

California Independent System Operator

2001 GMC SUMMARY

For the Year Ending December 31, 2001

In Thousands

Filed as Part of GMC Rate Filing

Line No.	Description	Amount	Control Area Operations	Interzonal Scheduling	Market Operations	Line No.
1	Grid Management Charge Revenue Collected (Statement AU)	\$225,307	\$108,446	\$19,527	\$97,334	1
2	Operating Expenses					2
3	Transmission (Statement AH)	\$73,390	\$45,958	\$6,559	\$20,873	3
4	Customer Accounts (Statement AH)	12,592	1,650	287	10,655	4
5	Customer Service and Informational Expenses (Statement AH)	3,574	536	179	2,859	5
6	Administrative and General (Statement AH)	81,559	39,556	5,620	36,383	6
7	Taxes Other Than Income Taxes (Statement AK)	683	355	55	273	7
8	Total Operating Expenses	\$171,798	\$88,055	\$12,700	\$71,043	8
9	Less: Other Revenues					9
10	Interest Earnings (Statement BK)	\$1,350	\$691	\$99	\$560	10
11	Other Earnings (Statement AU)	1,052	1,052	0	0	11
12		\$2,402	\$1,743	\$99	\$560	12
13	Net Operating Expenses	\$169,396	\$86,312	\$12,601	\$70,483	13
14	Net Revenues	\$55,911	\$22,134	\$6,926	\$26,851	14
15	Less: Debt Service (Statement BK)					15
16	Principal Reserve Funding	\$36,889	\$14,960	\$4,427	\$17,503	16
17	Interest Reserve Funding	13,624	5,525	1,635	6,464	17
18	Total Debt Service	\$50,513	\$20,485	\$6,062	\$23,966	18
19	Operating Reserve Contribution	\$5,398	\$1,649	\$864	\$2,885	19
20	<u>GMC Revenue Collected</u>	<u>\$225,307</u>	<u>\$108,446</u>	<u>\$19,527</u>	<u>\$97,334</u>	20
21	<u>2001 Annual Volume (000 MWh) - By Service</u>		<u>267,289</u>	<u>87,536</u>	<u>102,394</u>	21
22	<u>Grid Management Charge - By Service</u>		<u>\$0.406</u>	<u>\$0.223</u>	<u>\$0.951</u>	22
	<i>Grid Management Charge - Bundled Basis</i>					
23	<u>2001 Annual Volume (000 MWh)</u>	<u>260,679</u>				23
24	<u>Grid Management Charge - Bundled Basis</u>	<u>\$0.8643</u>				24

Note:

Line 23

Volume indicated on line 23 is for ISO control area gross load. If there were a continuation of the 1998 GMC Settlement Agreement (which provides for a 50% and 100% volume exclusion for certain governmental entity load), the transmission volume estimate for 2001 would be 228,000,000MWh, resulting in a comparative GMC of \$.988/MWh.

Line 16,17

Debt service is allocated to ISO service categories based on an analysis of how borrowed funds were (or are anticipated to be) spent.

Line 19

The ISO collects 25% of debt service as an annual contribution to the operating reserve. As noted elsewhere, excess revenue collected for the operating reserve may be used as a revenue credit in subsequent years. In this 2001 GMC, a revenue credit of \$7,230 was provided. See statement AU.

The Operating Reserve Contribution for 2001 is reconciled as follows:

Total 2001 Debt Service (Line 18)	\$50,513
Times: 25% Operating Reserve Collection	0.25
Equals: Operating Reserve Collection	\$ 12,628
Less: Revenue Credit applied from 2000	\$ (7,230)
Equals: Net Operating Reserve Collection, 2001	\$ 5,398

California Independent System Operator
Statement AA
Balance Sheet
December 31, 2001
Unaudited
In Thousands

Line No.	Account Description	Balance at Beginning of Year	Balance at End of Year	Line No.
<u>Utility Plant</u>				
1	Utility Plant	\$212,979	\$250,673	1
2	Less: Accumulated Depreciation and Amortization	78,274	119,134	2
3	Net Utility Plant	<u>134,705</u>	<u>131,539</u>	3
<u>Other Property and Investments</u>				
4	Special Funds	10,666	11,679	4
5	Total Other Property and Investments	<u>10,666</u>	<u>11,679</u>	5
<u>Current and Accrued Assets</u>				
6	Cash - Unrestricted	33,756	35,708	6
7	- Restricted for payment of debt service	21,289	19,822	7
8	Customer Accounts Receivable	47,701	56,592	8
9	Prepayments	3,443	3,443	9
10	Accrued Utility Revenues	0	0	10
11	Total Current and Accrued Assets	<u>106,189</u>	<u>115,565</u>	11
<u>Deferred Debits</u>				
12	Unamortized Debt Expense	874	578	12
13	Other	900	900	13
14	Total Deferred Debits	<u>1,774</u>	<u>1,478</u>	14
14	Total Assets and Other Debits	<u>\$253,334</u>	<u>\$260,260</u>	14

Note:

Line 4

Comprised of funds limited to use for capital expenditures.

