



July 31, 2008

The Honorable Kimberly D. Bose, Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, D.C. 20426

Re: *California Independent System Operator Corporation*  
Docket No. ER08-\_\_\_\_-000

### **Transmission Access Charge Informational Filing**

Dear Secretary Bose:

Please find enclosed an original and 5 copies of an informational filing by the California Independent System Operator Corporation ("CAISO") that is intended to provide notice regarding the CAISO's revised transmission Access Charges ("TAC") effective April 23, 2008. The basis for the revision is to implement the revised Transmission Revenue Requirement ("TRR") of the City of Vernon, California ("Vernon") and the TRR of Startans IO, L.L.C. ("Startrans"), as a New Participating TO, with regard to the transfer by Vernon of its interests in the Mead-Phoenix Project and Mead-Adelanto Project to Startrans. The revised TRR of Vernon to reflect this transfer was accepted by the Commission in an order issued on July 2, 2008 in Docket No. EL08-54.<sup>1</sup> The TRR of Startrans was accepted by the Commission in an order issued on March 31, 2008 in Docket No. ER08-413.<sup>2</sup>

#### Changes in Rates

The transmission Access Charges provided in the present filing revise the Access Charges and Wheeling Access Charges provided for informational purposes in the CAISO's submission of July 29, 2008 in Docket No. ER08-1321 (deemed by the Commission as filed on July 30, 2008).<sup>3</sup> The changes in the present filing are effective April 23, 2008, in accordance with ISO Tariff Appendix F, Schedule 3, Section 8.

<sup>1</sup> *City of Vernon, California*, 124 FERC ¶ 61,005 (2008). The order accepted the proposed TRR revision for filing effective April 23, 2008. The order also accepted another TRR revision for Vernon effective April 4, 2008, which TRR revision is the subject of the CAISO's separate informational filing in Docket No. ER08-1321.

<sup>2</sup> *Startrans IO, L.L.C.*, 122 FERC ¶ 61,306 (2008). The order accepted the proposed TRR for filing effective March 31, 2008, subject to refund and hearing and settlement judge procedures. The Commission in a subsequent order clarified that the actual effective date for Startrans' TRR would be April 23, 2008. *California Independent System Operator Corporation*, 124 FERC ¶ 61,004 (2008) at P 47.

<sup>3</sup> As first noted in the CAISO's informational filing in Docket No. ER08-1321, the revised Access Charges and Wheeling Access Charges in the present filing include a revision to the TRR of Pacific Gas and Electric Company ("PG&E") that was effective March 1, 2008, but which has not yet been the subject of an informational filing of revisions of TAC rates by the CAISO. As noted in its filing in Docket No.

Worksheets illustrating the recalculation of the CAISO's Transmission Access Charges are included with the present transmittal letter as Attachment A. The CAISO notes that the form of the attached worksheets differs from the form of TAC rate worksheets submitted with prior CAISO informational filings pursuant to the direction of the Commission in its "Order Granting in Part and Dismissing in Part Complaint and Accepting Revisions to Transmission Control Agreement," 124 FERC ¶ 61,004, issued on July 2, 2008 ("July 2 TCA Order"). The July 2 TCA Order required the CAISO to develop a revised form of TAC rate spreadsheet specifically to include additional columns that break down by TAC Area the aggregate TRRs for Existing High Voltage Facilities of Participating TOs associated with load and the resulting rates for these facilities to be used in calculating the net benefits and burdens and Transition Charge rates.<sup>4</sup>

The revised spreadsheet attached is intended to confirm that the result of the currently-specified calculation is that the TRR of Startrans, as a Non-Load-Serving Participating TO that is acquiring only existing transmission rights that are already under the CAISO's Operational Control, will not be included in Transition Charge calculations. To ensure that this calculation is transparent, the CAISO has added additional columns to the spreadsheet to break out by TAC Area the aggregate TRRs for Existing High Voltage Facilities of Participating TOs associated with Load. In the attached spreadsheet, the TRR of Startrans is excluded from the calculation of the East Central TAC Area TRR (see column 11B) and the ISO "grid-wide" TRR (see column 14B) associated with Load. The resulting rates and their effect on the net benefits and burdens and the Transition Charge rates are shown in the attached spreadsheet through the added calculation of TAC Area rates based on TRRs associated with Load (see column 13B) and the Existing High Voltage Facility ISO "grid-wide" rate now being based only on TRRs associated with Load (see column 18). These two components now make up the overall Existing High Voltage Facility TAC rates (see column 21).

