be prejudiced by adopting an expedited comment period.

II. Conclusion

For the reasons explained above, the ISO requests that the Commission accept the supplemental information provided in this filing and issue an order accepting the June 13 application, as supplemented by this filing, no later than August 2, 2013. The ISO also requests that the Commission adopt a shortened comment period on this filing of no more than 10 days.

The Honorable Kimberly D. Bose July 12, 2013 Page 4

Respectfully submitted,

/s/ Ryan Seghesio Ryan Seghesio

Chief Financial Officer and Treasurer for the California Independent System Operator Corporation

/s/ Daniel J. Shonkwiler
Daniel J. Shonkwiler

Senior Counsel for the California Independent System Operator Corporation

/s/ Bradley R. Miliauskas
Michael Kunselman
Bradley R. Miliauskas
Alston & Bird LLP

Counsel for the California Independent System Operator Corporation

Dated: July 12, 2013





Board of Governors

July 11-12, 2013

Decision on Refinancing of 2009 Series A Bonds

Motion

Moved, that the ISO Board of Governors approves, authorizes and directs Management in the name and on the behalf of the ISO, to perform the following actions:

Issue a fixed-rate bond in the amount not to exceed \$210 million, through the California Infrastructure and Economic Development Bank ("Bond Offering") with a term not to exceed 26 years secured by a mortgage on the Iron Point Facility to refinance the design, construction, commissioning, furnishing, equipping and occupancy of the Iron Point Facility, other related building infrastructure costs, capitalized interest, debt service reserve funds, and bond issuance costs, through the refunding of bonds issued in 2009 (the "2009A Bonds") to achieve debt service savings;

Incur other obligations and guarantee the obligations of the ISO in connection with the Bond Offering and in furtherance thereof to execute and deliver from time to time any note or other instrument evidencing indebtedness or other obligations of the ISO, including related agreements and documents and guarantees of obligations and endorsements of notes, when deemed to be in the best interest of the ISO;

Transfer amounts remaining in the debt service reserve fund relating to the 2009A Bonds to the construction fund and/or the escrow fund relating to the Bond Offering;

Provide for defeasance of a portion of the ISO's obligations with respect to the 2009A Bonds through the use of ISO internal funds;

Authorize the distribution of a preliminary official statement and an official statement relating to the marketing and sale with respect to the Bond Offering;

Procure bond insurance to secure such bonds to the extent determined advantageous by the ISO Management, and to enter into agreements related thereto; and

To take any and all other actions necessary to effectuate the Bond Offering.



Moved: Bhagwat Second: Maullin

Board Action:	Passed	Vote Count: 5-0-0
Bhagwat	Υ	
Foster	Υ	
Galiteva	Υ	
Maullin	Υ	
Olsen	Υ	

Motion Number: 2013-07-G2

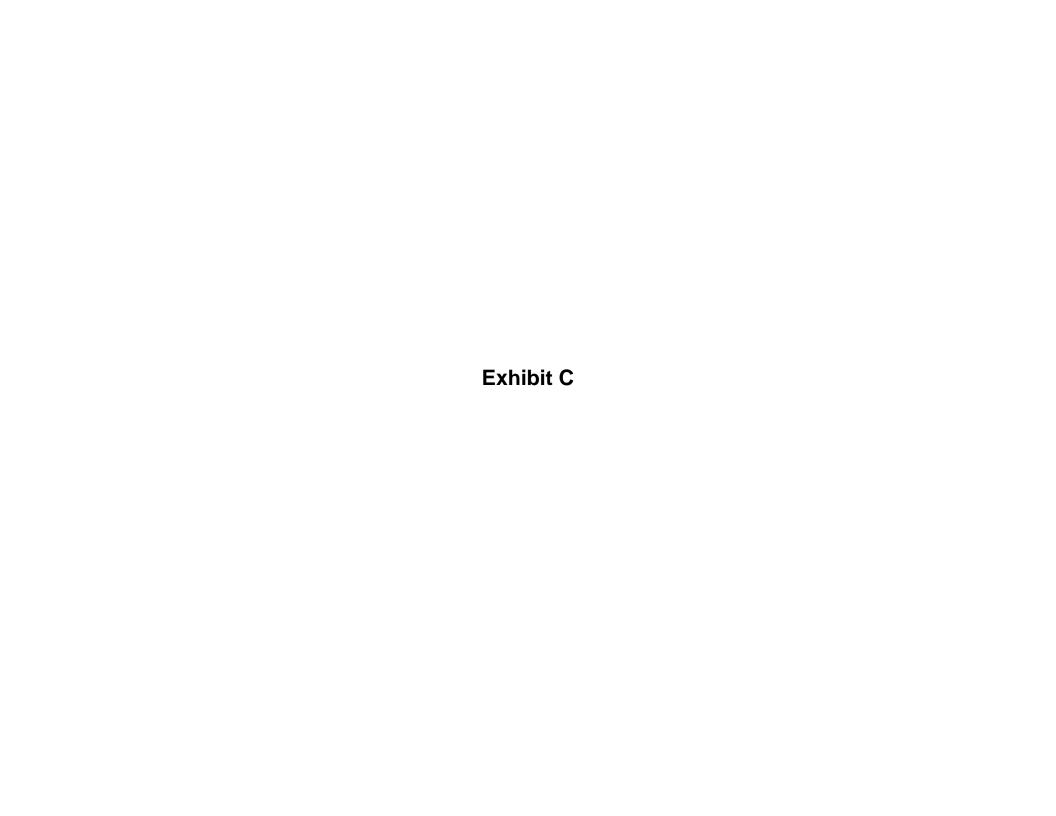


Exhibit C California Independent System Operator Corporation Balance Sheet (Unaudited) March 31, 2013

		Maich 31, 2013				
Line No.	Title of Account (FERC Account)	Balance March 31, 2013	Pro Forma Adjustments For Issuance of New Bonds	Pro Forma Adjustments For Repayment of Bonds	Pro Forma Adjustments For Bond Amortization	03/31/2013 Balance After Pro Forma Adjustments
1	ASSETS AND OTHER DEBITS					
2	Utility Plant					
3	Utility Plant (101-106,114)	\$ 575,418,672				\$ 575,418,672
4	Construction Work in Progress (107)	7,218,494				7,218,494
5	Total Utility Plant	582,637,166				582,637,166
6	(Less) Accum. Prov. For Depr. Amor. Depl. (108,110,111,115)	345,048,400				345,048,400
7	Net Utility Plant	237,588,766				237,588,766
8						_
9	Other Property and Investments					
10		200,050				200,050
11	Other Investments (124)	90,738,839				90,738,839
12	Other Special Funds (128)	324,591,993	20,041,790	1,715,188	39,601	346,388,572
13	Total Other Property and Investments	415,530,882	20,041,790	1,715,188	39,601	437,327,461
14						
15	Current and Accrued Assets					
16		8,150,752	192,990,000	(192,990,000)	1,666,940	9,817,692
17	-1 / /	36,928,431	(2,833,090)	(1,715,188)	-	32,380,153
18	Working Fund (135)	2,512				2,512
19		2,111,551				2,111,551
20	Other Accounts Receivable (143)	413,690				413,690
21	Prepayments (165)	5,283,972				5,283,972
22	Interest and Dividends Receivable (171)	650,983				650,983
23	Accrued Utility Revenues (173)	7,184,365				7,184,365
24	Total Current and Accrued Assets	60,726,256	190,156,910	(194,705,188)	1,666,940	57,844,918
25						_
26	Deferred Debits					
27	Unamortized Debt Expense/Loss on Refunding (181)	1,725,232	1,076,300	(1,671,260)	(43,052)	1,087,220
28	Clearing Accounts (184)	768,027				768,027
29	Miscellaneous Deferred Debits (186)	4,106,170				4,106,170
30	Total Deferred Debits	6,599,429	1,076,300	(1,671,260)	(43,052)	5,961,417
31						
32	TOTAL ASSETS	\$ 720,445,333	\$ 211,275,000	\$ (194,661,260)	1,663,489	\$ 738,722,562
33						

34 See notes to Balance Sheet

Exhibit C California Independent System Operator Corporation Balance Sheet (Unaudited) March 31, 2013

