

**Stakeholder Comments Template****Subject: Regarding Procedures For Penalty Allocation requests to  
FERC**

Submitted by	Company	Date Submitted
Rich Mettling (626.302.9712, rich.mettling@sce.com)	SCE	November 16, 2011

SCE is pleased to comment on the CAISO's tariff providing for Procedures for Penalty Allocation Requests to FERC.

Although the proposed tariff language will serve the CAISO's needs in recovering penalties from customers, SCE is concerned with the language allowing the CAISO to allocate penalties to market participants even for cases in which CAISO actions are solely the cause for incurring the penalties (i.e., no CAISO market participant is responsible). SCE proposes that the CAISO first attempts to seek a waiver of such penalties, rather than simply pass them through to market participants. Suggested tariff language is attached.