In conjunction with this informational filing of the attached TAC rate worksheets, the CAISO is also submitting on August 1, 2008 a separate compliance filing to the Commission in Docket No. EL08-52 containing these worksheets pursuant to the July 2 TCA Order.

The recalculated rates for each of the TAC Areas, effective April 23, 2008, are as follows:

Northern Area-	\$3.7227/MWh
East/Central Area	\$3.7720/MWh
Southern Area	\$3.5326/MWh

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ER08-1321, the CAISO will be submitting a separate informational filing describing the effect of this PG&E TRR revision and the need for a refund for the month of March 2008.

<sup>4</sup> July 2 TCA Order at P 35.

Communications regarding this filing should be addressed to the following individuals, whose names should be placed on the official service list established by the Secretary with respect to this submittal:

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The CAISO has served copies of this transmittal letter and attachments hereto on the Public Utilities Commission of the State of California, the California Energy Commission, and the Participating TOs, and on all parties with effective Scheduling Coordinator Service Agreements under the ISO Tariff. In addition, the CAISO is posting this transmittal letter and all attachments on the CAISO Website.

An additional copy of this filing is enclosed to be date-stamped and returned in the enclosed, pre-paid Federal Express envelope. If there are any questions concerning this filing, please contact the undersigned.

Respectfully submitted,



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Attachment

**ATTACHMENT A**



**STEP 2: Calculate the HV Access Charge the UDC/MSS pays on Filled Gross Load and Benefit/Burden. Note: ISO total for (Benefit)/Burden may not equal zero due to rounding of TAC Rate.**

TAC Area	Filed Gross Load (MWH) [24]	EHVF only TAC Rate (\$/MWH) [25]	Amount Paid Based on Filled Gross Load (\$) [26]	EHVF only Utility Specific Rate (\$/MWH) [27]	Would Have Paid w/ EHVF Utility Specific Rate (\$) [28]	EHVF Access Charge (Benefit)/Burden (\$) [29]
PGE	90,934,164	1.8703	\$ 170,070,984	1.8773	\$ 170,711,601	\$ (640,617)
SCE	91,670,569	1.9073	\$ 174,843,471	1.7384	\$ 159,363,861	\$ 15,479,610
SDGE	21,271,145	1.6801	\$ 35,737,876	0.9265	\$ 19,708,518	\$ 16,029,358
Anaheim	2,766,313	1.9073	\$ 5,276,195	7.8337	\$ 21,670,561	\$ (16,394,366)
Azusa	239,575	1.9073	\$ 456,942	4.2110	\$ 1,008,851	\$ (551,910)
Banning	139,457	1.9073	\$ 265,987	5.9522	\$ 830,074	\$ (564,088)
Pasadena	1,239,884	1.9073	\$ 2,364,833	7.0224	\$ 8,706,949	\$ (6,342,116)
Riverside	1,814,019	1.9073	\$ 3,459,882	7.5413	\$ 13,660,083	\$ (10,220,201)
Vernon	1,288,684	1.9073	\$ 2,457,910	(0.5792)	\$ (746,419)	\$ 3,204,329
Starttrans	-	1.9073	\$ 0	0	\$ 0	\$ 0
ISO Total	211,363,810		\$ 394,934,080		\$ 394,934,080	\$ (0)

**STEP 3: For Information Only -- Projected annual net benefits/burdens from Access Charge for Existing Facilities.**  
 \$32/32/8 million cap for IOUs; munis are held harmless; IOUs pay muni cost increases in proportion to their cap relative to the total cap.