Line 13

Represents prepaid maintenance agreements.

California Independent System Operator
Statement AA
Balance Sheet
December 31, 2001
Unaudited
In Thousands

Line No.	Account Description	Balance at Beginning of Year	Balance at End of Year	Line No.
<u>Proprietary Capital</u>				
15	Unappropriated Retained Earnings	(\$60,368)	(\$59,308)	15
16	Total Proprietary Capital	(60,368)	(59,308)	16
<u>Long-Term Debt</u>				
17	Bonds	293,000	296,300	17
18	Notes Payable	0	0	18
19	Net Long-Term Debt	293,000	296,300	19
<u>Current and Accrued Liabilities</u>				
20	Accounts Payable	20,434	23,000	20
21	Taxes Accrued	0	0	21
22	Interest Accrued	0	0	22
23	Total Current and Accrued Liabilities	20,434	23,000	23
<u>Deferred Credits</u>				
24	Other	268	268	24
	Total Deferred Credits	268	268	
25	Total Liabilities and Other Credits	<u>\$253,334</u>	<u>\$260,260</u>	25

California Independent System Operator
Statement AB
Income Statement
For the Period Ending December 31, 2001
Unaudited
In Thousands

Line No.	Account Description	Balance at End of Year	Control Area Operations	Interzonal Scheduling	Market Operations	Line No.	FERC A/C #'s
<u>Utility Operating Income</u>							
1	Operating Revenues	\$226,359	\$109,498	\$19,527	\$97,334	1	400
2	Operating Expenses:					2	
3	Operating Expenses	152,725	79,930	9,845	62,950	3	401
4	Maintenance Expenses	18,390	7,770	2,800	7,820	4	402
5	Depreciation Expenses	40,861	16,753	4,903	19,205	5	403
6	Taxes Other Than Income Taxes	683	355	55	273	6	408.1
7	Total Utility Operating Expenses	<u>212,659</u>	<u>104,808</u>	<u>17,603</u>	<u>90,248</u>	7	
8	Net Utility Operating Income	<u>13,700</u>	<u>4,690</u>	<u>1,924</u>	<u>7,086</u>	8	
<u>Other Income and Deductions</u>							
9	Interest Income	1,350	691	99	560	9	419
10	Miscellaneous Non-operating Income	0	0	0	0	10	421
11	Miscellaneous Income Deductions	0	0	0	0		
12	Total Other income and Deductions	<u>1,350</u>	<u>691</u>	<u>99</u>	<u>560</u>		
<u>Interest Charges</u>							
13	Interest on Long-term Debt	13,624	5,525	1,635	6,464	13	427
14	Amortization of Debt Discount and Expense	366	146	37	183	14	428
15	Other Interest Expense	0	0	0	0	15	431
16	Total Interest Charges	<u>13,990</u>	<u>5,671</u>	<u>1,671</u>	<u>6,647</u>	16	
17	Net Income	<u>\$1,060</u>	<u>(\$290)</u>	<u>\$352</u>	<u>\$999</u>	17	

California Independent System Operator
Statement AC
Retained Earnings
December 31, 2001
Unaudited
In Thousands

Line No.	Account Description	Amount	Line No.
<u>Unappropriated Retained Earnings</u>			
1	Unappropriated Retained Earnings - Beginning of Year	(\$60,368)	1
2	Balance Transferred from Income (Account 433)	1,060	2
3	Appropriations of Retained Earnings (Account 436)	<u>0</u>	3
4	Unappropriated Retained Earnings - End of Year	<u>(\$59,308)</u>	4
<u>Appropriated Retained Earnings</u>			
5	Appropriated Retained Earnings - Beginning of Year	\$0	5
6	Increase in Appropriations of Retained Earnings	0	6
7	Decrease in Appropriations of Retained Earnings	<u>0</u>	7
8	Appropriated Retained Earnings - End of Year	<u>\$0</u>	8

Note:

As a not-for-profit, public benefit corporation, the California ISO does not have "retained earnings" in the sense that this term is typically used.

