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April 15, 2003

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  
Docket No. ER03-218-000**

**California Independent System Operator Corporation  
Docket No. ER03-219-000**

Dear Secretary Salas:

The California Independent System Operator Corporation ("ISO")<sup>1</sup> respectfully submits six copies of this filing in compliance with the Commission's January 24, 2003 order in the captioned proceeding, 102 FERC ¶ 61,061 ("January 24 Order"). The ISO requests that the Commission not act on this compliance filing until it has ruled on the Requests for Rehearing of the January 24 Order filed in this docket by the ISO and the Cities of Anaheim, Azusa, Banning, and Riverside, California (together, "Southern Cities").

In the January 24 Order, the Commission, *inter alia*, ruled on the ISO's November 25, 2002 filing of a revised Transmission Control Agreement ("TCA") and on Amendment No. 47 to the ISO Tariff (also filed on November 25, 2002). In the January 24 Order, the Commission directed the ISO to:

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<sup>1</sup> Capitalized terms not otherwise defined herein are used in the sense given in the Master Definitions Supplement, Appendix A to the ISO Tariff.

1. Require Commission approval prior to withdrawal of Participating Transmission Owners from the ISO, even when such Participating TOs are threatened with an Impending Adverse Tax Action, as those terms are used in the TCA (January 24 Order at P 38);
2. File Procedures to Relinquish Operational Control, which the Commission described as "what procedures [the ISO] will use to effectuate a Participating TO's withdrawal from the CAISO" within 30 days after such procedures have been developed (January 24 Order at P 38);
3. Develop a mechanism for the ISO Transmission Register to allow Market Participants to have access to the information it contains without compromising the need for its security (at P 22); and
4. Correct the typographical error in the listing of Pacific Gas and Electric Company ("PG&E") Encumbrance 12 in TCA Appendix B (at P 35).<sup>2</sup>

#### **I. Background**

On November 25, 2002, the ISO filed, in Docket No. ER03-219-000, an amended TCA executed by PG&E, San Diego Gas & Electric Company ("SDG&E"), Southern California Edison Company ("SCE"), and the Southern Cities. The purpose of the amendment to the TCA was: (1) to clarify, amend, and supplement various provisions of the current TCA in response to issues raised by the Southern Cities in their application process to become Participating TOs, (2) to identify the transmission interests that Southern Cities would be turning over to the ISO's Operational Control, and (3) to make certain other changes to the TCA proposed by the ISO and the existing Participating TOs.

In connection with the amended TCA, the ISO also filed on November 25, 2002, in Docket No. ER03-218-000, Amendment No. 47 to the ISO Tariff, which proposed to modify the Tariff to be consistent with the provisions of the TCA that were being amended to accommodate the Southern Cities becoming Participating TOs. The process of becoming a Participating TO includes signing the TCA and turning over Operational Control of transmission facilities and Entitlements to the ISO. The Southern Cities requested several changes to the TCA prior to signing it, which necessitated minor changes to the ISO Tariff. Amendment 47 reflects the necessary Tariff revisions.

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<sup>2</sup> Although the January 24 Order did not provide a date by which the ISO was required to comply with its directives, the Commission issued an Errata Notice on February 14, 2003 specifying that the ISO was to comply with the directives of the January 24 Order within 60 days of the Errata Notice, *i.e.*, by April 15, 2003.

As noted above, the January 24 Order directs the ISO, *inter alia*, to revise the TCA to require Commission approval prior to withdrawal of Participating Transmission Owners from the ISO, even when such Participating TOs are threatened with an Impending Adverse Tax Action, as those terms are used in the TCA, rather than allowing entities with tax exempt financing to withdraw from the ISO without such Commission approval.