		March 31, 2013				
Line No.	Title of Account (FERC Account)	Balance March 31, 2013	Pro Forma Adjustments For Issuance of New Bonds	Pro Forma Adjustments For Retirement of 2009 Bonds	Pro Forma Adjustments For Bond Amortization	03/31/2013 Balance After Pro Forma Adjustments
35	LIABILITIES AND OTHER CREDITS					
36	Proprietary Capital				_	
37	Retained Earnings (215, 215.1,216)	\$ 149,731,171	\$ 1,275,000	\$ (48,460)	\$ 2,043,089	\$ 153,000,800
38	Accumulated Other Comprehensive Income (219)	3,319,834				3,319,834
39	Total Proprietary Capital	153,051,005	1,275,000	(48,460)	2,043,089	156,320,634
40						
41	Long-Term Debt					
42	Bonds (221)	216,455,000	200,510,000	(192,990,000)		223,975,000
43	Unamortized Bond Premium (225)	1,930,712	9,490,000	(1,622,800)	(379,600)	9,418,312
44	Total Long-Term Debt	218,385,712	210,000,000	(194,612,800)	(379,600)	233,393,312
45						
46	Other NonCurrent Liabilities					
47	Accumulated Provision for Pensions and Benefits (228.3)	14,745,144				14,745,144
48	Total Other NonCurrent Liabilities	14,745,144	-	-	-	14,745,144
49						
50	Current and Accrued Liabilities					
51	Accounts Payable (232)	19,670,975				19,670,975
52	Customer Deposits (235)	309,484,868				309,484,868
53		22,405			-	22,405
54		2,060,803				2,060,803
55	Total Current and Accrued Liabilities	331,239,051	-	-	-	331,239,051
56						· · ·
57	Deferred Credits					
58	Other Deferred Credits (253)	3,024,421			-	3,024,421
59	Total Deferred Credits	3,024,421	-	-	-	3,024,421
60						
61	TOTAL LIABILITIES AND STOCKHOLDERS EQUITY	\$ 720,445,333	\$ 211,275,000	\$ (194,661,260)	\$ 1,663,489	\$ 738,722,562
62						
63	See notes to Balance Sheet					

Exhibit C

California Independent System Operator Corporation Notes to Balance Sheet (Unaudited) March 31, 2013

	March 31, 2013		
Line			Pro Forma
No.	Description	-	Adjustments
1	Issuance of Bonds		
2	The Proforma adjustments reflecting the issuance of bonds have the following components:		
3			
4	Source and Use of Bond Proceeds		
5	Bond Proceeds - Par Amount	\$	200,510,000
6	Bond Proceeds - Net Premium		9,490,000
7	Debt Service Reserve Release		15,000,000
8	DSRFDA Termination Gain	_	1,275,000
9	Bond Proceeds	\$	226,275,000
10		_	
11	·	\$	15,000,000
	Refunding of Series A Bonds - Principal		192,990,000
	Refunding of Series A Bonds - Interest Fund		12,166,910
	Unamortized Debt Expense - Costs of issuance		650,000
	Unamortized Debt Expense - Underwriter's discount, Letter of credit fees		426,300
	Additional Proceeds Bonds issued	•	5,041,790 226,275,000
		φ	220,275,000
19	No construction costs funded during period		
	Refunding of Series A 2009 Bonds		
21	The Proforma adjustments reflecting the retirement of the bonds have the following components:		
22	The Frotornia adjustments reflecting the retirement. Of the bonds have the following components.		
	Series A 2009 Bonds Outstanding Balance	\$	192,990,000
	Unamortized Premium	Ψ	1,622,800
	Unamortized Debt Expense		1,671,260
	Debt Service Fund transfer		16,715,188
	Interest Expense		11,195,175
	Amortization of Premium		100,910
	Amortization of Debt Expense		103,923
	Series A 2009 Bonds Construction Fund		15,090,666
31			
32	Bond Amortization and Earnings On Construction Fund		
	The Proforma adjustments reflecting the amortization of bonds have the following components:		
34			
	Issuance date - April 1, 2012 (Actual issuance will be in August 2013 4/1/2012 is assumed for purpo	ses	
36	of this pro-forma statement.		
	Amortization date - March 31, 2013		4 ========
	Interest rate - all in	•	4.7520000%
	Interest cost - Year 1 (line 13 x line 6); paid from cash account	\$	9,528,235
	Principal reduction:	•	
	Year 1	\$	4 000 000
	Year 2		4,230,000
	Year 3		4,355,000
	Year 4 Year 5		4,525,000 4,705,000
	Years 6 - 25		182,695,000
	Total	\$	200,510,000
		Ψ	200,010,000
	Unamortized Debt Expense (Method - ratably over 25 years) Expense - Year 1 ((line 15 + line 16 + line 17) / 25)	\$	43,052
	Bond Premium Amortization (Method - ratably over 25 years)	Ψ	70,002
	Amortization - Year 1 (line 6 / 25)	\$	379,600
	Loss of Refunding of Series A 2009 Bonds (Immediate Recognition)	Ψ	37 3,000
	Expense - Year 1 only (line 26 - line 25)	\$	48,460
	Revenues	Ψ	70,400
	Interest rate earned on Money Market funds		0.78545%
	Interest Income ((line 12) * line 44)	\$	39,601
	No adjustment was made to increase GMC revenues to cover the proforma debt service	Ψ	33,001
31	TWO adjustifies the mas made to inicrease Givio revenues to cover the profotina debt service		



Exhibit D
California Independent System Operator Corporation
Statement of Income (Unaudited)
For the 12-Month Period Ended March 31, 2013

Line No.	Title of Account (FERC Account)	12-Month Period Ended March 31, 2013	Pro Forma Adjustments For Bond Amortization	03/31/2013 Balance After Pro Forma Adjustments
1	Utility Operating Income			
2	Operating Revenues (400)	\$ 210,657,954	\$ -	\$ 210,657,954
3				
4	Operating Expenses			
5	Operating Expenses (401)	120,980,001	-	120,980,001
6	Maintenance Expenses (402)	34,904,464	-	34,904,464
7	Depreciation Expense (403)	72,899,063	-	72,899,063
8	Taxes Other Than Income Taxes (408.1)	48,267	-	48,267
9	Losses from Disposition of Utility Plant (411)	(289,031)	-	(289,031)
10	Total Utility Operating Expenses	228,542,764	-	228,542,764
11				
12	Net Utility Operating Loss	(17,884,810)	-	(17,884,810)
13				
14	Other Income			
15				
16	Interest and Dividend Income (419)	1,667,590	39,601	1,707,191
17	Miscellaneous Non-operating Income (421)	98,244	-	98,244
18	Other Deductions (426)	(199,631)	-	(199,631)
19	Total Other Income	1,566,203	39,601	1,605,804
20				
21	Interest Charges			
22	Interest on Long-term Debt (427)	13,924,169	(1,666,940)	12,257,229
23	Amortization of Debt Expense/Loss of Refunding (428)	360,122	(1,284,398)	(924,276)
24	Amortization of Bond Premium (429)	(943,131)	(278,690)	(1,221,821)
25	Other Interest Expense (431)	1,690,477	-	1,690,477
26	Net Interest Charges	15,031,637	(3,230,028)	11,801,609
27	-		· ,	
28	Net Loss	\$ (31,350,244)	\$ 3,269,629	\$ (28,080,615)
29				
	Considerate to Otatament of Income			

30 See notes to Statement of Income

Exhibit D

California Independent System Operator Corporation Notes to Statement of Income (Unaudited) March 31, 2013

	March 31, 2013		D
Line No.	Description		Pro Forma Adjustments
	·		Aujustinents
1	Issuance of Bonds		
2	The Proforma adjustments reflecting the issuance of bonds have the following components:		
3	Courses and the of Daniel December		
4	Source and Use of Bond Proceeds	Φ	200 540 000
5	Bond Proceeds - Par Amount	\$	200,510,000
6 7	Bond Proceeds - Net Premium Debt Service Reserve Release		9,490,000
8	DSRFDA Termination Gain		15,000,000 1,275,000
9	Bond Proceeds	\$	226,275,000
10	Bond 1 roceeds	Ψ	220,273,000
	Special Funds - Series A 2009 Construction Fund	\$	15,000,000
	Refunding of Series A Bonds - Principal	Ψ	192,990,000
	Refunding of Series A Bonds - Interest Fund		12,166,910
	Unamortized Debt Expense - Costs of issuance		650,000
	Unamortized Debt Expense - Underwriter's discount, Letter of credit fees		426,300
	Additional Proceeds		5,041,790
	Bonds issued	\$	226,275,000
18	No construction costs funded during period	<u> </u>	
19	The content action code range period		
20	Refunding of Series A 2009 Bonds		
21	The Proforma adjustments reflecting the retirement of the bonds have the following components:		
22			
23	Series A 2009 Bonds Outstanding Balance	\$	192,990,000
24	Unamortized Premium		1,622,800
25	Unamortized Debt Expense		1,671,260
26	Debt Service Fund transfer		16,715,188
	Interest Expense		11,195,175
	Amortization of Premium		100,910
	Amortization of Debt Expense		103,923
	Series A 2009 Bonds Construction Fund		15,090,666
31			
	Bond Amortization and Earnings On Construction Fund		
	The Proforma adjustments reflecting the amortization of bonds have the following components:		
34			
	Issuance date - April 1, 2012 (Actual issuance will be in August 2013 4/1/2012 is assumed for purpo	ses	
36	of this pro-forma statement.		
	Amortization date - March 31, 2013		4.75200000/
	Interest rate - all in	æ	4.7520000%
	Interest cost - Year 1 (line 13 x line 6); paid from cash account	\$	9,528,235
	Principal reduction: Year 1	æ	
	Year 2	\$	4 220 000
	Year 3		4,230,000 4,355,000
_	Year 4		4,525,000
	Year 5		4,705,000
	Years 6 - 25		182,695,000
	Total	\$	200,510,000
	Unamortized Debt Expense (Method - ratably over 25 years)	Ť	200,0:0,000
	Expense - Year 1 ((line 15 + line 16 + line 17) / 25)	\$	43,052
	Bond Premium Amortization (Method - ratably over 25 years)	<u> </u>	10,002
	Amortization - Year 1 (line 6 / 25)	\$	379,600
	Loss of Refunding of Series A 2009 Bonds (Immediate Recognition)	Ψ	373,000
	Expense - Year 1 only (line 26 - line 25)	\$	48,460
	Revenues	Ψ	70,700
	Interest rate earned on Money Market funds		0.78545%
	Interest Income ((line 12) * line 44)	\$	39,601
	No adjustment was made to increase GMC revenues to cover the proforma debt service	Ψ	00,001
57	TWO adjustificity was made to increase divid revenues to cover the profothia debt service		