California Independent System Operator
Statement AD
Cost of Plant
December 31, 2001
In Thousands

Line No.	Functional Classification	Average Balance	Control Area Operations	Interzonal Scheduling	Market Operations	Line No.
1	Transmission	\$0	\$0	\$0	\$0	1
2	Intangible	154,488	63,340	18,539	72,609	2
3	General	<u>50,930</u>	<u>20,881</u>	<u>6,112</u>	<u>23,937</u>	3
4	Total Plant	<u><u>\$205,418</u></u>	<u><u>\$84,221</u></u>	<u><u>\$24,651</u></u>	<u><u>\$96,546</u></u>	4

	Balance		Simple Average 1/		
	<u>12/31/2000</u>	<u>12/31/2001</u>			
5	Transmission	\$0	\$0	\$0	5
6	Intangible	135,738	173,238	154,488	6
7	General	44,683	57,177	50,930	7

1/ Averages for Transmission, Intangibles and General are based on a beginning-of-period, and end-of-period simple average.

California Independent System Operator
Statement AE
Accumulated Depreciation and Amortization
December 31, 2001
In Thousands

Line No.	Functional Classification	Average Balance	Control Area Operations	Interzonal Scheduling	Market Operations	Line No.
1	Transmission	\$0	\$0	\$0	\$0	1
2	Intangible	70,413	28,869	8,450	33,094	2
3	General	<u>28,291</u>	<u>11,599</u>	<u>3,395</u>	<u>13,297</u>	3
Total Accumulated Depreciation and Amortization		<u>\$98,704</u>	<u>\$40,468</u>	<u>\$11,845</u>	<u>\$46,391</u>	

	Balance		Simple Average 1/	
	<u>12/31/2000</u>	<u>12/31/2001</u>		
4	\$0	\$0	\$0	4
5	55,902	84,924	70,413	5
6	22,372	34,210	28,291	6

1/ Averages for Accumulated Depreciation and Amortization are based on a beginning-of-period, and end-of-period simple average.

California Independent System Operator
Statement AF
Deferred Credits
December 31, 2001
Unaudited
In Thousands

Line No.	Account Description	Amount	Line No.
1	Post-retirement Liability	166	1
2	Supplemental Executive Retirement Plan Liability	<u>102</u>	2
3	Total Deferred Credits	<u><u>268</u></u>	3

California Independent System Operator
Statement AG
Specified Plant Accounts and Deferred Debits
December 31, 2001
In Thousands

review

Line No.	Functional Classification	Balance		Average 1/ Balance	Line No.
		12/31/2000	12/31/2001		
	<u>Account 181 - Unamortized Debt Expense</u>				
1	General	\$874	\$578	\$726	1
2	Total - Specified Plant Accounts and Deferred Debits	<u>\$874</u>	<u>\$578</u>	<u>\$726</u>	2

1/ Averages for Deferred Debits are based on a beginning-of-period, and end-of-period simple average.

California Independent System Operator
Statement AH
Operation and Maintenance Expenses
December 31, 2001
In Thousands

Line No.	Description	Amount	Control Area Operations	Interzonal Scheduling	Market Operations	Line No.
1	Transmission	\$73,390	\$45,958	\$6,559	\$20,873	1
2	Customer Accounts	12,592	1,650	287	10,655	2
3	Customer Service and Informational	3,574	536	179	2,859	3
4	Administrative and General	<u>81,559</u>	<u>39,556</u>	<u>5,620</u>	<u>36,383</u>	4
5	Total	<u><u>\$171,115</u></u>	<u><u>\$87,700</u></u>	<u><u>\$12,645</u></u>	<u><u>\$70,770</u></u>	5

California Independent System Operator
Statement AH
Operation and Maintenance Expenses
December 31, 2001
In Thousands

Line No.	FERC Account	Description	Amount	Control Area Operations	Interzonal Scheduling	Market Operations	Line No.
<u>Transmission Expenses - Operation</u>							
1	560	Operation Supervision and Engineering	\$5,332	\$4,427	\$332	\$573	1
2	561	Load Dispatching	57,905	37,899	3,928	16,078	2
3	566	Miscellaneous Transmission Expenses	0	0	0	0	3
4		Total Operation	<u>\$63,237</u>	<u>\$42,326</u>	<u>\$4,260</u>	<u>\$16,651</u>	4
<u>Transmission Expenses - Maintenance</u>							
5	568	Maintenance Supervision and Engineering	<u>\$10,153</u>	<u>\$3,632</u>	<u>\$2,299</u>	<u>\$4,222</u>	5
6		Total Maintenance	<u>\$10,153</u>	<u>\$3,632</u>	<u>\$2,299</u>	<u>\$4,222</u>	6
7		Total Transmission Expenses	<u><u>\$73,390</u></u>	<u><u>\$45,958</u></u>	<u><u>\$6,559</u></u>	<u><u>\$20,873</u></u>	7

