

98 FERC & 61, 047  
UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Pat Wood, III, Chairman;  
William L. Massey, Linda Breathitt,  
and Nora Mead Brownell.

California Independent System  
Operator Corporation

Docket No. EL02-45-000

**ORDER ESTABLISHING SCHEDULE FOR SUBMISSION OF PLEADINGS**

(Issued January 25, 2002)

In this order, we establish a schedule for the submission of pleadings in response to a Petition for Review of Arbitrator's Award in American Arbitration Association Case No. 71 198 00711 00.

**Background**

Pacific Gas and Electric Company (PG&E), following negotiations with the California Independent System Operator Corporation (ISO), filed a Statement of Claim and initiated arbitration against the ISO, pursuant to Section 13.2.2 of ISO Open Access Transmission Tariff (Tariff). PG&E claimed, among other things, that it improperly paid the ISO more than \$14 million in ancillary service charges during the period between April 1998 and April 1999; PG&E argued that, while the California-Oregon Transmission Project (COTP) is within the Control Area for which ISO is the Control Area Operator, the COTP is not part of the ISO Controlled Grid, and therefore ISO was not entitled to assess ancillary service charges for transmissions over the COTP. ISO, in its Response to Claim and Counterclaim, denied that PG&E was entitled to reimbursement of the ancillary service costs and also sought recovery from PG&E for ancillary service costs incurred by ISO since May 1, 1999, plus interest.

The Arbitrator, in his December 13, 2001 award (Award), granted PG&E's claim, and concluded that the Tariff does not grant ISO the authority to assess PG&E these ancillary service costs.

Relying on Article 13.4 of the Tariff, which ISO states provides for appeals to the Commission of an arbitrator's award, ISO has requested that the Commission institute a proceeding for review of the Award. ISO suggests a briefing schedule in which the ISO would submit an initial brief, followed by briefs of intervenors supporting the ISO's position, of PG&E, and of intervenors supporting PG&E. ISO also requests permission to file a reply brief.

Schedule for Submission of Pleadings

The Commission hereby establishes a schedule for the submission of pleadings in this proceeding:

- \* 30 days from the date of issuance of this order, the ISO, as well as intervenors supporting the ISO, may file initial briefs addressing the Award and ISO's appeal of the Award;
- \* 30 days from the date of filing of initial briefs, PG&E, as well as intervenors supporting PG&E, may submit reply briefs addressing the Award and ISO's appeal of the Award;
- \* 20 days thereafter, the ISO, as well as intervenors supporting the ISO, may file rebuttal briefs; and
- \* Persons seeking to intervene may file interventions within 30 days from the date of this order.

By the Commission.

( S E A L )

C. B. Spencer,  
Acting Secretary.