The ISO (on February 20, 2003) and the Southern Cities (on February 6, 2003) filed separate Requests for Rehearing of the January 24 Order on the issue of Commission approval of withdrawal from the TCA when threatened with an Actual or Impending Adverse Tax Action, as those terms are used in the TCA. As noted in Southern Cities' Request for Rehearing, "Southern Cities cannot participate in the ISO without a clear and unimpeded path to withdraw from the ISO if faced with the loss of the tax-exempt status on bonds used to finance their transmission facilities and entitlements." Southern Cities Request for Rehearing at 4-5. In addition, Southern Cities stated that they "will not sign and do not consider themselves bound by any TCA that does not include a self-executing right to withdraw in the event of an Impending or Actual Adverse Tax Action." *Id.* at 17. The ISO stated its concerns on this issue in its own Request for Rehearing, including, *inter alia*, the creation of disincentives to join ISOs in general (ISO Request for Rehearing at 4-7) and the uncertainty created in this situation in particular. *Id.* at 9-10. Nonetheless, in order to comply with the January 24 Order, the ISO is making the required revisions in the ISO Tariff and in the TCA.

## **II. Request for Delayed Action**

Due to the unusual procedural posture of this proceeding, the ISO urges the Commission not act on this compliance filing until after it has acted on the Requests for Rehearing filed by the ISO and the Southern Cities.<sup>3</sup> The rulings contained in an order on rehearing regarding the issues raised in those pleadings will have a profound effect on this compliance filing, and on the future contents of the TCA in general. The ISO believes that the Commission will not want to act precipitously on a matter of great significance to the future of the ISO and the entities of which it is made up, and also will not want to allow the ISO Grid to experience unnecessary upheaval as it attempts to comply with the Commission's directives. That being the case, the ISO requests that any Commission action on this compliance filing be delayed until the resolution of the issues raised on rehearing.

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<sup>3</sup> In this regard, the ISO notes that in a March 10, 2003 Order Granting Rehearing for Further Consideration in these proceedings the Commission indicated that it would rule on the Requests for Rehearing by April 14, 2003, but the ISO is not aware that the Commission has done so as of yet.

### **III. Compliance with January 24 Order**

#### **A. Commission Approval for Withdrawal**

As described above, one of the changes requested by the Southern Cities was to add a provision to the TCA that would allow a Participating TO with tax-exempt financing ("Tax Exempt Participating TO") to withdraw from the TCA when threatened with an Actual or Impending Adverse Tax Action, as those terms are used in the TCA.

In the January 24 Order, the Commission ordered a change to § 3.4 of the amended TCA to require that any notice of withdrawal of a Participating TO from the ISO must be filed with the Commission, and must be approved by the Commission before becoming effective. January 24 Order at P 38. To comply with this directive, the ISO is deleting this section from the TCA and deleting the reference made to this section of the TCA from the ISO Tariff.

The pertinent section of the TCA, as described above, is § 3.4. Attachment A to this filing contains a clean sheet of the TCA reflecting this deletion. A blackline showing the deletion of TCA § 3.4 is found in Attachment B.

The section of the ISO Tariff that must be changed to accommodate the deletion of TCA § 3.4 is ISO Tariff Appendix F, Schedule 3, § 8.3.<sup>4</sup> Since the inception of the ISO and the original execution of the TCA in December 1987, SDG&E has had the ability in Appendix B to withdraw from ISO Operational Control transmission facilities financed with Local Furnishing Bonds if the tax-exempt status of such facility is jeopardized. The ISO, in implementing FTRs, did not account for this nuance. Thus, the concept of withdrawal, the revision of the TRR and the refund of FTR auction revenue should be retained. Attachment C to this filing consists of clean tariff sheets reflecting the deletion in this section to the reference of TCA § 3.4. Blackline tariff sheets reflecting the change being made are contained in Attachment D. The ISO requests that these Tariff changes be made effective as of January 1, 2003, the date on which the changes requested in Amendment 47 were to be made effective.

#### **B. Withdrawal Procedures**

Together with the other items directed in the January 24 Order, the Commission stated that the ISO is to develop procedures for a Participating TO's withdrawal from the ISO in accordance with TCA § 3.4, and to file such procedures with the Commission within 30 days after they have been developed.

In order to comply with this directive, however, the participation and cooperation of all Participating TOs, including the Southern Cities, would be necessary. Because of

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<sup>4</sup> Although the Commission did not specifically address ISO Tariff Appendix F, Schedule 3, § 8.3 in the January 24 Order, see P 41), the ISO is revising it because it references TCA § 3.4, which is being deleted through this filing.

the uncertainty surrounding the participation of the Southern Cities at this time, and the pendency of the Commission's order on rehearing of this matter, the ISO has not initiated discussion of these procedures as of yet. Once the Commission's Order on Rehearing has issued, however, the ISO promptly will address this directive.