EHVF Access Charge (Benefit)/Burden [29]	IOU Burden Annual Cap (\$) [31]	IOUs' Cap Exceeds IOUs' Burden [32]	Amount IOUs' Burden Exceeds IOUs' Cap [33]	IOUs = (32) / total(33) x total(33) [34]	Munis w/ Benefit = (30) / total(30) x total(32) [35]	Mitigation Payments (\$) [35]	Adjusted Net (Benefit) / Burden [36]	Reallocate IOU Burden [39]	Transition Charge (\$) [38]	Adjusted Net (Benefit) / Burden [39]	Transition Charge Rate (\$/MWh) [40]
\$ (640,617)	\$ 32,000,000	\$ 32,640,617	\$ 0	0	0	\$ 7,458,644	\$ 6,818,027	\$ 8,325,386	\$ 15,784,030	\$ 15,143,413	\$ 0.1736
\$ 15,479,610	\$ 32,000,000	\$ 16,520,390	\$ 0	0	0	\$ 3,775,042	\$ 19,254,653	\$ (4,111,239)	\$ (336,197)	\$ 15,143,413	\$ (0.0037)
\$ 16,029,358	\$ 8,000,000	\$ 0	\$ 8,029,358	0	0	\$ (8,029,358)	\$ 8,000,000	\$ (4,214,147)	\$ (12,243,504)	\$ 3,785,853	\$ (0.5766)
\$ (16,394,366)	\$ 0	\$ 0	\$ 0	0	0	\$ 0	\$ (16,394,366)	\$ 0	\$ 0	\$ (16,394,366)	\$ 0
\$ (551,910)	\$ 0	\$ 0	\$ 0	0	0	\$ 0	\$ (551,910)	\$ 0	\$ 0	\$ (551,910)	\$ 0
\$ (564,088)	\$ 0	\$ 0	\$ 0	0	0	\$ 0	\$ (564,088)	\$ 0	\$ 0	\$ (564,088)	\$ 0
\$ (6,342,116)	\$ 0	\$ 0	\$ 0	0	0	\$ 0	\$ (6,342,116)	\$ 0	\$ 0	\$ (6,342,116)	\$ 0
\$ (10,220,201)	\$ 0	\$ 0	\$ 0	0	0	\$ 0	\$ (10,220,201)	\$ 0	\$ 0	\$ (10,220,201)	\$ 0
\$ 3,204,329	\$ 0	\$ 0	\$ 3,204,329	0	0	\$ (3,204,329)	\$ (10,220,201)	\$ 0	\$ (3,204,329)	\$ 0	\$ (2.4865)
\$ 0	\$ 72,000,000	\$ 49,161,007	\$ 11,233,686	\$ 11,233,686	\$ (0)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

**STEP 4: For Information Only -- Projected annual net benefits/burdens from Access Charge for New Facilities and Total projected annual net benefits/burdens from Access Charge.**

	Filed Annual TRR New HV Facilities (\$) [41]	ISO Wide Annual Gross Load (MWh) [42]	New HVTRR Rate (\$/MWh) [43] = ([15]) / [16]	New HVTRR Cost Responsibility (\$) [44] = ([42]) * [43]	NHVF Access Charge (Benefit)/Burden (\$) [45] = ([44]) - [41]	Total Access Charge (Benefit)/Burden (\$) [46] = ([45]) + [39]
PGE	\$ 194,448,728	90,934,164	\$ 1,8295	\$ 166,366,734	\$ (28,081,994)	\$ (12,938,580)
SCE	\$ 94,316,942	91,670,569	\$ 1,8295	\$ 167,714,009	\$ 73,397,067	\$ 88,540,480
SDGE	\$ 65,557,597	21,271,145	\$ 1,8295	\$ 38,916,187	\$ (26,641,410)	\$ (22,855,557)
Anaheim	\$ -	2,766,313	\$ 1,8295	\$ 5,061,051	\$ 5,061,051	\$ (11,333,315)
Azusa	\$ -	239,575	\$ 1,8295	\$ 438,310	\$ 438,310	\$ (113,600)
Banning	\$ -	139,457	\$ 1,8295	\$ 255,141	\$ 255,141	\$ (308,947)
Pasadena	\$ -	1,239,884	\$ 1,8295	\$ 2,268,404	\$ 2,268,404	\$ (4,073,711)
Riverside	\$ -	1,814,019	\$ 1,8295	\$ 3,318,801	\$ 3,318,801	\$ (6,901,399)
Vernon	\$ -	1,288,684	\$ 1,8295	\$ 2,357,685	\$ 2,357,685	\$ 2,357,685
Atlantic P15	\$ 32,373,056	0	\$ 1,8295	\$ 0	\$ (32,373,056)	\$ (32,373,056)
<b>Total</b>	<b>\$ 386,696,323</b>	<b>211,363,810</b>		<b>\$ 386,696,323</b>	<b>\$ 0</b>	<b>\$ 0</b>