Exhibit E California Independent System Operator Corporation Statement of Cash Flows (Unaudited) For the 12-Month Period Ended March 31, 2013

Line No.		12-Month Period Ended March 31, 2013	Pro Forma Adjustments For Issuance of Bonds	Pro Forma Adjustments For Retirement of 2009 Bonds	Pro Forma Adjustments For Bond Amortization	3/31/2013 Balance After Pro Forma Adjustments
1	Net Cash Flow from Operating Activities					
2	Net Gain (Loss)	\$ (31,350,244)	\$ 1,275,000	\$ (48,460)	\$ 2,043,089	\$ (28,080,615)
3	Noncash Charges (Credits) to Income:	Ψ (01,000,211)	Ψ 1,270,000	ψ (10,100)	Ψ 2,0 10,000	Ψ (20,000,010)
4	Depreciation and Depletion	72,899,063				72,899,063
5	Amortization of Debt Expense/Loss on Refunding	360,122	(1,275,000)	48,460	(57,858)	(924,276)
6	Amortization of Bond Premium	(943,131)	(1,270,000)	10, 100	(278,690)	(1,221,821)
7	Allowance for Funds Used During Construction	(341,651)			(=: 0,000)	(341,651)
8	Net Increase in Receivables and Other Assets	(3,127,634)				(3,127,634)
9	Net Increase in Payables and Accrued Expenses	6,727,146				6,727,146
10		1,971,130				1,971,130
11	Net Cash Provided by Operating Activities	46,194,801	-	-	1,706,541	47,901,342
12	· · · · · · · · · · · · · · · · · · ·				,,-	, , -
13	Cash Flows From Investment Activities					
14	Gross Additions to Common Utility Plant	(30,091,153)				(30,091,153)
15	Net Proceeds from Purchases of Investments	(16,737,250)				(16,737,250)
16	Net Cash Used In Investing Activities	(46,828,403)	-	-	-	(46,828,403)
17						, , ,
18	Cash Flows from Financing Activities					
19	Net Proceeds from Issuance of Long-Term Debt	-	192,990,000	-	-	192,990,000
20	Increase in Customer Deposits	28,623,376				28,623,376
21	Payments for Retirement of Long-Term Debt	(39,580,000)	-	(192,990,000)	-	(232,570,000)
22	Decrease (Increase) in Special Deposits	561,305	15,000,000	1,715,188	-	17,276,493
23	Decrease (Increase) Other Special Funds	(15,615,830)	(15,000,000)	(1,715,188)	(39,601)	(32,370,619)
24	Net Cash Used In Financing Activities	(26,011,149)	192,990,000	(192,990,000)	(39,601)	(26,050,750)
25						
26	Net Increase (Decrease) in Cash and Cash Equivalents	(26,644,751)	192,990,000	(192,990,000)	1,666,940	(24,977,811)
27						
28	Cash and Cash Equivalents at Beginning of Period	34,795,503				34,795,503
29						
30	Cash and Cash Equivalents at End of Period	\$ 8,150,752	\$ 192,990,000	\$ (192,990,000)	\$ 1,666,940	\$ 9,817,692
31						

32 See notes to Statement of Cash Flows

Exhibit E California Independent System Operator Corporation Notes to Statement of Cash Flows (Unaudited) March 31, 2013

	March 31, 2013	
Line	Description	Pro Forma
No.	Description	Adjustments
1	Issuance of Bonds	
2	The Proforma adjustments reflecting the issuance of bonds have the following components:	
3	Course and Hea of Dand Draggeds	
4 5	Source and Use of Bond Proceeds Bond Proceeds - Par Amount	\$ 200,510,000
6	Bond Proceeds - Net Premium	9,490,000
7	Debt Service Reserve Release	15,000,000
8	DSRFDA Termination Gain	1,275,000
9	Bond Proceeds	\$ 226,275,000
10		
11	Special Funds - Series A 2009 Construction Fund	\$ 15,000,000
12	Refunding of Series A Bonds - Principal	192,990,000
13	Refunding of Series A Bonds - Interest Fund	12,166,910
	Unamortized Debt Expense - Costs of issuance	650,000
	Unamortized Debt Expense - Underwriter's discount, Letter of credit fees	426,300
	Additional Proceeds	5,041,790
	Bonds issued	\$ 226,275,000
	No construction costs funded during period	
19	Polynding of Series A 2000 Pands	
21	Refunding of Series A 2009 Bonds The Proforma adjustments reflecting the retirement of the bonds have the following components:	
22	The Floronna adjustments reflecting the retirement of the bonds have the following components.	
	Series A 2009 Bonds Outstanding Balance	\$ 192,990,000
	Unamortized Premium	1,622,800
25	Unamortized Debt Expense	1,671,260
26	Debt Service Fund transfer	16,715,188
	Interest Expense	11,195,175
	Amortization of Premium	100,910
	Amortization of Debt Expense	103,923
	Series A 2009 Bonds Construction Fund	15,090,666
31	Bond Amortization and Earnings On Construction Fund	
	The Proforma adjustments reflecting the amortization of bonds have the following components:	
34	The Frooting adjustments reneating the amortization of bonds have the following components.	
-	Issuance date - April 1, 2012 (Actual issuance will be in August 2013 4/1/2012 is assumed for purposes	
36	of this pro-forma statement.	
37	Amortization date - March 31, 2013	
38	Interest rate - all in	4.7520000%
39	Interest cost - Year 1 (line 13 x line 6); paid from cash account	\$ 9,528,235
40	Principal reduction:	
	Year 1	\$ -
	Year 2	4,230,000
	Year 3	4,355,000
	Year 4	4,525,000
	Year 5 Years 6 - 25	4,705,000 182,695,000
	Total	\$ 200,510,000
48		Ψ 200,010,000
_	Expense - Year 1 ((line 15 + line 16 + line 17) / 25)	\$ 43,052
	Bond Premium Amortization (Method - ratably over 25 years)	
	Amortization - Year 1 (line 6 / 25)	\$ 379,600
	Loss of Refunding of Series A 2009 Bonds (Immediate Recognition)	
	Expense - Year 1 only (line 26 - line 25)	\$ 48,460
54	Revenues	
55	Interest rate earned on Money Market funds	0.78545%
	Interest Income ((line 12) * line 44)	\$ 39,601
57	No adjustment was made to increase GMC revenues to cover the proforma debt service	

Exhibit E California Independent System Operator Corporation Schedule of Interest Coverage For the 12-Month Period Ended March 31, 2013

Line No.	Description	P	12-Month eriod Ended March 31, 2013	A	Pro Forma djustments For Bond mortization	F	3/31/2013 Balance After Pro Forma djustments
	·	Φ.					
2	Net Loss	Ф	(31,350,244)	\$	3,269,629	\$	(28,080,615)
3	Add Back:						
4	Depreciation	\$	72,899,063	\$	-		72,899,063
5	Interest on Long-Term Debt		13,924,169		(1,666,940)		12,257,229
6	Other Interest Expense		1,690,477		-		1,690,477
7	Total Interest Expense		88,513,709		(1,666,940)		86,846,769
8	Leaves Latera Latera de la IRea de Calle	•	57 400 405	•	4 000 000	•	50 700 454
9	Income before Interest and Depreciation	<u>\$</u>	57,163,465	\$	1,602,689	\$	58,766,154
10	T	•		•	(4.000.040)	•	
11	Total Interest Expense (line 5 and 6)	\$	15,614,646	\$	(1,666,940)	\$	13,947,706
12	Interest capitalized to Utility Plant		341,651		-		341,651
13	Total Interest Incurred	\$	15,956,297	\$	(1,666,940)	\$	14,289,357
14							
15	Computation of Interest Coverage						
16	Interest coverage (line 9 / line 13)		3.58		:		4.11

Exhibit E

California Independent System Operator Corporation Notes to Schedule of Interest Coverage March 31, 2013