C. Procedures to Allow Access to the ISO Register

In the January 24 Order, the Commission directed the ISO to "develop a mechanism for the Transmission Register that will allow market participants to have access to it and, at the same time, not compromise its security. Specifically, the CAISO must implement reasonable screening procedures that will allow it, on a case-by-case basis, to give all legitimate market participants access, if they request it, to the information in the Transmission Register." January 24 Order at P 22.

The ISO has worked to craft such a mechanism, and expects the procedure to be finalized shortly. The ISO gave the Participating TOs until April 11 to review the draft procedures, and currently is considering the comments and suggestions it continues to receive from the Participating TOs prior to providing the draft procedures to stakeholders for their review and comment. The ISO has taken this thorough approach to developing the procedures due to its concern that the legitimate business purposes of Market Participants be balanced carefully with the need to keep this sensitive information out of the wrong hands.

When final, the ISO will send out a Market Participant notice regarding the new procedure and post the procedure on its website, where Market Participants may refer to it. The procedure will allow Market Participants with legitimate business purposes to have access to the data from the ISO Register they need for such business purposes.

TCA § 4.2.4 is being altered in this filing to insert language informing Market Participants that the ISO will provide ISO Register information to entities that can demonstrate a legitimate need for the information in accordance with screening procedures to be posted on the ISO Home Page. Clean sheets reflecting this change are found in Attachment E to this filing, and blackline sheets are included as Attachment F.

D. Change to TCA Appendix B

In the process of putting together the amended TCA, a typographical error was made in the termination date of PG&E Encumbrance 12 in TCA Appendix B. This error has been corrected in the pages of the TCA included in this filing. Attachment G contains the corrected listing in clean format, and Attachment H shows the correction in blackline format.

#### **IV. Service**

Copies of this transmittal letter and all attachments have been served upon the Public Utilities Commission of the State of California, the California Energy Commission, the California Electricity Oversight Board, and all parties, including the Southern Cities and existing Participating TOs, with effective Scheduling Coordinator Agreements under the ISO Tariff.

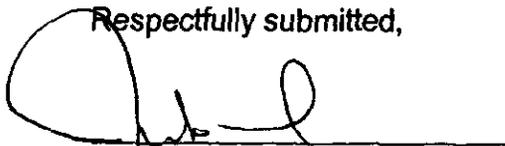
#### **V. Attachments**

- Attachment A      Clean corrected TCA sheets for the removal of the right of withdrawal from the TCA when threatened with an Actual or Impending Adverse Tax Action
- Attachment B      Blackline corrected TCA sheets for the removal of the right of withdrawal from the TCA when threatened with an Actual or Impending Adverse Tax Action
- Attachment C      Clean corrected Tariff sheets for the removal of the right of withdrawal from the TCA when threatened with an Actual or Impending Adverse Tax Action
- Attachment D      Blackline corrected Tariff sheets for the removal of the right of withdrawal from the TCA when threatened with an Actual or Impending Adverse Tax Action
- Attachment E      Clean corrected TCA sheets regarding the procedures to be followed to obtain access to the ISO Register
- Attachment F      Blackline corrected TCA sheets regarding the procedures to be followed to obtain access to the ISO Register
- Attachment G      Clean corrected TCA pages regarding the correction to the termination date of PG&E Encumbrance 12 in Appendix B
- Attachment H      Blackline corrected TCA pages regarding the correction to the termination date of PG&E Encumbrance 12 in Appendix B
- Attachment I      A form notice of filing suitable for publication in the Federal Register, along with a computer diskette containing the notice of filing

The Honorable Magalie R. Salas  
April 15, 2003  
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Two additional copies of this filing are enclosed to be date-stamped and returned to our messenger. If there are questions concerning this filing, please contact the undersigned.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'K. Jaffe', is written over a horizontal line.

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## ATTACHMENT A

party obtaining any necessary regulatory approvals for such withdrawal. The withdrawing Participating TO shall make a good faith effort to ensure that its withdrawal does not unduly impair the ISO's ability to meet its Operational Control responsibilities as to the facilities remaining within the ISO Controlled Grid.

