

**BEFORE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking into the operation)
of interruptible load programs offered by) R.00-10-002
Pacific Gas and Electric Company, San Diego)
Gas & Electric Company, and Southern)
California Edison Company and the effect of)
these programs on energy prices, other demand)
responsiveness programs, and the reliability of)
electric system.)
_____)

**COMMENTS OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR ON
USS POSCO INDUSTRIES' AND THE CALIFORNIA ENERGY COMMISSION'S
PETITIONS TO MODIFY DECISION 01-04-006**

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Corporation**

Dated: June 25, 2001

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Pursuant to the June 20, 2001 Ruling of Administrative Law Judge Mattson, the California Independent System Operator Corporation ("ISO") provides the following comments on USS POSCO Industries' ("USS POSCO") and the California Energy Commission's ("CEC") petitions to modify Decision 01-04-006, both dated June 21, 2001.

COMMENTS

USS POSCO and the CEC make statements in their respective petitions regarding activities the ISO may be required to undertake in order to properly implement the requested modifications. For example, USS POSCO indicates the ISO would, as part of its settlement process, be required to credit only those demand reductions provided pursuant to the Demand Relief Program ("DRP") that are in excess of the customer's OBMC obligations to insure the dual participation issue is properly managed.¹ In similar fashion, the CEC notes that the calculated Real Time Pricing ("RTP") values could be posted publicly on the ISO's website by 4 p.m. each day so participants would have

¹ USS POSCO Petition for Modification, pg. 5. The ISO expressed its support of DRP/OBMC dual participation in this proceeding by comments dated April 25, 2001

access to the necessary pricing information.² The ISO files these comments to state its willingness to: (i) publish RTP values provided to the ISO on the ISO's Home Page as necessary to facilitate Real Time Pricing; and (ii) deduct the value of OBMC committed capacity provided by the IOUs from its DRP performance calculations.

CONCLUSION

For the above reasons, the ISO respectfully requests the Commission to consider USS POSCO's and the CEC's petitions with the understanding that the ISO is prepared to undertake the foregoing activities.

Dated: June 25, 2001

Respectfully submitted,

FARELLA BRAUN & MARTEL LLP

By: _____

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² CEC Petition for Modification, pg. 9.

DECLARATION OF SERVICE

I, Gabriel A. Mikulich, declare that I am employed in the County of San Francisco, State of California, and am not a party to the within action. My business address is Russ Building, 235 Montgomery Street, San Francisco, CA 94104.

On June 25, 2001, I served the document titled **COMMENTS OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR ON USS POSCO INDUSTRIES' AND THE CALIFORNIA ENERGY COMMISSION'S PETITIONS TO MODIFY DECISION 01-04-006** on all parties of record in Rulemaking 001-10-002 by both mailing a properly addressed copy by first class mail with postage prepaid to each party and providing an electronic copy to the email address of record for each party.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this declaration was executed at San Francisco, California this 25th day of June, 2001.

Gabriel A. Mikulich