Decision on Assignment of Revenue Requirement for Startrans' Mead Facilities



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On April 23, 2008 the CAISO became obligated to collect the TRR of Startrans through the TAC.

March 26	Startrans' PTO application conditionally approved
March 31	FERC authorized acquisition
April 4	All conditions satisfied
April 11	CAISO consented to transfer
April 23	Sale completed, CAISO assumed Operational Control, CAISO obligated to collect Startrans' Transmission Revenue Requirement through the Transmission Access Charge



The Board of Governors needs to decide whether to:

Keep the Mead transmission rights in the East Central TAC Area

or

Establish a new TAC Area for the Mead transmission rights

"...the CAISO Governing Board will review the reasonableness of integrating the entity into one of the existing TAC areas..."

ISO Tariff Appendix F, Schedule 3, Section 3.7



It is reasonable to integrate Startrans into the East Central TAC Area.

- No cost shifts
- Only a change in facility ownership
- FERC authorized increase in TRR collection amount
- Current, phase-in of Transmission Access Charge will result in "grid-wide" allocation within 2 years

Stakeholders support assigning Startrans' TRR to East Central TAC Area, but split on TRR collection method.

Stakeholder	Startrans TRR in East Central TAC Area	Collection Method
Six Cities	Agree	Grid-wide onlyExisting Tariff adequate
SCE	Agree	 Exclude Startrans from Transition Charge of TAC Tariff amendment required
SDG&E	Agree	Existing Tariff adequate



Management recommends assigning Startrans' TRR into the East Central TAC Area.

- Stakeholders agree with this assignment
- CAISO management is working with stakeholders to implement the collection of these costs, consistent with existing Tariff provisions