**3.3.4 Publication of Withdrawal Notices.** The ISO shall inform the public through WEnet or the ISO internet website of all notices received under this Section 3.3.

**3.4 [Not Used]**

CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION  
FERC ELECTRIC TARIFF NO. 7  
SECOND REPLACEMENT TRANSMISSION CONTROL AGREEMENT Substitute Original Sheet No. 11

**[Not Used]**

Issued by: Anthony Ivancovich, Senior Regulatory Counsel  
Issued on: April 15, 2003

Effective: January 1, 2003

CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION  
FERC ELECTRIC TARIFF NO. 7  
SECOND REPLACEMENT TRANSMISSION CONTROL AGREEMENT Substitute Original Sheet No. 12

**[Not Used]**

Issued by: Anthony Ivancovich, Senior Regulatory Counsel  
Issued on: April 15, 2003

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CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION  
FERC ELECTRIC TARIFF NO 7  
SECOND REPLACEMENT TRANSMISSION CONTROL AGREEMENT Substitute Original Sheet No. 13

**[Not Used]**

Issued by: Anthony Ivancovich, Senior Regulatory Counsel  
Issued on: April 15, 2003

Effective: January 1, 2003

CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION  
FERC ELECTRIC TARIFF NO. 7  
SECOND REPLACEMENT TRANSMISSION CONTROL AGREEMENT Substitute Original Sheet No. 14

**[Not Used]**

Issued by: Anthony Ivancovich, Senior Regulatory Counsel  
Issued on: April 15, 2003

Effective: January 1, 2003

#### **4. TRANSFER OF OPERATIONAL CONTROL**

##### **4.1. TO Facilities and Rights Provided to the ISO.**

4.1.1 **ISO Controlled Grid.** Subject to Section 4.1.2 and the treatment of Existing Contracts under Sections 2.4.3 and 2.4.4 of the ISO Tariff and subject to the *applicable interconnection, integration, exchange, operating, joint ownership and joint participation agreements*, each Participating TO shall place under the ISO's Operational Control the transmission lines and associated facilities forming part of the transmission network that it owns or to which it has Entitlements. The Initial Transmission Owners identified in Section 2.1.1 shall be deemed to have placed such transmission lines and associated facilities under the ISO's Operational Control as of the date the CPUC or its delegate declares to be the start date for direct access pursuant to CPUC Decisions 97-

## ATTACHMENT B

## ATTACHMENT B

(TCA blackline re removal of right of withdrawal due to adverse tax action)

### ~~3.4 — Withdrawal Due to Adverse Tax Action.~~

~~3.4.1 — Right to Withdraw Due To Adverse Tax Action. Subject to Sections 3.4.2 through 3.4.4, in the event an Adverse Tax Action Determination identifies an Impending Adverse Tax Action or an Actual Adverse Tax Action, a Tax Exempt Participating TO may exercise its right to Withdraw for Tax Reasons. The right to Withdraw for Tax Reasons, in accordance with the provisions of this Section 3.4, shall not be subject to any approval by the ISO, the FERC or any other Party.~~

### ~~3.4.2 — Adverse Tax Action Determination.~~

~~3.4.2.1 — A Tax Exempt Participating TO shall provide to all other Parties written notice of an Adverse Tax Action Determination and a copy of the Tax Exempt Participating TO's (or its joint action agency's) nationally recognized bond counsel's opinion or an IRS determination supporting such Adverse Tax Action Determination. Such written notice shall be provided promptly under the circumstances, but in no event more than 15 working days from the date of receipt of such documents.~~

~~3.4.2.2 — The Adverse Tax Action Determination shall include (i) the actual or projected date of the Actual Adverse Tax Action and (ii) a description of the transmission lines, associated facilities or Entitlements that were financed in whole or in part with proceeds of the Tax Exempt Debt that is the subject of such Adverse Tax Action Determination. A Tax Exempt Participating TO shall promptly notify all other Parties in writing in the event the actual or projected date of the Actual Adverse Tax~~