I Issuance of Bonds	Line			Pro Forma
2 10 10 10 10 10 10 10	No.	Description		Adjustments
2 10 10 10 10 10 10 10	1	Issuance of Bonds		
Source and Use of Bond Proceeds Source Premium \$9,480,000 Debt Service Reserve Release 15,000,000 Returning of Series A 2009 Construction Fund 122,990,000 Returning of Series A Bonds - Principal 122,990,000 Returning of Series A Bonds - Interest Fund 122,990,000 Hammortized Debt Expenses - Outside insurance 150,000 Hammortized Debt Expenses - Underwriter's discount, Letter of credit fees 25,041,790 Hammortized Debt Expenses - Underwriter's discount, Letter of credit fees 25,041,790 Rodditional Proceeds 150,000 Hammortized Debt Expenses - Underwriter's discount, Letter of credit fees 25,041,790 Hours of Series A 2009 Bonds 25,041,790				
5 Bond Proceeds - Par Amount \$ 490,000 6 Bond Proceeds - Net Premium 9,490,000 7 Debt Service Reserve Release 1,500,000 8 DSRPD A Termination Gain 1,275,000 10 Bond Proceeds \$ 226,275,000 10 Bond Proceeds \$ 15,000,000 11 Sequal Funds - Series A 2009 Construction Fund \$ 15,000,000 12 Refunding of Series A Bonds - Interest Fund 12,166,910 14 Unamortized Debt Expense - Costs of issuance 5,041,790 15 Bonds Issued \$ 226,275,000 16 No construction costs funded during period \$ 5,041,790 17 Bonds Issued \$ 192,990,000 18 No construction costs funded during period \$ 192,990,000 18 No construction costs funded during period \$ 192,990,000 20 Refunding of Series A 2009 Bonds \$ 192,990,000 21 The Proforma adjustments reflecting the retirement of the bonds have the following components: \$ 192,990,000 22 Variety of Series A 2009 Bonds Outstanding Balance \$ 192,990,000 23 Unamortized Premium \$ 1,622,800 24 Unamortized Premium \$ 1,622,800 25 Debt Service Fund transfer \$ 16,715,188 <	3	, , , , , , , , , , , , , , , , , , , ,		
6 Bond Proceeds Net Premium 9,490,000 7 Debt Service Reserve Release 1,275,000 8 DSRFDA Termination Gain 2,25,275,000 9 Bond Proceeds 2,26,275,000 10 Special Funds - Series A 2009 Construction Fund 15,000,000 12 Refunding of Series A Bonds - Principal 192,990,000 13 Refunding of Series A Bonds - Interest Fund 6,500,000 14 Unamortized Debt Expense - Osts of sisuance 6,500,000 15 Unamortized Debt Expense - Underwriter's discount, Letter of credit fees 426,300 16 Additional Proceeds 5,041,790 17 Bonds issued 5,041,790 18 No construction costs funded during period 5,041,790 19 Proforma adjustments reflecting the retirement of the bonds have the following components: 1,622,800 21 The Proforma adjustments reflecting the retirement of the bonds have the following components: 1,671,260 22 Series A 2009 Bonds Outstanding Balance 9 192,990,000 24 Unamortized Premium 1,672,800 25 Unamortized Premium 1,671,260 26 Debt Service Fund transfer 1,671,820 27 Interest Expense 1,671,260 28 Interest rate	4	Source and Use of Bond Proceeds		
7 bet Service Reserve Release 15,000,000 8 DSRPAD Termination Gain 1,275,000 9 bond Proceeds \$ 226,275,000 10 Septial Funds - Series A 2009 Construction Fund \$ 15,000,000 12 Refunding of Series A Bonds - Interest Fund 192,990,000 14 Unamortized Debt Expense - Costs of issuance 660,000 15 Unamortized Debt Expense - Underwriter's discount, Letter of credit fees 426,300 16 Additional Proceeds 5,041,790 17 Bonds issued 5,041,790 18 No construction costs funded during period 226,275,000 19 Refunding of Series A 2009 Bonds 1 20 Refunding of Series A 2009 Bonds 1 21 The Proforma adjustments reflecting the retirement of the bonds have the following components: 1 22 Interest A 2009 Bonds Outstanding Balance 1,672,200 21 Unamortized Permium 1,672,200 22 Interest A 2009 Bonds Construction Fund 16,715,188 23 Interest Expense 10,915 24 Interest Expense 10,915 25 Series A 2009 Bonds Construction Fund 1 26 The Proforma adjustments reflecting the amortization of bonds have the following components:	5		\$	
8 DSRFDA Termination Gain 1.275.000 9 Bond Proceeds 2.26,275.000 10 Toll December 1.5000,000 11 Special Funds - Series A 2009 Construction Fund \$ 15,000,000 12 Refunding of Series A Bonds - Principal 192,990,000 13 Refunding of Series A Bonds - Interest Fund 12,166,910 14 Unamortized Debt Expense - Underwriter's discount, Letter of credit fees 650,000 15 Unamortized Debt Expense - Underwriter's discount, Letter of credit fees 5,041,790 16 Additional Proceeds 5,041,790 17 Bonds issued 5,041,790 18 No construction costs funded during period 1,504,790 18 No construction costs funded during period 1,504,790 19 Variation of Period adjustments reflecting the retirement of the bonds have the following components: 1,502,800 21 Variation of Series A 2009 Bonds Outstanding Balance 1,502,800 22 Veries A 2009 Bonds Outstanding Balance 1,502,800 23 Series A 2009 Bonds Outstanding Balance 1,502,800 24 Unamortized Perimlum 1,502,800 25 Unamortized Det Expense 1,504,7260 26 Debt Service Fund transfer 1,504,71,260 27				
8 Bond Proceeds \$ \$ \$ \$ \$ \$ \$ \$ \$				
	_		<u>•</u>	
11 Special Funds - Series A 2009 Construction Fund 1 15,000,000 12 Refunding of Series A Bonds - Principal 1 12,166,910 14 Unamortized Debt Expense - Costs of issuance 265,000 16 Additional Proceeds 426,300 17 Bonds issued 5,041,700 18 No construction costs funded during period 25,041,700 19 Series A 2009 Bonds Carting the retirement of the bonds have the following components: 1 192,990,000 20 Series A 2009 Bonds Outstanding Balance 1 192,990,000 21 Unamortized Peth Expense 1 16,712,800 22 Unamortized Debt Expense 1 16,712,800 23 Interest Expense 1 16,713,800 24 Unamortized Debt Expense 1 16,713,800 25 Unamortized Debt Expense 1 16,713,800 26 Debt Service Fund transfer 1 16,713,800 27 Interest Expense 1 16,713,800 28 Amortization of Debt Expense 1 15,090,606 30 Series A 2009 Bonds Construction Fund 1 15,090,606 31 The Proforma adjustments reflecting the amortization of bonds have the following components: 1 15,090,606 32 Varia Amortization and Earnings On Construction Fund 4 2,500,000 33 Vaeria Amort	_	Bolid Floceeds	Ψ	220,273,000
12 Refunding of Series A Bonds - Principal 192,990,000 13 Refunding of Series A Bonds - Interest Fund 12,166,910 14 Unamortized Debt Expense - Costs of issuance 650,000 15 Unamortized Debt Expense - Underwriter's discount, Letter of credit fees 426,300 16 Additional Proceeds 5,041,790 17 Bonds issued \$ 226,275,000 18 No construction costs funded during period \$ 226,275,000 19 Refunding of Series A 2009 Bonds 21 The Proforma adjustments reflecting the retirement of the bonds have the following components: 192,990,000 24 Unamortized Premium 1,622,800 25 Unamortized Debt Expense 16,715,168 26 Debt Service Fund transfer 16,715,168 27 Interest Expense 11,159,175 28 Amortization of Debt Expense 11,159,175 29 Amortization of Debt Expense 11,000,910 31 The Proforma adjustments reflecting the amortization of bonds have the following components: 11,159,175 32 Series A 2009 Bonds Construction Fund 15,000,666 31 Interest rate - all in 4,752,000,666 32 Ordinal pro- forma statement 9,528,235 34 Year 3		Special Funds - Series A 2009 Construction Fund	\$	15 000 000
13. Rétunding of Series A Bonds - Interest Fund 12,166,910 15. Unamortized Debt Expense - Costs of issuance 426,300 16. Additional Proceeds 5,041,790 17. Bonds issued 5,252,575,000 18. No construction costs funded during period 226,275,000 17. Ferrolima adjustments reflecting the retirement of the bonds have the following components: 1 17. The Proforma adjustments reflecting the retirement of the bonds have the following components: 1 21. Series A 2009 Bonds Outstanding Balance 1,92,990,000 25. Unamortized Debt Expense 1,671,260 26. Debt Service Fund transfer 1,671,260 27. Herrest Expense 1,671,260 28. Amortization of Premium 1,09,10 29. Amortization of Premium 100,910 30. Series A 2009 Bonds Construction Fund 15,090,666 40. Expense 15,090,666 50. Herrest Expense 15,090,666 51. Ferrorma adjustments reflecting the amortization of bonds have the following components: 15,090,666 52. Susance date - April 1, 2012 (Actual issuance will be in August 2013 4/1/2012 is assumed for purple, and the March 31, 2013 1,475,2000,69 51. Interest rate - all in			Ψ	