California Independent System Operator
Statement AH
Electric Operating and Maintenance Expenses
December 31, 2001
In Thousands

Line No.	FERC Account	Description	Amount	Control Area Operations	Interzonal Scheduling	Market Operations	Line No.
<u>Customer Accounts Expenses - Operation</u>							
8	901	Supervision	\$381	\$88	\$26	\$267	8
9	902	Meter Reading Expenses	4,015	648	0	3,367	9
10	903	Customer Record and Collection Expenses	7,239	914	261	6,064	10
11	905	Miscellaneous Customer Accounts Expenses	957	0	0	957	11
12		Total Customer Accounts Expenses:	<u>\$12,592</u>	<u>\$1,650</u>	<u>\$287</u>	<u>\$10,655</u>	12
<u>Customer Service and Informational Expenses - Operation</u>							
13	907	Supervision	\$0	\$0	\$0	\$0	13
14	908	Customer Assistance Expenses	3,574	536	179	2,859	14
15	909	Informational and Instructional Advertising Expenses	0				15
16		Total Customer Service - Informational Expense	<u>\$3,574</u>	<u>\$536</u>	<u>\$179</u>	<u>\$2,859</u>	16

California Independent System Operator
Statement AH
Electric Operating and Maintenance Expenses
December 31, 2001
In Thousands

Line No.	FERC Account	Description	Amount	Control Area Operations	Interzonal Scheduling	Market Operations	Line No.
<u>Administrative and General Expenses - Operation</u>							
17	920	Administrative and General Salaries	\$24,693	\$11,574	\$1,820	\$11,299	17
18	921	Office Supplies and Expenses	10,103	4,984	688	4,431	18
19	923	Outside Services Employed	9,498	4,308	798	4,392	19
20	924	Property Insurance	971	497	71	403	20
21	925	Injuries and Damage	0	0	0	0	21
22	928	Regulatory Commission Expenses	7,950	4,071	580	3,299	22
23	930	Miscellaneous General Expenses	878	450	65	363	23
24	931	Rents	19,229	9,534	1,097	8,598	24
25		Total Operation	<u>\$73,322</u>	<u>\$35,418</u>	<u>\$5,119</u>	<u>\$32,785</u>	25
<u>Administrative and General Expenses - Maintenance</u>							
26	935	Maintenance of General Plant	<u>\$8,237</u>	<u>\$4,138</u>	<u>\$501</u>	<u>\$3,598</u>	26
27		Total Maintenance	<u>\$8,237</u>	<u>\$4,138</u>	<u>\$501</u>	<u>\$3,598</u>	27
28		Total Administrative and General Expense	<u><u>\$81,559</u></u>	<u><u>\$39,556</u></u>	<u><u>\$5,620</u></u>	<u><u>\$36,383</u></u>	28
29		Total Operating and Maintenance Expense	<u><u>\$171,115</u></u>	<u><u>\$87,700</u></u>	<u><u>\$12,645</u></u>	<u><u>\$70,770</u></u>	29

California Independent System Operator
Statement AH
Operation and Maintenance Expenses
Itemization of General Advertising Expenses - Account 930.1
December 31, 2001
In Thousands

Line No.	Description	Total	Control Area Operations	Interzonal Scheduling	Market Operations	Line No.
1	Recruiting/ Advertising	\$100	\$53	\$8	\$39	1
2	Total	\$100	\$53	\$8	\$39	2

California Independent System Operator
Statement AH
Operation and Maintenance Expenses
Itemization of Miscellaneous General Expenses - Account 930.2
December 31, 2001
In Thousands

Line No.	Description	Total	Control Area Operations	Interzonal Scheduling	Market Operations	Line No.
1	Board Compensation and Expenses	\$778	\$405	\$54	\$319	1
2	Total	\$778	\$405	\$54	\$319	2

California Independent System Operator
Statement AI
Wages and Salaries
December 31, 2001
In Thousands

Line No.	Description	Amount	Control Area Operations	Interzonal Scheduling	Market Operations	Line No.
1	Transmission	\$36,241	\$25,701	\$3,696	\$6,844	1
2	Customer Accounts	9,355	1,279	242	7,834	2
3	Customer Service and Informational	2,831	425	141	2,265	3
4	Administrative and General	24,693	11,574	1,820	11,299	4
5	Total	<u>\$73,120</u>	<u>\$38,979</u>	<u>\$5,899</u>	<u>\$28,242</u>	5