~~Action changes. The Tax Exempt Participating TO's determination of the actual or projected date of the Actual Adverse Tax Action shall be binding upon all Parties.~~

~~3.4.2.3 Any transmission lines, associated facilities or Entitlements of the Tax Exempt Participating TO not identified in both the Adverse Tax Action Determination and the written notice of Withdrawal for Tax Reasons shall remain under the ISO's Operational Control.~~

~~3.4.3 **Withdrawal Due to Impending Adverse Tax Action.** A Tax Exempt Participating TO may Withdraw for Tax Reasons prior to an Actual Adverse Tax Action if such Tax Exempt Participating TO provides prior written notice of its Withdrawal for Tax Reasons to all other Parties as required in Sections 3.4.3(i) through 3.4.3(iv).~~

~~i. In the event the date of the Adverse Tax Action Determination is seven months or more from the projected date of the Actual Adverse Tax Action, then a Tax Exempt Participating TO that exercises its right to Withdraw for Tax Reasons shall provide prior written notice of its Withdrawal for Tax Reasons to all other Parties at least six months in advance of the projected date of the Actual Adverse Tax Action.~~

~~ii. In the event the date of the Adverse Tax Action Determination is less than seven months but more than two months from the projected date of the Actual Adverse Tax Action, then a Tax Exempt Participating TO that exercises its right to Withdraw for Tax Reasons shall provide prior written notice of its Withdrawal for Tax Reasons to all other Parties at least 30 days in advance of the projected date of the Actual Adverse Tax Action.~~

~~iii. In the event the date of the Adverse Tax Action Determination is~~

~~between two months and one month from the projected date of the Actual Adverse Tax Action, then a Tax Exempt Participating TO that exercises its right to Withdraw for Tax Reasons shall provide prior written notice of its Withdrawal for Tax Reasons to all other Parties at least 15 days in advance of the projected date of the Actual Adverse Tax Action.~~

~~iv. In the event the date of the Adverse Tax Action Determination is less than one month from the projected date of the Actual Adverse Tax Action, then a Tax Exempt Participating TO shall have up to 15 days following the date of the Adverse Tax Action Determination to exercise its right to Withdraw for Tax Reasons, and if so exercised shall provide no later than one day thereafter written notice of its Withdrawal for Tax Reasons to all other Parties.~~

~~v. With respect to Sections 3.4.3(i) through 3.4.3(iii), upon receipt by the ISO of a notice to Withdraw for Tax Reasons, the ISO shall promptly begin working with the applicable Tax Exempt Participating TO to relinquish the ISO's Operational Control over the affected transmission lines, associated facilities or Entitlements to such Tax Exempt Participating TO, provided that such Operational Control must be relinquished by the ISO no later than five days prior to the projected date of the Actual Adverse Tax Action. With respect to Section 3.4.3(iv), (1) if the notice of Withdrawal for Tax Reasons is received by the ISO at least six days prior to the projected date of the Actual Adverse Tax Action, Operational Control over the affected transmission lines, associated facilities or Entitlements must be relinquished by the ISO to such Tax Exempt Participating TO no later than five days prior to the projected date of the Actual Adverse Tax Action, or (2) if the notice of Withdrawal for Tax Reasons is received by~~

~~the ISO any time after six days prior to the projected date of the Actual Adverse Tax Action, the ISO shall on the next day relinquish Operational Control over the affected transmission lines, associated facilities or Entitlements to such Tax Exempt Participating TO.~~

~~**3.4.4 — Withdrawal Due to Actual Adverse Tax Action.** In addition to the foregoing, upon the occurrence of an Actual Adverse Tax Action, the affected Tax Exempt Participating TO may immediately Withdraw for Tax Reasons. The Tax Exempt Participating TO shall have up to 15 days from the date of the Adverse Tax Action Determination with respect to an Actual Adverse Tax Action to exercise its right to Withdraw for Tax Reasons. If the Tax Exempt Participating TO determines to exercise its right to Withdraw for Tax Reasons, upon receipt of the notice of Withdrawal for Tax Reasons, the ISO shall immediately relinquish Operational Control over the affected transmission lines, associated facilities or Entitlements to such Tax Exempt Participating TO.~~