1				
15 Inamortized Debt Expense - Underwriter's discount, Letter of credit fees 426,300 16 Additional Proceeds 5,041,790 17 Bonds issued 226,275,000 18 No construction costs funded during period **** 20 Refunding of Series A 2009 Bonds **** 21 The Proforma adjustments reflecting the retirement of the bonds have the following components: **** 22 Series A 2009 Bonds Outstanding Balance \$ 192,990,000 25 Unamortized Premium 1,622,800 26 Debt Service Fund transfer 1,671,260 27 Interest Expense 10,911 28 Amortization of Premium 100,910 29 Amortization of Premium 100,910 20 Expense 113,195,175 20 Amortization of Premium 100,910 21 Amortization of Debt Expense 103,923 22 Amortization of Debt Expense 103,923 23 Forefree A 2009 Bonds Construction Fund *** 24 Sacria 4,000 25 Interest Expense 4,000 26 Interest act = 4 Ilin 4,000 27 Amortization acts - April 1, 2012 (Actual issuance will be in August 2013 4/1/2012 is assumed for pure activate activate activate act				
Formal F				
No construction costs funded during period	16	Additional Proceeds		5,041,790
190	17	Bonds issued	\$	226,275,000
Refunding of Series A 2009 Bonds		No construction costs funded during period		_
17th Proforma adjustments reflecting the retirement of the bonds have the following components: 2				
23 Series A 2009 Bonds Outstanding Balance 192,990,000 24 Unamortized Premium 1,622,800 25 Unamortized Peth Expense 1,671,260 26 Debt Service Fund transfer 16,715,188 27 Interest Expense 111,195,175 28 Amortization of Premium 100,910 29 Amortization of Debt Expense 103,923 30 Series A 2009 Bonds Construction Fund 15,090,666 31 The Proforma adjustments reflecting the amortization of bonds have the following components: 1 32 Bond Amortization and Earnings On Construction Fund 1 33 The Proforma adjustments reflecting the amortization of bonds have the following components: 1 34 Suance date - April 1, 2012 (Actual issuance will be in August 2013 4/1/2012 is assumed for purposes 1 36 Interest rate - all in 4,752,000% 37 Amortization date - March 31, 2013 4,752,000% 38 Interest rate - all in 4,752,000% 40 Principal reduction: \$ 9,528,235 41 Year 1 4 4,230,000 43 Year 3 4 4,230,000 44 Year 4 4,250,000 45 Year 5 4,252,000 <td< td=""><td></td><td>The Proforma adjustments renecting the retirement of the bonds have the following components.</td><td></td><td></td></td<>		The Proforma adjustments renecting the retirement of the bonds have the following components.		
1,622,800		Series A 2009 Bonds Outstanding Balance	\$	192 990 000
Debt Service Fund transfer			Ψ	, ,
Debt Service Fund transfer				
28 Amortization of Premium 100,910 29 Amortization of Debt Expense 103,923 30 Series A 2009 Bonds Construction Fund 15,090,666 31 32 Bond Amortization and Earnings On Construction Fund 33 33 The Proforma adjustments reflecting the amortization of bonds have the following components: 34 35 Issuance date - April 1, 2012 (Actual issuance will be in August 2013 4/1/2012 is assumed for purposes of this pro-forma statement. 47520000% 36 Interest rate - all in Interest cost - Year 1 (line 13 x line 6); paid from cash account Interest cost - Year 1 (line 13 x line 6); paid from cash account Interest cost - Year 1 (line 13 x line 6); paid from cash account Interest cost - Year 1 (line 13 x line 6); paid from cash account Interest cost - Year 1 (line 14 x line 6); paid from cash account Interest cost - Year 1 (line 14 x line 6); paid from cash account Interest cost - Year 1 (line 15 x line 6); paid from cash account Interest cost - Year 1 (line 15 x line 6); paid from cash account Interest cost - Year 1 (line 15 x line 6); paid from cash account Interest cost - Year 1 (line 15 x line 6); paid from cash account Interest cost - Year 1 (line 15 x line 6); paid from cash account Interest cost - Year 1 (line 15 x line 17 x line 15 x line 17 x line 15 x line 17 x line 15 x line 16 x line 17 x line 15 x line 17		·		
29 Amortization of Debt Expense 103,923 30 Series A 2009 Bonds Construction Fund 15,090,666 31 The Proforma adjustments reflecting the amortization of bonds have the following components: 37 34 The Proforma adjustments reflecting the amortization of bonds have the following components: 38 35 Issuance date - April 1, 2012 (Actual issuance will be in August 2013 4/1/2012 is assumed for purposes 4 36 of this pro-forma statement. 4.7520000% 37 Amortization date - March 31, 2013 4.7520000% 38 Interest rate - all in 4.7520000% 39 Interest cost - Year 1 (line 13 x line 6); paid from cash account \$ 9,528,235 40 Principal reduction: \$ 9,528,235 41 Year 1 \$ 4.7520000% 42 Year 2 4,230,000 43 Year 3 4,355,000 44 Year 4 4,252,000 45 Year 5 4,705,000 46 Years 6 - 25 182,695,000 47 Total \$ 200,510,000 48 Expense - Year 1 ((line 15 + line 16 + line 17) / 25) \$ 379,600	27	Interest Expense		11,195,175
30 Series A 2009 Bonds Construction Fund 15,090,666 31 Bond Amortization and Earnings On Construction Fund				100,910
Sond Amortization and Earnings On Construction Fund The Proforma adjustments reflecting the amortization of bonds have the following components:		·		
Sound Amortization and Earnings On Construction Fund The Proforma adjustments reflecting the amortization of bonds have the following components:		Series A 2009 Bonds Construction Fund		15,090,666
The Proforma adjustments reflecting the amortization of bonds have the following components: Saurance date - April 1, 2012 (Actual issuance will be in August 2013 4/1/2012 is assumed for purposes of this pro-forma statement. Amortization date - March 31, 2013 Interest rate - all in	-	David Amortization and Famines On Construction Fund		
Sisuance date - April 1, 2012 (Actual issuance will be in August 2013 4/1/2012 is assumed for purposes of this pro-forma statement.				
35 Issuance date - April 1, 2012 (Actual issuance will be in August 2013 4/1/2012 is assumed for purposes of this pro-forma statement. 36 of this pro-forma statement. 37 Amortization date - March 31, 2013 Interest rate - all in 4.7520000% 38 Interest rate - all in 9 pro-forma statement. \$ 9,528,235 40 Principal reduction: \$ 9,528,235 41 Year 1 \$ \$ - 42 Year 2 \$ 4,230,000 43 Year 3 \$ 4,355,000 44 Year 4 \$ 4,525,000 45 Year 5 \$ 4,705,000 46 Years 6 - 25 \$ 182,695,000 47 Total \$ 200,510,000 48 Unamortized Debt Expense (Method - ratably over 25 years) 49 Expense - Year 1 ((line 15 + line 16 + line 17) / 25) \$ 43,052 50 Bond Premium Amortization (Method - ratably over 25 years) \$ 379,600 51 Amortization - Year 1 (line 6 / 25) \$ 379,600 52 Expense - Year 1 only (line 26 - line 25) \$ 48,460 54 Revenues \$ 0,78545% 55 Interest rate earned on Money Market funds 0,78545% 6 Interest Income ((line 12) * line 44) \$ 39,601		The Projointa adjustments renecting the amortization of bonds have the following components.		
36 of this pro-forma statement. 37 Amortization date - March 31, 2013 38 Interest rate - all in 4.7520000% 39 Interest cost - Year 1 (line 13 x line 6); paid from cash account \$ 9,528,235 40 Principal reduction: * 41 Year 1 \$ - 42 Year 2 4,230,000 43 Year 3 4,355,000 44 Year 4 4,525,000 45 Year 5 4,705,000 46 Year 6 - 25 182,695,000 47 Total \$ 200,510,000 48 Unamortized Debt Expense (Method - ratably over 25 years) \$ 43,052 50 Bond Premium Amortization (Method - ratably over 25 years) \$ 379,600 51 Amortization - Year 1 (line 6 / 25) \$ 379,600 52 Loss of Refunding of Series A 2009 Bonds (Immediate Recognition) \$ 48,460 54 Revenues \$ 0.78545% 55 Interest rate earned on Money Market funds 0.78545% 56 Interest Income ((line 12) * line 44) \$ 39,601		Issuance date - April 1, 2012 (Actual issuance will be in August 2013 4/1/2012 is assumed for purp	nses	
37 Amortization date - March 31, 2013 4.7520000% 38 Interest rate - all in 4.7520000% 39 Interest cost - Year 1 (line 13 x line 6); paid from cash account \$ 9,528,235 40 Principal reduction: * - 41 Year 1 \$ - 42 Year 2 4,230,000 43 Year 3 4,355,000 44 Year 4 4,525,000 45 Year 5 4,705,000 46 Years 6 - 25 182,695,000 47 Total \$ 200,510,000 48 Unamortized Debt Expense (Method - ratably over 25 years) \$ 43,052 50 Bond Premium Amortization (Method - ratably over 25 years) \$ 379,600 51 Amortization - Year 1 (line 6 / 25) \$ 379,600 52 Loss of Refunding of Series A 2009 Bonds (Immediate Recognition) \$ 48,460 54 Revenues \$ 48,460 55 Interest rate earned on Money Market funds 0.78545% 56 Interest Income ((line 12) * line 44) \$ 39,601			5000	
38 Interest rate - all in 4.7520000% 39 Interest cost - Year 1 (line 13 x line 6); paid from cash account \$ 9,528,235 40 Principal reduction: \$ - 41 Year 1 \$ - 42 Year 2 4,230,000 43 Year 3 4,555,000 45 Year 5 4,705,000 46 Years 6 - 25 182,695,000 47 Total \$ 200,510,000 48 Unamortized Debt Expense (Method - ratably over 25 years) \$ 43,052 50 Bond Premium Amortization (Method - ratably over 25 years) \$ 379,600 51 Amortization - Year 1 (line 6 / 25) \$ 379,600 52 Loss of Refunding of Series A 2009 Bonds (Immediate Recognition) \$ 48,460 54 Revenues \$ 48,460 55 Interest rate earned on Money Market funds 0.78545% 56 Interest Income ((line 12) * line 44) \$ 39,601		·		
40 Principal reduction: 41 Year 1 \$ - 41 Year 2 4,230,000 43 Year 3 4,355,000 44 Year 4 4,525,000 45 Year 5 4,705,000 46 Years 6 - 25 182,695,000 47 Total \$ 200,510,000 48 Unamortized Debt Expense (Method - ratably over 25 years) \$ 43,052 50 Bond Premium Amortization (Method - ratably over 25 years) \$ 379,600 51 Amortization - Year 1 (line 6 / 25) \$ 379,600 52 Loss of Refunding of Series A 2009 Bonds (Immediate Recognition) \$ 48,460 54 Revenues \$ 48,460 55 Interest rate earned on Money Market funds 0.78545% 56 Interest Income ((line 12) * line 44) \$ 39,601		·		4.7520000%
41 Year 1 \$ - 42 Year 2 4,230,000 43 Year 3 4,355,000 44 Year 4 4,525,000 45 Years 6 - 25 4,705,000 46 Years 6 - 25 182,695,000 47 Total \$ 200,510,000 48 Unamortized Debt Expense (Method - ratably over 25 years) \$ 43,052 50 Bond Premium Amortization (Method - ratably over 25 years) \$ 379,600 51 Amortization - Year 1 (line 6 / 25) \$ 379,600 52 Loss of Refunding of Series A 2009 Bonds (Immediate Recognition) \$ 48,460 54 Revenues \$ 0.78545% 56 Interest rate earned on Money Market funds 0.78545% 56 Interest Income ((line 12) * line 44) \$ 39,601	39	Interest cost - Year 1 (line 13 x line 6); paid from cash account	\$	9,528,235
42 Year 2 4,230,000 43 Year 3 4,355,000 44 Year 4 4,525,000 45 Year 5 4,705,000 46 Years 6 - 25 182,695,000 47 Total \$ 200,510,000 48 Unamortized Debt Expense (Method - ratably over 25 years) \$ 43,052 50 Bond Premium Amortization (Method - ratably over 25 years) \$ 379,600 51 Amortization - Year 1 (line 6 / 25) \$ 379,600 52 Loss of Refunding of Series A 2009 Bonds (Immediate Recognition) \$ 48,460 54 Revenues \$ 0.78545% 56 Interest rate earned on Money Market funds 0.78545% 56 Interest Income ((line 12) * line 44) \$ 39,601	40	Principal reduction:	-	
43 Year 3 4,355,000 44 Year 4 4,525,000 45 Year 5 4,705,000 46 Years 6 - 25 182,695,000 47 Total \$ 200,510,000 48 Unamortized Debt Expense (Method - ratably over 25 years) \$ 43,052 50 Bond Premium Amortization (Method - ratably over 25 years) \$ 379,600 51 Amortization - Year 1 (line 6 / 25) \$ 379,600 52 Loss of Refunding of Series A 2009 Bonds (Immediate Recognition) \$ 48,460 54 Revenues \$ 48,460 55 Interest rate earned on Money Market funds 0.78545% 56 Interest Income ((line 12) * line 44) \$ 39,601			\$	-
44 Year 4 4,525,000 45 Year 5 4,705,000 46 Years 6 - 25 182,695,000 47 Total \$ 200,510,000 48 Unamortized Debt Expense (Method - ratably over 25 years) \$ 43,052 50 Bond Premium Amortization (Method - ratably over 25 years) \$ 379,600 51 Amortization - Year 1 (line 6 / 25) \$ 379,600 52 Loss of Refunding of Series A 2009 Bonds (Immediate Recognition) \$ 48,460 54 Revenues \$ 48,460 55 Interest rate earned on Money Market funds 0.78545% 56 Interest Income ((line 12) * line 44) \$ 39,601				
45 Year 5 4,705,000 46 Years 6 - 25 182,695,000 47 Total \$ 200,510,000 48 Unamortized Debt Expense (Method - ratably over 25 years) \$ 43,052 49 Expense - Year 1 ((line 15 + line 16 + line 17) / 25) \$ 43,052 50 Bond Premium Amortization (Method - ratably over 25 years) \$ 379,600 51 Amortization - Year 1 (line 6 / 25) \$ 379,600 52 Loss of Refunding of Series A 2009 Bonds (Immediate Recognition) \$ 48,460 53 Expense - Year 1 only (line 26 - line 25) \$ 48,460 54 Revenues \$ 0.78545% 55 Interest rate earned on Money Market funds 0.78545% 56 Interest Income ((line 12) * line 44) \$ 39,601				
46 Years 6 - 25 182,695,000 47 Total \$ 200,510,000 48 Unamortized Debt Expense (Method - ratably over 25 years) \$ 43,052 49 Expense - Year 1 ((line 15 + line 16 + line 17) / 25) \$ 43,052 50 Bond Premium Amortization (Method - ratably over 25 years) \$ 379,600 51 Amortization - Year 1 (line 6 / 25) \$ 379,600 52 Loss of Refunding of Series A 2009 Bonds (Immediate Recognition) \$ 48,460 53 Expense - Year 1 only (line 26 - line 25) \$ 48,460 54 Revenues \$ 0.78545% 55 Interest rate earned on Money Market funds 0.78545% 56 Interest Income ((line 12) * line 44) \$ 39,601				
47 Total \$ 200,510,000 48 Unamortized Debt Expense (Method - ratably over 25 years) \$ 43,052 49 Expense - Year 1 ((line 15 + line 16 + line 17) / 25) \$ 43,052 50 Bond Premium Amortization (Method - ratably over 25 years) \$ 379,600 51 Amortization - Year 1 (line 6 / 25) \$ 379,600 52 Loss of Refunding of Series A 2009 Bonds (Immediate Recognition) \$ 48,460 53 Expense - Year 1 only (line 26 - line 25) \$ 48,460 54 Revenues \$ 0.78545% 55 Interest rate earned on Money Market funds 0.78545% 56 Interest Income ((line 12) * line 44) \$ 39,601				
48 Unamortized Debt Expense (Method - ratably over 25 years) 49 Expense - Year 1 ((line 15 + line 16 + line 17) / 25) \$ 43,052 50 Bond Premium Amortization (Method - ratably over 25 years) 51 Amortization - Year 1 (line 6 / 25) \$ 379,600 52 Loss of Refunding of Series A 2009 Bonds (Immediate Recognition) 53 Expense - Year 1 only (line 26 - line 25) \$ 48,460 54 Revenues 55 Interest rate earned on Money Market funds 0.78545% 56 Interest Income ((line 12) * line 44) \$ 39,601			\$	
49 Expense - Year 1 ((line 15 + line 16 + line 17) / 25) \$ 43,052 50 Bond Premium Amortization (Method - ratably over 25 years) \$ 379,600 51 Amortization - Year 1 (line 6 / 25) \$ 379,600 52 Loss of Refunding of Series A 2009 Bonds (Immediate Recognition) \$ 48,460 53 Expense - Year 1 only (line 26 - line 25) \$ 48,460 54 Revenues \$ 0.78545% 55 Interest rate earned on Money Market funds 0.78545% 56 Interest Income ((line 12) * line 44) \$ 39,601			Ψ	200,310,000
50 Bond Premium Amortization (Method - ratably over 25 years) 51 Amortization - Year 1 (line 6 / 25) \$ 379,600 52 Loss of Refunding of Series A 2009 Bonds (Immediate Recognition) 53 Expense - Year 1 only (line 26 - line 25) \$ 48,460 54 Revenues 55 Interest rate earned on Money Market funds \$ 0.78545% 56 Interest Income ((line 12) * line 44) \$ 39,601			\$	43 052
\$ 379,600 Loss of Refunding of Series A 2009 Bonds (Immediate Recognition) Expense - Year 1 only (line 26 - line 25) Revenues Interest rate earned on Money Market funds Interest Income ((line 12) * line 44) \$ 379,600 \$ 48,460 0.78545% 3 39,601			<u> </u>	.5,002
Loss of Refunding of Series A 2009 Bonds (Immediate Recognition) Expense - Year 1 only (line 26 - line 25) Revenues Interest rate earned on Money Market funds Interest Income ((line 12) * line 44) \$ 39,601			\$	379.600
53 Expense - Year 1 only (line 26 - line 25) \$ 48,460 54 Revenues 55 Interest rate earned on Money Market funds 0.78545% 56 Interest Income ((line 12) * line 44) \$ 39,601				
54 Revenues 55 Interest rate earned on Money Market funds 56 Interest Income ((line 12) * line 44) 57 Suppose the			\$	48,460
55 Interest rate earned on Money Market funds 56 Interest Income ((line 12) * line 44) \$ 39,601				<u> </u>
56 Interest Income ((line 12) * line 44) \$ 39,601				0.78545%
57 No adjustment was made to increase GMC revenues to cover the proforma debt service			\$	39,601
	57	No adjustment was made to increase GMC revenues to cover the proforma debt service		