California Independent System Operator
Statement AI
Wages and Salaries
December 31, 2001
In Thousands

Line No.	FERC Account	Description	Amount	Control Area Operations	Congestion	Market Ops	Line No.
<u>Transmission Expenses - Operation</u>							
1	560	Operation Supervision and Engineering	\$3,105	\$2,789	\$116	\$200	1
2	561	Load Dispatching	24,427	19,625	1,686	3,116	2
3	566	Miscellaneous Transmission Expenses	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	3
4		Total Operation	<u>\$27,532</u>	<u>\$22,414</u>	<u>\$1,802</u>	<u>\$3,316</u>	4
<u>Transmission Expenses - Maintenance</u>							
5	568	Maintenance Supervision and Engineering	<u>\$8,709</u>	<u>\$3,287</u>	<u>\$1,894</u>	<u>\$3,528</u>	5
6		Total Maintenance	<u>\$8,709</u>	<u>\$3,287</u>	<u>\$1,894</u>	<u>\$3,528</u>	6
7		Total Transmission Salary Expense:	<u><u>\$36,241</u></u>	<u><u>\$25,701</u></u>	<u><u>\$3,696</u></u>	<u><u>\$6,844</u></u>	7

California Independent System Operator
Statement AI
Electric Wages and Salaries
December 31, 2001
In Thousands

Line No.	FERC Account	Description	Amount	Control Area Operations	Congestion	Stlmts, Billing Metering	Line No.
<u>Customer Accounts Expenses - Operation</u>							
8	901	Supervision	\$334	\$77	\$23	\$234	8
9	902	Meter Reading Expenses	2,379	437	0	1,942	9
10	903	Customer Record and Collection Expenses	5,899	765	219	4,915	10
11	905	Miscellaneous Customer Accounts Expenses	743	0	0	743	11
12		Total Customer Accounts Expenses:	<u>\$9,355</u>	<u>\$1,279</u>	<u>\$242</u>	<u>\$7,834</u>	12
<u>Customer Service and Informational Expenses - Operation</u>							
13	907	Supervision	\$0	\$0	\$0	\$0	13
14	908	Customer Assistance Expenses	2,831	425	141	2,265	14
15		Total Customer Service - Informational Expense	<u>\$2,831</u>	<u>\$425</u>	<u>\$141</u>	<u>\$2,265</u>	15

California Independent System Operator
Statement AI
Wages and Salaries
December 31, 2001
In Thousands

Line No.	FERC Account	Description	Amount	Control Area Operations	Interzonal Scheduling	Market Operations	Line No.
<u>Administrative and General Expenses - Operation</u>							
16	920	Administrative and General Salaries	\$24,693	\$11,574	\$1,820	\$11,299	16
17	921	Office Supplies and Expenses	0	0	0	0	17
18		Total Operation	<u>\$24,693</u>	<u>\$11,574</u>	<u>\$1,820</u>	<u>\$11,299</u>	18
<u>Administrative and General Expenses - Maintenance</u>							
19	935	Maintenance of General Plant	\$0	\$0	\$0	\$0	19
20		Total Maintenance	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	20
21		Total Administrative and General Salary Expense	<u>\$24,693</u>	<u>\$11,574</u>	<u>\$1,820</u>	<u>\$11,299</u>	21
22		Total Operating and Maintenance Salary Expense	<u>\$73,120</u>	<u>\$38,979</u>	<u>\$5,899</u>	<u>\$28,242</u>	22

California Independent System Operator
Statement AJ
Depreciation and Amortization Expenses
December 31, 2001
In Thousands

Line No.	Functional Classification	2001 Average Depreciable Cost of Plant	Annual Depreciation Rate	Amount of Expense	Control Area Operations	Interzonal Scheduling	Market Operations	Line No.
1	Transmission	\$0	0.00%	\$0	\$0	\$0	\$0	1
2	General	50,930	18.67%	9,506	3,898	1,141	4,467	2
3	Intangibles	<u>154,488</u>	15.76%	<u>24,340</u>	<u>9,979</u>	<u>2,921</u>	<u>11,440</u>	3
4	Total	<u>\$205,418</u>		<u>\$33,846</u>	<u>\$13,877</u>	<u>\$4,062</u>	<u>\$15,907</u>	4

California Independent System Operator
Statement AK
Taxes Other Than Income Taxes
December 31, 2001
In Thousands