~~**3.4.5 — Alternate Date To Relinquish Operational Control.** Notwithstanding anything to the contrary in this Section 3.4, the ISO and a Tax Exempt Participating TO who has provided a notice of Withdrawal for Tax Reasons may mutually agree in writing to an alternate date that the ISO shall relinquish Operational Control over the affected transmission lines, associated facilities or Entitlements to such Tax Exempt Participating TO. If the ISO or a Tax Exempt Participating TO who has provided a notice of Withdrawal for Tax Reasons desires an alternate date from the date provided in Sections 3.4.3(i) through 3.4.3(v)(1) for the ISO to relinquish Operational Control over the affected transmission lines, associated facilities or~~

~~Entitlements to such Tax Exempt Participating TO, such party promptly shall give written notice to the other, and each agrees to negotiate in good faith, for a reasonable period of time, to determine whether or not they can reach mutual agreement for such an alternate date; provided, however, such good faith negotiations are not required to be conducted during the five days preceding the date provided in Sections 3.4.3(i) through 3.4.3(v)(1) for the ISO to relinquish Operational Control over the affected transmission lines, associated facilities or Entitlements.~~

~~3.4.6 — Procedures to Relinquish Operational Control. The ISO shall implement a procedure jointly developed by all Parties to relinquish Operational Control over the affected transmission lines, associated facilities, or Entitlements as provided in this Section 3.4.~~

~~3.4.7 — Right to Rescind Notice of Withdrawal for Tax Reasons. At any time up to two days prior to the ISO's relinquishment to the Tax Exempt Participating TO of Operational Control over the affected transmission lines, associated facilities or Entitlements, a Tax Exempt Participating TO may rescind its notice of Withdrawal for Tax Reasons by providing written notice thereof to all other Parties, and such notice shall be effective upon receipt by the ISO.~~

~~3.4.8 — Amendment of Agreement. Following the relinquishment by the ISO of Operational Control in accordance with this Section 3.4, the ISO promptly shall prepare the necessary changes to this Agreement, submit the changes to the Participating TOs for execution and take whatever regulatory action, if any, that is required to properly reflect the Withdrawal for Tax Reasons.~~

~~3.4.9 — Provision of Information by ISO. To assist Tax Exempt~~

~~Participating TOs in identifying at the earliest opportunity Impending Adverse Tax Actions or Actual Adverse Tax Actions, the ISO promptly shall provide to Participating TOs any non-confidential information regarding any ISO plans, actions or operating protocols that the ISO believes might adversely affect the tax-exempt status of any Tax Exempt Debt issued by, or for the benefit of, a Tax Exempt Participating TO.~~

~~3.4.10 **Publication of Notices.** The ISO shall inform the public through WEnet or the ISO internet website of all notices received under this Section 3.4.~~

## ATTACHMENT C

**8. Updates to High Voltage Access Charges.**

**8.1** High Voltage Access Charges and High Voltage Wheeling Access Charges shall be adjusted: (1) on January 1 and July 1 of each year when necessary to reflect the addition of any New Participating TO and (2) on the date FERC makes effective a change to the High Voltage Transmission Revenue Requirements of any Participating TO. Using the High Voltage Transmission Revenue Requirement accepted or authorized by FERC, consistent with Section 9 of this Schedule 3, for each Participating TO, the ISO will recalculate on a monthly basis the High Voltage Access Charge and Transition Charge applicable during such period. Revisions to the Transmission Revenue Balancing Account adjustment shall be made effective annually on January 1 based on the principal balance in the TRBA as of September 30 of the prior year and a forecast of Transmission Revenue Credits for the next year.

**8.2** For service provided by a Participating TO prior to the Transition Date, no refund ordered by FERC or amount accrued to that Participating TO's Transmission Revenue Balancing Account related to such service shall be reflected in the High Voltage Access Charge, Low Voltage Access Charge, the High Voltage Transmission Revenue Requirement, or the Low Voltage Transmission Revenue Requirement of a Participating TO. For service provided by a Participating TO following the Transition Date, any refund associated with a Participating TO's Transmission Revenue Requirement that has been accepted by FERC, subject to refund, shall be provided as ordered by FERC. Such refund shall be invoiced separately from the Market Invoice.