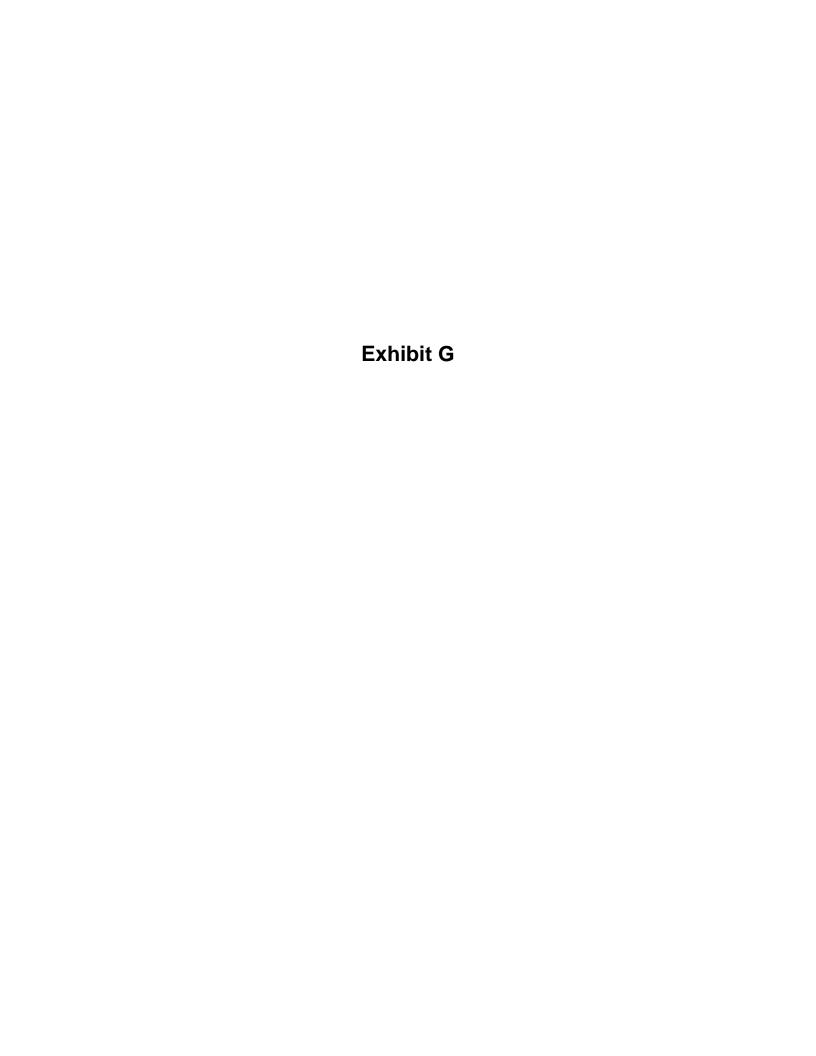


TABLE OF CONTENTS

Report																Pag	e
Sources and Uses of Funds																1	
Bond Summary Statistics																2	
Bond Pricing																3	
Bond Debt Service																4	

SOURCES AND USES OF FUNDS

California Independent System Operator
2013 Series A Refunding Bonds
Advance Refunding of 2009 Series A
Refund 2015 Maturity and All Callable Bonds
Assumes Current Ratings: A1 / A / AANot-to-Exceed Scenario - \$210MM Proceeds & 4.75% All-in TIC
Rates as of July 10, 2013

Dated Date 08/21/2013 Delivery Date 08/21/2013

Sources:

Bond Proceeds:	
Par Amount	200,510,000.00
Premium	9,491,138.50
	210,001,138.50
Other Sources of Funds:	
Debt Service Reserve Release	15,000,000.00
DSRFDA Termination MTM Gain	1,275,000.00
	16,275,000.00
	226,276,138.50
Uses:	
Project Fund Deposits:	
Deposit to the 2009 Construction Fund	15,000,000.00
Refunding Escrow Deposits:	
SLGS Purchases	205,156,910.00
Delivery Date Expenses:	
Cost of Issuance	650,000.00
Underwriter's Discount	426,300.77
	1,076,300.77
Other Uses of Funds:	
Additional Proceeds	5,042,927.73
	226,276,138.50

BOND SUMMARY STATISTICS

Dated Date	08/21/2013
Delivery Date	08/21/2013
First Coupon	02/01/2014
Last Maturity	02/01/2039
Arbitrage Yield	4.442814%
True Interest Cost (TIC)	4.722398%
Net Interest Cost (NIC)	4.882945%
All-In TIC	4.751912%
Average Coupon	5.163927%
Average Life (years)	16.090
Duration of Issue (years)	10.781
Par Amount	200,510,000.00
Bond Proceeds	210,001,138.50
Total Interest	166,594,783.33
Net Interest	157,529,945.60
Bond Years from Dated Date	3,226,125,555.56
Bond Years from Delivery Date	3,226,125,555.56
Total Debt Service	367,104,783.33
Maximum Annual Debt Service	14,951,362.50
Average Annual Debt Service	14,427,698.91
Underwriter's Fees (per \$1000)	
Average Takedown	2.000000
Other Fee	0.126082
Total Underwriter's Discount	2.126082
Bid Price	104.520891

_						Average Life	PV of 1 bp change	
Serials	96,270,000.00	106.968	4.960%	9.940	65,023.55			
Term Bond due 2034	40,595,000.00	103.228	5.250%	19.001	30,852.20			
Term Bond due 2039	63,645,000.00	102.314	5.250%	23.535	48,370.20			
	200,510,000.00			16.090	144,245.95			

	TIC	All-In TIC	Arbitrage Yield
Par Value + Accrued Interest	200,510,000.00	200,510,000.00	200,510,000.00
+ Premium (Discount)- Underwriter's Discount- Cost of Issuance Expense- Other Amounts	9,491,138.50 -426,300.77	9,491,138.50 -426,300.77 -650,000.00	9,491,138.50
Target Value	209,574,837.73	208,924,837.73	210,001,138.50
Target Date Yield	08/21/2013 4.722398%	08/21/2013 4.751912%	08/21/2013 4.442814%

BOND PRICING

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price
	Date	Amount	Kate	Tield	THEE	Wiaturity	Date	11100
Serials:	00/01/0015	4.222.000	2 00000	4.4400	102.500			
	02/01/2015	4,230,000	3.000%	1.110%	102.700			
	02/01/2016	4,355,000	4.000%	1.560%	105.829			
	02/01/2017	4,525,000	4.000%	1.930%	106.865			
	02/01/2018	4,705,000	5.000%	2.350%	111.120			
	02/01/2019	4,940,000	5.000%	2.700%	111.571			
	02/01/2020 02/01/2021	5,185,000 5,440,000	5.000% 5.000%	2.970% 3.280%	111.825 111.277			
	02/01/2021	5,710,000	5.000%	3.580%	110.267			
	02/01/2022	5,990,000	5.000%	3.740%	109.945			
	02/01/2023	6,300,000	5.000%	3.930%	109.943 108.372 C	4.011%	02/01/2023	100.000
	02/01/2024	6,610,000	5.000%	4.080%	108.372 C 107.148 C	4.011%	02/01/2023	100.000
	02/01/2026	6,935,000	5.000%	4.230%	107.148 C 105.941 C	4.200%	02/01/2023	100.000
	02/01/2020	7,280,000	5.000%	4.370%	103.941 C 104.829 C	4.517%	02/01/2023	100.000
	02/01/2028	7,640,000	5.000%	4.490%	103.887 C	4.628%	02/01/2023	100.000
	02/01/2029	8,015,000	5.000%	4.590%	103.007 C	4.714%	02/01/2023	100.000
	02/01/2030	8,410,000	5.000%	4.660%	102.571 C	4.772%	02/01/2023	100.000
	02/01/2030	96,270,000	3.00070	4.00070	102.371 C	4.77270	02/01/2023	100.000
		, ,,						
Term Bond due 2034:								
	02/01/2031	9,470,000	5.250%	4.820%	103.228 C	4.996%	02/01/2023	100.000
	02/01/2032	9,910,000	5.250%	4.820%	103.228 C	4.996%	02/01/2023	100.000
	02/01/2033	10,365,000	5.250%	4.820%	103.228 C	4.996%	02/01/2023	100.000
	02/01/2034	10,850,000	5.250%	4.820%	103.228 C	4.996%	02/01/2023	100.000
		40,595,000						
Term Bond due 2039:								
	02/01/2035	11,610,000	5.250%	4.940%	102.314 C	5.087%	02/01/2023	100.000
	02/01/2036	12,140,000	5.250%	4.940%	102.314 C	5.087%	02/01/2023	100.000
	02/01/2037	12,700,000	5.250%	4.940%	102.314 C	5.087%	02/01/2023	100.000
	02/01/2038	13,290,000	5.250%	4.940%	102.314 C	5.087%	02/01/2023	100.000
	02/01/2039	13,905,000	5.250%	4.940%	102.314 C	5.087%	02/01/2023	100.000
		63,645,000						
		200,510,000						
	D	ated Date		08/21/2013	3			
	D	elivery Date		08/21/2013	3			
	F	irst Coupon		02/01/2014	4			
	P	ar Amount		200,510,000.00	0			
	Premium		9,491,138.50					
	P	roduction		210,001,138.50	0 104.7334	199%		
	Ü	nderwriter's Discou	nt	-426,300.7	7 -0.2126	508%		
		urchase Price ccrued Interest	_	209,574,837.73	3 104.5208	391%		
	N	et Proceeds		209,574,837.73	3			

BOND DEBT SERVICE

Period			
Ending	Principal	Interest	Debt Service
02/01/2014		4,494,533.33	4,494,533.33
02/01/2015	4,230,000	10,112,700.00	14,342,700.00
02/01/2016	4,355,000	9,985,800.00	14,340,800.00
02/01/2017	4,525,000	9,811,600.00	14,336,600.00
02/01/2018	4,705,000	9,630,600.00	14,335,600.00
02/01/2019	4,940,000	9,395,350.00	14,335,350.00
02/01/2020	5,185,000	9,148,350.00	14,333,350.00
02/01/2021	5,440,000	8,889,100.00	14,329,100.00
02/01/2022	5,710,000	8,617,100.00	14,327,100.00
02/01/2023	5,990,000	8,331,600.00	14,321,600.00
02/01/2024	6,300,000	8,032,100.00	14,332,100.00
02/01/2025	6,610,000	7,717,100.00	14,327,100.00
02/01/2026	6,935,000	7,386,600.00	14,321,600.00
02/01/2027	7,280,000	7,039,850.00	14,319,850.00
02/01/2028	7,640,000	6,675,850.00	14,315,850.00
02/01/2029	8,015,000	6,293,850.00	14,308,850.00
02/01/2030	8,410,000	5,893,100.00	14,303,100.00
02/01/2031	9,470,000	5,472,600.00	14,942,600.00
02/01/2032	9,910,000	4,975,425.00	14,885,425.00
02/01/2033	10,365,000	4,455,150.00	14,820,150.00
02/01/2034	10,850,000	3,910,987.50	14,760,987.50
02/01/2035	11,610,000	3,341,362.50	14,951,362.50
02/01/2036	12,140,000	2,731,837.50	14,871,837.50
02/01/2037	12,700,000	2,094,487.50	14,794,487.50
02/01/2038	13,290,000	1,427,737.50	14,717,737.50
02/01/2039	13,905,000	730,012.50	14,635,012.50
	200,510,000	166,594,783.33	367,104,783.33

BOND DEBT SERVICE

Period Ending	Principal	Interest	Debt Service	Annual Debt Service
02/01/2014		4,494,533.33	4,494,533.33	4,494,533.33
08/01/2014		5,056,350.00	5,056,350.00	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
02/01/2015	4,230,000	5,056,350.00	9,286,350.00	14,342,700.00
08/01/2015	4,230,000	4,992,900.00	4,992,900.00	14,542,700.00
02/01/2016	4,355,000	4,992,900.00	9,347,900.00	14,340,800.00
08/01/2016	4,555,000	4,905,800.00	4,905,800.00	14,540,000.00
02/01/2017	4,525,000	4,905,800.00	9,430,800.00	14,336,600.00
08/01/2017	4,323,000	4,815,300.00	4,815,300.00	14,550,000.00
02/01/2018	4,705,000	4,815,300.00	9,520,300.00	14,335,600.00
08/01/2018	4,703,000	4,697,675.00	4,697,675.00	14,555,000.00
02/01/2019	4,940,000	4,697,675.00	9,637,675.00	14,335,350.00
08/01/2019	4,540,000	4,574,175.00	4,574,175.00	14,555,550.00
02/01/2020	5,185,000	4,574,175.00	9,759,175.00	14,333,350.00
08/01/2020	3,103,000	4,444,550.00	4,444,550.00	14,555,550.00
02/01/2021	5,440,000	4,444,550.00	9,884,550.00	14,329,100.00
08/01/2021	3,440,000	4,308,550.00	4,308,550.00	14,527,100.00
02/01/2022	5,710,000	4,308,550.00	10,018,550.00	14,327,100.00
08/01/2022	3,710,000	4,165,800.00	4,165,800.00	14,527,100.00
02/01/2023	5,990,000	4,165,800.00	10,155,800.00	14,321,600.00
08/01/2023	3,990,000	4,016,050.00	4,016,050.00	14,321,000.00
02/01/2024	6,300,000	4,016,050.00	10,316,050.00	14,332,100.00
08/01/2024	0,300,000	3,858,550.00	3,858,550.00	14,332,100.00
02/01/2025	6,610,000	3,858,550.00	10,468,550.00	14,327,100.00
	0,010,000		3,693,300.00	14,527,100.00
08/01/2025	6.025.000	3,693,300.00	10,628,300.00	14 221 600 00
02/01/2026 08/01/2026	6,935,000	3,693,300.00		14,321,600.00
	7 200 000	3,519,925.00	3,519,925.00	14 210 950 00
02/01/2027	7,280,000	3,519,925.00	10,799,925.00	14,319,850.00
08/01/2027	7 (40 000	3,337,925.00	3,337,925.00	14 215 950 00
02/01/2028	7,640,000	3,337,925.00	10,977,925.00	14,315,850.00
08/01/2028	9.015.000	3,146,925.00	3,146,925.00	14 200 050 00
02/01/2029	8,015,000	3,146,925.00	11,161,925.00	14,308,850.00
08/01/2029	9 410 000	2,946,550.00	2,946,550.00	14 202 100 00
02/01/2030	8,410,000	2,946,550.00	11,356,550.00	14,303,100.00
08/01/2030	0.470.000	2,736,300.00	2,736,300.00	14.042.600.00
02/01/2031	9,470,000	2,736,300.00	12,206,300.00	14,942,600.00
08/01/2031	0.010.000	2,487,712.50	2,487,712.50	14 005 405 00
02/01/2032	9,910,000	2,487,712.50 2,227,575.00	12,397,712.50 2,227,575.00	14,885,425.00
08/01/2032	10 265 000		· · ·	14 920 150 00
02/01/2033 08/01/2033	10,365,000	2,227,575.00	12,592,575.00 1,955,493.75	14,820,150.00
	10,850,000	1,955,493.75		14 760 007 50
02/01/2034	10,830,000	1,955,493.75	12,805,493.75	14,760,987.50
08/01/2034	11 (10 000	1,670,681.25	1,670,681.25	14051 262 50
02/01/2035	11,610,000	1,670,681.25	13,280,681.25	14,951,362.50
08/01/2035	12 140 000	1,365,918.75	1,365,918.75	14 071 027 50
02/01/2036	12,140,000	1,365,918.75	13,505,918.75	14,871,837.50
08/01/2036	12 700 000	1,047,243.75	1,047,243.75	1470440750
02/01/2037	12,700,000	1,047,243.75	13,747,243.75	14,794,487.50
08/01/2037	12 200 000	713,868.75	713,868.75	1471772750
02/01/2038	13,290,000	713,868.75	14,003,868.75	14,717,737.50
08/01/2038	12 005 000	365,006.25	365,006.25	14 625 012 50
02/01/2039	13,905,000	365,006.25	14,270,006.25	14,635,012.50
	200,510,000	166,594,783.33	367,104,783.33	367,104,783.33

CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing document upon all of the parties listed on the official service list for the above-referenced proceeding, in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.2010).

Dated at Washington, D.C. this 12th day of July, 2013.

<u>/s/ Bradley R. Miliauskas</u> Bradley R. Miliauskas