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July 30, 2002

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. ER02-2321-\_\_\_\_\_  
Amendment No. 46 to the ISO Tariff – ERRATA**

Dear Secretary Salas:

On July 15, 2002, the California Independent System Operator Corporation ("ISO") submitted Amendment No. 46 to the ISO Tariff in the above-captioned proceeding ("Amendment No. 46 Filing"). It has come to the ISO's attention that several of the "clean" Tariff sheets included in Attachment A to the Amendment No. 46 Filing should be corrected as described below, in order to conform the clean Tariff sheets to the black-lined changes shown in Attachment B to the Amendment No. 46 Filing.

- Section 23.12.3.1 should read as follows: "If Generation, above the amount to cover Demand and exports, was sold into the ISO's Imbalance Energy market, then the Scheduling Coordinator for the MSS will be charged GMC associated with uninstructed deviations for this quantity." The quoted language is the same as the language provided in Attachment A to the Amendment No. 46 Filing, except that the language as originally filed erroneously ended with the words "will *only* be charged GMC associated with uninstructed deviations for this quantity." (Emphasis added.)
- Section 23.12.3.2 should read as follows: "If insufficient Generation and imports was available to cover Demand and exports, and the Scheduling Coordinator for the MSS purchased Imbalance Energy from the ISO's market, then such Scheduling Coordinator will be

charged GMC associated with uninstructed deviations for this quantity." The quoted language is the same as the language provided in Attachment A to the Amendment No. 46 Filing, except that the language as originally filed erroneously ended with the words "will *only* be charged GMC associated with uninstructed deviations for this *net* quantity." (Emphasis added.)

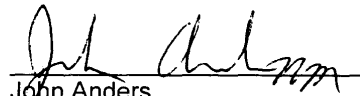
- The last sentence of Section 23.12.3.3 should read as follows: "Ancillary Service bids accepted by the ISO and Instructed Energy will be assessed the GMC ASREO." The last sentence of Section 23.12.3.3 as originally filed did not contain the first several words quoted above and erroneously read as follows: "Instructed Energy will be assessed the GMC ASREO."

The black-lined Tariff sheets included in Attachment B to the Amendment No. 46 Filing already reflect the correct language of the changes to these Tariff sections proposed in Amendment No. 46.

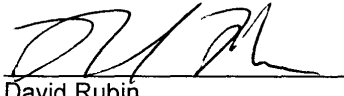
Included as Attachment A to the present filing are clean Tariff sheets that reflect the corrections described above. Also included as Attachment B to the present filing is a form Notice of Filing suitable for publication in the Federal Register, along with a computer diskette containing the Notice of Filing in electronic format.

Additionally, an extra copy of the present filing is enclosed. Please date-stamp and return the copy to our messenger. If there are any questions concerning this filing, please contact the undersigned.

Respectfully submitted,



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## **ATTACHMENT A**

**23.12.2.2** If metered Generation resources and imports into the MSS are insufficient to meet the metered Demand and exports from the MSS, and Energy expected to be delivered by the Scheduling Coordinator for the MSS in response to the ISO's Dispatch instructions and/or Regulation set-point signals issued by the ISO's AGC by more than the Deviation Band, then the Scheduling Coordinator for the MSS Operator shall pay the ISO an amount equal to the product of the Deviation Price and two hundred percent (200%) of the shortfall that is outside of the Deviation Band, in addition to the Imbalance Energy charges that may be applicable under the ISO Tariff.

**23.12.3** If the ISO is charging Grid Management Charges for uninstructed deviations, and the Scheduling Coordinator for the MSS has uninstructed deviations associated with Load following from the MSS's resources, then the ISO will net the Generation and imports into the MSS to match the Demand and exports out of the MSS, and will not assess GMC associated with uninstructed deviations for such portion of Energy that is used to match MSS Demand and net exports.

**23.12.3.1** If Generation, above the amount to cover Demand and exports, was sold into the ISO's Imbalance Energy market, then the Scheduling Coordinator for the MSS will be charged GMC associated with uninstructed deviations for this quantity.

**23.12.3.2** If insufficient Generation and imports was available to cover Demand and exports, and the Scheduling Coordinator for the MSS purchased Imbalance Energy from the ISO's market, then such Scheduling Coordinator will be charged GMC associated with uninstructed deviations for this quantity.

**23.12.3.3** Only GMC associated with uninstructed deviations (the Ancillary Services and Real-Time Energy Operations Charge (ASREO)) will be treated on a net basis.

GMC for Control Area Services (CAS) will be charged based on Gross Load and exports out of the MSS. The Scheduling Coordinator for the MSS Operator will be assessed the GMC Congestion Management Charge (CONG) in accordance with Section 8.3. Ancillary Service bids accepted by the ISO and Instructed Energy will be assessed the GMC ASREO.

**23.13 Information Sharing.**

**23.13.1 System Planning Studies and Forecasts.**

The ISO, the MSS Operator and Participating TOs shall share information such as projected Load growth and system expansions necessary to conduct necessary system planning studies to the extent that these may impact the operation of the ISO Control Area. Each MSS Operator shall provide to the ISO annually its ten-year forecasts of Demand growth, internal Generation, and expansion of or replacement for any transmission facilities that are part of the MSS that will or may significantly affect any point of interconnection between the MSS and the ISO Controlled Grid. Such forecasts shall be provided on the date that UDCs are required to submit forecasts to the ISO under Section 4.8.1. Each MSS Operator or each Scheduling Coordinator for an MSS Operator shall also submit weekly and monthly peak Demand forecasts in accordance with the ISO's protocols.

**23.13.2 System Surveys and Inspections.**

The ISO and each MSS Operator shall cooperate with each other in performing system surveys and inspections to the extent these relate to the operation of the ISO Control Area.

**23.13.3 Reports.**

**23.13.3.1** The ISO shall make available to each MSS Operator any public annual reviews or reports regarding performance standards, measurements and incentives relating to the ISO

**ATTACHMENT B**

UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION

## Notice of Filing

Any person desiring to be heard or to protest said 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, 385.214). All such motions and protests should be filed on or before [REDACTED], 2002. Protests will be considered by the Commission to determine the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. 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. This filing may also be viewed on the Internet at <<http://www.ferc.gov>> using the "RIMS" link, select "Docket#" and follow the instructions (call 202-208-2222 for assistance). Comments, protests, and interventions may be filed electronically via the Internet in lieu of paper. See 18 C.F.R. § 385.2001(a)(1)(iii) and the instructions on the Commission's Internet site under the "e-Filing" link.