**8.3** If the Participating TO withdraws one or more of its transmission facilities from the ISO Operational Control, then the ISO will no longer collect the TRR for that transmission facility through the ISO's Access Charge effective upon the date the transmission facility is no longer under the Operational Control of the ISO. The withdrawing Participating TO shall be obligated to provide the ISO with all necessary information to implement the withdrawal of the Participating TO's transmission facilities and to make any necessary filings at FERC to revise its TRR. The ISO shall revise its transmission Access Charge to reflect the withdrawal of one or more transmission facilities from ISO Operational Control.

**9. Approval of Updated High Voltage Revenue Requirements**

**9.1** Participating TOs that are FERC-jurisdictional entities will make the appropriate filings at FERC to establish their Transmission Revenue Requirements for their Low Voltage Access Charges and the applicable High Voltage Access Charges, and to obtain approval of any changes thereto. All such filings with the FERC will include appropriate

## ATTACHMENT D

## ATTACHMENT D

### (Tariff blackline re removal of right of withdrawal due to adverse tax action)

- 8.3 If the Participating TO withdraws one or more of its transmission facilities from the ISO Operational Control ~~in accordance with Section 3.4 of the Transmission Control Agreement~~, then the ISO will no longer collect the TRR for that transmission facility through the ISO's Access Charge effective upon the date the transmission facility is no longer under the Operational Control of the ISO. The withdrawing Participating TO shall be obligated to provide the ISO with all necessary information to implement the withdrawal of the Participating TO's transmission facilities and to make any necessary filings at FERC to revise its TRR. The ISO shall revise its transmission Access Charge to reflect the withdrawal of one or more transmission facilities from ISO Operational Control.

**ATTACHMENT E**

that an ISO Register change cannot be implemented due to (a) lack of clarity or necessary information, or (b) conflict between the revised rating and applicable contractual, regulatory or legal requirements including operating considerations, or other conflict with the terms of this Agreement. In such event, the ISO promptly will communicate to the Participating TO the reason that the ISO cannot implement the ISO Register change and will work with the Participating TO in an attempt to resolve promptly the concerns leading to the ISO's refusal to implement an ISO Register change. The ISO consent required with respect to a sale, assignment, release, transfer or other disposition of transmission lines, associated facilities or Entitlements as provided in Section 4.4 hereof shall not be withheld by the ISO as a result of an ISO determination that an ISO Register change cannot be implemented pursuant to this Section 4.2.3.

**4.2.4 Publication.** The ISO shall make the ISO Register available to the Participating TOs on WEnet or a secure ISO-maintained internet website. The ISO will provide ISO Register information to entities that can demonstrate a legitimate need for the information in accordance with screening procedures to be posted on the ISO Home Page.

**4.2.5 Duty to Maintain Records.** The ISO shall maintain the ISO Register in a form that conveniently shows the entities responsible for operating, maintaining and controlling the transmission lines and associated facilities forming part of the ISO Controlled Grid at any time and the periods during which they were so responsible.

**4.3. Rights and Responsibilities of Participating TOs.**

Each Participating TO shall retain its benefits of ownership and its rights and responsibilities in relation to the transmission lines and associated facilities placed under the ISO's Operational Control except as otherwise provided in this Agreement.

## ATTACHMENT F

## ATTACHMENT F

(TCA blackline re procedures to be followed to obtain access to ISO Register)

4.2.4 **Publication.** The ISO shall make the ISO Register available to the Participating TOs on WEnet or a secure ISO-maintained internet website. The ISO will provide ISO Register information to entities that can demonstrate a legitimate need for the information in accordance with screening procedures to be posted on the ISO Home Page.