Line No.	Account Description	Total	Control Area Operations	Interzonal Scheduling	Market Operations	Line No.
1	Property Taxes	683	355	55	273	1
2	Total Taxes Other Than Income Taxes	<u>\$683</u>	<u>\$355</u>	<u>\$55</u>	<u>\$273</u>	2
 <u>Employer Payroll Taxes</u>						
3	FICA	\$2,683				3
4	Medicare	908				4
5	California State Tax	<u>182</u>				5
6	Total Taxes	<u>\$3,773</u>				6

California Independent System Operator
Statement AL
Working Capital
December 31, 2001
In Thousands

Line No.	Month/Year	Average Working Cash	Control Area Operations	Interzonal Scheduling	Market Operations	Line No.
1	December-00	\$35,911	\$18,405	\$2,654	\$14,852	1
2	January-01	36,361	18,636	2,687	15,038	2
3	February-01	36,811	18,866	2,720	15,224	3
4	March-01	37,261	19,097	2,754	15,410	4
5	April-01	37,711	19,328	2,787	15,597	5
6	May-01	38,161	19,558	2,820	15,783	6
7	June-01	38,611	19,789	2,853	15,969	7
8	July-01	39,061	20,020	2,887	16,155	8
9	August-01	39,511	20,250	2,920	16,341	9
10	September-01	39,961	20,481	2,953	16,527	10
11	October-01	40,411	20,711	2,986	16,713	11
12	November-01	40,861	20,942	3,020	16,899	12
13	December-01	41,309	21,172	3,053	17,085	13
14	13-Month Total	<u>\$501,941</u>	<u>\$257,255</u>	<u>\$37,092</u>	<u>\$207,594</u>	14
15	13-Month Average	<u>\$38,611</u>	<u>\$19,789</u>	<u>\$2,853</u>	<u>\$15,969</u>	15

California Independent System Operator
Statement AM
Construction Work in Process
December 31, 2001
In Thousands

Line No.	Functional Classification	Average Balance	Control Area Operations	Interzonal Scheduling	Market Operations	Line No.
1	Transmission	\$0	\$0	\$0	\$0	1
2	Intangible	13,926	5,710	1,671	6,545	2
3	General	<u>12,482</u>	<u>5,117</u>	<u>1,498</u>	<u>5,867</u>	3
4	Total Plant	<u><u>26,408</u></u>	<u><u>\$10,827</u></u>	<u><u>\$3,169</u></u>	<u><u>\$12,412</u></u>	4

		Balance		Simple Average 1/	
		<u>12/31/2000</u>	<u>12/31/2001</u>		
5	Intangible	18,846	9,006	13,926	5
6	General	13,712	11,252	12,482	6

1/ Averages for Construction Work in Process are based on a beginning-of-period, and end-of-period simple average.

California Independent System Operator
Statement AN
Notes Payable
December 31, 2001
In Thousands

Line No.	Date	Amount	Line No.
1	01/01/01	\$0	1
2	01/31/01	0	2
3	02/28/01	0	3
4	03/31/01	0	4
5	04/30/01	0	5
6	05/31/01	0	6
7	06/30/01	0	7
8	07/31/01	0	8
9	08/31/01	0	9
10	09/30/01	0	10
11	10/31/01	0	11
12	11/30/01	0	12
13	12/31/01	0	13
14	Total	<u>\$0</u>	14
15	Average Balance	<u>\$0</u>	15

DONE

California Independent System Operator
Statement AO
Rate for Allowance for Funds Used During Construction

This Statement was not prepared because the ISO does not intend to request a return on funds used during construction.

California Independent System Operator
Statement AP
Federal Income Tax Deductions - Interest

This Statement was not prepared because the ISO is tax-exempt under section 501(c)(3) of the Internal Revenue Code.

California Independent System Operator
Statement AQ
Federal Income Tax Deductions - Other than Interest

-

This Statement was not prepared because the ISO is tax-exempt under section 501(c)(3) of the Internal Revenue Code.

California Independent System Operator
Statement AR
Federal Tax Adjustments

-

This Statement was not prepared because the ISO is tax-exempt under section 501(c)(3) of the Internal Revenue Code.

California Independent System Operator
Statement AS
Additional State Income Tax Deduction

-

This Statement was not prepared because the ISO is tax-exempt under section 501(c)(3) of the Internal Revenue Code.

California Independent System Operator
Statement AT
State Tax Adjustments

-

This Statement was not prepared because the ISO is tax-exempt under section 501(c)(3) of the Internal Revenue Code.

California Independent System Operator
Statement AU
Revenue Credits
December 31, 2001
In Thousands

Line No.	FERC Account	Description	Amount	Control Area Operations	Interzonal Scheduling	Market Operations	Line No.
1	456	Other Operating Revenue					1
2		Grid Management Charge	\$225,307	\$108,446	\$19,527	\$97,334	2
3		MCI Subscriber Charges	0	0	0	0	3
4		WSCC Security Coordinator Fees	1,052	1,052	0	0	4
5		SC Application Fees	0	0	0	0	5
6		Fines and Penalties	0	0	0	0	6
7		Total Operating Revenue (Account 456)	<u>\$226,359</u>	<u>\$109,498</u>	<u>\$19,527</u>	<u>\$97,334</u>	7
8		Total Revenue Credits	<u>\$226,359</u>	<u>\$109,498</u>	<u>\$19,527</u>	<u>\$97,334</u>	8

Note:

Not shown explicitly on this statement is a credit applied to the 2001 revenue requirement which results from the ISO's full operating reserve as of 12/31/2000. The ISO's GMC contains a provision for the collection of funds for an operating reserve, which is funded from ongoing collections equal to 25% of debt service payments. The operating reserve is considered fully funded when it reaches a level of 15% of the following year's operating & maintenance budget. At year end, any operating reserve balance in excess of this 15% requirement may be applied as a credit toward the following year's revenue requirement. At 12/31/2000, the operating reserve credit was calculated as follows:

Total FY2001 Operating & Maintenance Budget:	\$ 171,798	<u>Statement</u>
Target Operating Reserve Requirement, 15% of Above	\$ 25,770	2001 GMC Summary
Projected Operating Reserve Balance, 12/31/2000:	\$ 33,000	
Difference: Available for Revenue Cred	<u>\$ 7,230</u>	
This revenue credit is applied as a credit toward 2001 costs as follows:		
Total FY2001 Operating & Maintenance Budget:	\$ 171,798	2001 GMC Summary, Line 8
Required Debt Service Collections	\$ 50,513	2001 GMC Summary, Line 18
Required Operating Reserve Collection, 2001 (25% of Debt Service)	\$ 12,628	
Subtotal: Required Collections before revenue credits and offset	<u>\$ 234,939</u>	
Less: WSCC Security Coordinator Fees	\$ (1,052)	AU, Line 4 above
Less: Interest Income	\$ (1,350)	
Less: Available Revenue Credit	<u>(7,230)</u>	AU, Above
Equals: Required Grid Management Charge	<u>225,307</u>	

California Independent System Operator
Statement AV
Cost of Capital
December 31, 2001
In Thousands

Line No.	Component	Capitalization Amount	Capitalization Ratio	Component Cost	Weighted Component Cost	Line No.
1	Long-Term Debt	\$296,300	100%	4.75%	4.75%	1

Long Term Debt Reconciliation:

Debt Outstanding at 1/1/2001:	293,000
Debt Retired During 2001:	(31,800)
Debt Issuance Planned During 2001:	35,100
Total Debt Outstanding 12/31/2001:	<u>296,300</u>

California Independent System Operator
Statement AW
Cost of Short-term Debt

-

The ISO does anticipate incurring short-term debt costs in 2001. However, because the unbundled grid management charge will be in place during 2001, the ISO plans to have in place a short term borrowing facility to provide funding in the event of a revenue shortfall until rates can be adjusted in accordance with the quarterly GMC adjustment provisions provided for in the tariff.

California Independent System Operator
Statement AX
Other Recent and Pending Rate Changes

-

The California ISO has implemented an unbundled GMC, effective 1/1/2001.

See Statement BG, BH

California Independent System Operator
Statement AY
Income and Revenue Tax Rate Data

-

This Statement was not prepared because the ISO is tax-exempt under section 501(c)(3) of the Internal Revenue Code.

California Independent System Operator
Statement BG
Revenue Data to Reflect Changed Rates

Done

The ISO's 2001 GMC will be collected for the three unbundled services performed by the ISO: Control Area Operations, Interzonal Scheduling and Market Operations.

If the GMC were collected on the same bundled basis as in 2000 reflecting the 1998 GMC settlement agreement (as subsequently extended), the rate would be:

<u>Net Projected Cost '000</u>	<u>Billing Determinant Volume</u>	<u>Rate/MWh</u>
\$225,307	228,000 '000 MWh	0.988

California Independent System Operator
Statement BH
Revenue Data to Reflect Present Rates

The 2001 Grid Management Charge was developed and will be billed on a unbundled basis. ISO net operating and debt service costs of \$225,307,000 were allocated to the three ISO unbundled service categories. These costs by service category were then divided by the appropriate billing determinant volume for each service to arrive at a rate per unit.

<u>Service</u>	<u>Net Projected Cost '000</u>		<u>Billing Determinant Volume Rate/MWh</u>	
Control Area Services	\$108,446	48.0%	267,289 '000 MWh	0.406
Interzonal Scheduled Load	\$19,527	9.0%	87,536 '000 MWh	0.223
Market Operations	\$97,334	43.0%	102,394 '000 MWh	0.951
	<u>\$225,307</u>			

If actual billing determinant volume during 2001 matches the billing determinant volumes noted above, total GMC collections will match the \$225,307,000 used in setting the rates. As actual experience is unlikely to precisely match expectations, variances will result. Amounts collected for each service are likely to be higher or lower than the net projected cost figures above. Any under or overcollections will be recorded separately by service, and such variances will result in a debit or credit to the operating reserve maintained by service. To the extent that the operating reserve for any service at 12/31/2001 exceeds 15% of the proposed budget for that service, any excess above the 15% may be used as an offset towards the following year's revenue requirement.

California Independent System Operator
Statement BJ
Summary Data Tables
December 31, 2001
In Thousands

Line No.	Item	Total	Table	Data Source	Line No.
1	Total Plant in Service				1
2	Intangible Plant in Service	\$154,488		AD	2
3	General Plant in Service	\$50,930		AD	3
4	Accumulated Depreciation and Amortization				4
5	Intangible Depreciation and Amortization	\$70,413		AE	5
6	General Depreciation and Amortization	\$28,291		AE	6
7	Unamortized Debt Expense	\$726		AG	7
8	Working Capital	\$38,757		AL	8
9	Transmission Expense - O&M	\$73,390		AH	9
10	Customer Accounts Expense	\$12,592		AH	10
11	Customer Service & Information Expense	\$3,574		AH	11
12	Administration and General Expense	\$81,559		AH	12
13	Customer Accounts Expense - Labor	\$9,355		AI	13
14	Customer Service & Information Expense - Labor	\$2,831		AI	14
15	Administration and General Expense - Labor	\$24,693		AI	15
16	General - Depreciation Expense	\$9,506		AJ	16
17	Intangibles - Depreciation Expense	\$24,340		AJ	17
18	Taxes Other Than Income Taxes	\$683		AK	18
19	Employer Payroll Tax	\$3,773		AK	19
20	Other Operating Revenues	\$226,359		AU	20
21	Cost of Capital	4.75%		AV	21

California Independent System Operator
Statement BK
Electric Utility Department Cost of Service, Total and as Allocated
December 31, 2001
Unaudited
In Thousands

Line No.	Utility Operating Income	Balance at End of Year	Line No.
1	Add: Operating Expenses	\$171,798	1
2	Add: Debt Service Funding	50,513	2
3	Add: Operating Reserve Contribution	5,398	3
4	Less: Interest Earnings on Operating Funds	(1,350)	4
		<hr/>	
7	Operating Revenues	<u>\$226,359</u>	7
8	Operating Revenues	\$226,359	8
9	Operating Expenses:		9
10	Operating Expenses	\$152,725	10
11	Maintenance Expenses	18,390	11
12	Depreciation Expenses	40,861	12
13	Taxes Other Than Income Taxes	683	13
14	Revenue Credits	<u>0</u>	14
16	Total Utility Operating Expenses	<u>212,659</u>	16
17	Net Utility Operating Income	13,700	17
18	Add: Depreciation Expenses	40,861	18
19	Add: Amortization Expenses	366	19
20	Changes in assets and liabilities:		
21	Net Increase in Receivables	(8,891)	21
22	Net Increase in Payables	2,565	22
24	Net Increase in Prepayments and Other	(70)	24
25	Gross Additions to Utility Plant	(37,694)	25
26	Deferrals of Cash and Cash equivalents limited to use for capital expenditures	(1,012)	26
27	Net additions to Long-term Debt	3,300	27
28	Add: Interest Income and other	1,350	28
29	Less: Miscellaneous Income Deductions	0	29
30	Less: Interest on Long-term Debt	(13,624)	30
31	Less: Amortization Expenses	(366)	31
32	Less: Other Interest Expense	<u>0</u>	32
33	Subtotal	<u>485</u>	33
36	Cash and Cash equivalents, January 1, 2001	<u>55,045</u>	36
37	Cash and Cash equivalents, December 31, 2001	<u><u>55,530</u></u>	37