## ATTACHMENT G

CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION  
 FERC ELECTRIC TARIFF NO. 7  
 SECOND REPLACEMENT TRANSMISSION CONTROL AGREEMENT

Substitute Original Sheet No. 106

6.	DOE Laboratories, WAPA	PG&E/WAPA/DOE-SF 10/30/98 Settlement Agreement – PG&E Rate Schedule FERC No. 147	Transmission Service	3/31/2009	
7.	Lawrence Livermore National Laboratory, WAPA	PG&E/WAPA/DOE – SF Settlement Agreement - PG&E Rate Schedule FERC No. 147	Standby Transmission Service	3/31/2009	
8.	Midway-Sunset Co-Generation	Cogeneration Project Special Facilities - PG&E Rate Schedule FERC No. 182	Interconnection, transmission	1/1/2017	
9.	Minnesota Methane	Service Agreement No 1, under FERC Electric Tariff, First Revised Volume No. 12	Firm Point-to-Point Transmission Service - OAT	10/1/2016	Effective 10/1/96
10.	Modesto Irrigation District	Interconnection Agreement - PG&E Rate Schedule FERC No.116	Interconnection, transmission, power sales	4/1/2008	Power sales are coordination sales - voluntary spot sales
11.	NCPA, CSC, CDWR	Castle Rock-Lakeville CoTenancy Agreement - PG&E Rate Schedule FERC No. 139	Transmission facilities maintenance	Evergreen, or 1 year notice after 1/1/2015	
12.	Path 15 Operating Instructions Settlement – Various, see FERC Docket No. ER99-1770-001	Exhibit B-1 to this Appendix B to the TCA	Implements curtailment priorities consistent with various Existing Transmission Contracts. Establishes Path 15 Facilitator role for PG&E.	3/31/2003	
13.	Power Exchange	Control Area Transmission Service Agreement - PG&E Rate Schedule FERC No. 186	Transmission and various other services	3/1/2000, or may extend if Destec does	
14.	Puget Sound Power & Light	Capacity and Energy Exchange - PG&E Rate Schedule FERC No. 140	Power exchanges	Terminates in 2007 per 5 year advance written notice received from Puget in 2002.	

## ATTACHMENT H

**ATTACHMENT H**

**(TCA blackline re correction to termination date of PG&E Encumbrance 12)**

**TRANSMISSION CONTROL AGREEMENT**

**APPENDIX B**

**Encumbrances**

**PG&E APPENDIX B**

List of Encumbrances on Lines and Facilities, and Entitlements  
Being Placed under ISO Operational Control (per TCA Appendix A1 & A2)<sup>1</sup>

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<b>Ref. #</b>	<b>Entities</b>	<b>Contract/ Rate Schedule #</b>	<b>Nature of Contract</b>	<b>Termination</b>	<b>Comments</b>
12.	Path 15 Operating Instructions Settlement – Various, see FERC Docket No. ER99-1770-001	Exhibit B-1 to this Appendix B to the TCA	Implements curtailment priorities consistent with various Existing Transmission Contracts. Establishes Path 15 Facilitator role for PG&E.	3/4 <u>331</u> /2003	

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## ATTACHMENT I

**NOTICE SUITABLE FOR PUBLICATION IN THE  
FEDERAL REGISTER**

**UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION**

**California Independent System Operator ) Docket No. ER03-218-\_\_\_\_  
Corporation )**

**California Independent System Operator ) Docket No. ER03-219-\_\_\_\_  
Corporation )**

**Notice of Filing**

**[ ]**

Take notice that on April 15, 2003 the California Independent System Operator Corporation ("ISO") made a filing ("Compliance Filing") in compliance with the Commission's January 24, 2003 Order in Docket Nos. ER03-218-000 and ER03-219-000 ("January 24 Order"). The purpose of the Compliance Filing is to submit certain changes to the ISO Tariff and the Transmission Control Agreement to bring them into conformance with the directives of January 24 Order.

The ISO states that this filing has been served on the Public Utilities Commission of the State of California, the California Energy Commission, the California Electricity Oversight Board, and all parties with effective Scheduling Coordinator Agreements under the ISO Tariff.

The ISO is requesting that the Commission delay acting on the Compliance Filing until it has acted on certain Requests for Rehearing of the January 24 Order.

Any person desiring to be heard or to protest the filing should file a motion to intervene or protest 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 C.F.R. §§ 385.211 and 385.214). All such motions or protests must be filed in accordance with § 35.9 of the Commission's regulations. 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. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference

Room. This filing may also be viewed on the Internet at <http://www.ferc.fed.us/online/rims.htm> (call 202-208-2222 for assistance).

Comment Date: