

December 1, 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. ER09-\_\_\_\_-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 effective September 1, 2008. The basis for the revision is to implement the revised Transmission Revenue Requirement (“TRR”) of San Diego Gas & Electric Company (“SDG&E”). This SDG&E TRR revision was acknowledged by the Commission in a letter order issued on October 2, 2008 in Docket No. ER08-1407.

#### 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 August 14, 2008 in Docket No. ER08-1409 (deemed by the Commission as filed on August 15, 2008).<sup>1</sup> The changes in the present filing are effective September 1, 2008, in accordance with CAISO Tariff Appendix F, Schedule 3, Section 8.

Worksheets illustrating the recalculation of the CAISO’s Transmission Access Charges are included with the present transmittal letter as Attachment A. The

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<sup>1</sup> The revised Access Charges and Wheeling Access Charges in the present filing also include a revision to the TRR of Pacific Gas and Electric Company (“PG&E”) that was effective March 1, 2008, regarding which a settlement was approved by the Commission in Docket No. ER07-1213 by order dated October 22, 2008. While the CAISO is currently determining the TAC refunds associated with this PG&E TRR revision, the CAISO was able to determine the effect of this PG&E TRR revision as of September 1 and has incorporated it into the TAC rates revisions submitted with this filing. The CAISO will be submitting a separate informational filing describing the effect of the PG&E TRR revision settlement approved in ER07-1213 and the need for refunds for the months of March through August of 2008.

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recalculated rates for each of the TAC Areas, effective September 1, 2008, are as follows:

Northern Area-	\$3.6147/MWh
East/Central Area	\$3.6972/MWh
Southern Area	\$3.5695/MWh

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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\*Individuals designated for service pursuant to Rule 203(b)(3), 18 C.F.R. § 385.203(b)(3).

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 Agreements under the CAISO 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

## September 01, 2008 TAC Rates Based on Filed Annual TRR/TRBA and Load Data

Based on the FERC Order on SDG&Es Revised Transmission Revenue Requirement (Docket No. ER08-1407)

**TAC Components:**

	Filed Annual TRR Existing HV Facilities (\$) [1]	Filed Annual TRR New HV Facilities (\$) [2]	Filed Annual Gross Load (MWh) [3]	TAC Area [4]	Total Filed TRR (\$) [5] =[1]+[2]	EHV only Utility Specific Rate (\$/MWH) [6] =[1]/[3]	EHV only TAC Area Rate (\$/MWH) [7] =[21]	HV Utility Specific Rate (\$/MWH) [8] =[5]/[3]	TAC Area Rate (\$/MWH) [9] =[19]
PGE	\$ 157,620,655	\$ 179,098,145	92,136,595	N	\$ 336,718,800	\$ 1.7107	\$ 1.8235	\$ 3.6546	\$ 3.6147
SCE	\$ 159,363,861	\$ 94,316,942	91,670,569	EC	\$ 253,680,803	\$ 1.7384	\$ 1.8938	\$ 2.7673	\$ 3.6972
SDGE	\$ 32,068,052	\$ 70,694,758	21,596,392	S	\$ 102,762,810	\$ 1.4849	\$ 1.7783	\$ 4.7583	\$ 3.5695
Anaheim	\$ 21,670,561	\$ -	2,766,313	EC	\$ 21,670,561	\$ 7.8337	\$ 1.8938	\$ 7.8337	\$ 3.6972
Azusa	\$ 1,008,851	\$ -	239,575	EC	\$ 1,008,851	\$ 4.2110	\$ 1.8938	\$ 4.2110	\$ 3.6972
Banning	\$ 830,074	\$ -	139,457	EC	\$ 830,074	\$ 5.9522	\$ 1.8938	\$ 5.9522	\$ 3.6972
Pasadena	\$ 8,706,949	\$ -	1,239,884	EC	\$ 8,706,949	\$ 7.0224	\$ 1.8938	\$ 7.0224	\$ 3.6972
Riverside	\$ 13,680,083	\$ -	1,814,019	EC	\$ 13,680,083	\$ 7.5413	\$ 1.8938	\$ 7.5413	\$ 3.6972
Vernon	\$ (746,419)	\$ -	1,288,684	EC	\$ (746,419)	\$ (0.5792)	\$ 1.8938	\$ (0.5792)	\$ 3.6972
Atlantic P15	\$ -	\$ 32,373,056	-	N	\$ 32,373,056	\$ -	\$ -	\$ -	\$ 3.6147
Startrans	\$ 6,055,879	\$ -	-	EC	\$ 6,055,879	\$ -	\$ 1.8938	\$ -	\$ 3.6972
<b>ISO Total</b>	<b>\$ 400,258,547</b>	<b>\$ 376,482,901</b>	<b>212,891,488</b>		<b>\$ 776,741,448</b>				

**STEP 1: Calculate the Access Charge Rate for each TAC Area.**

TAC-Area portion is the percent of Total TRR in each area which has not yet transitioned to the ISO (20%) divided by the Total Load of each area.

The ISO portion is the percent of all TRR which has transitioned to ISO-Wide (80%), plus the TRR of New HV Facilities, divided by total load.

	Annual TRR Existing HV Facilities (\$) [10] =[1]	Annual TAC Area TRR (\$) [11] =[10] x 20%	Annual TAC Area TRR (w/Load) (\$) [11B] =[10] w/Load x 20%	Annual Gross Load (MWh) [12] =[3]	TAC Area Rate (\$/MWH) [13] =[11]/[12]	TAC Area Rate (TRR w/Load) (\$/MWH) [13B] =[11B]/[12]																							
North	\$ 157,620,655	\$ 31,524,131	\$ 31,524,131	92,136,595	\$ 0.3421	\$ 0.3421	<table border="1"> <thead> <tr> <th></th> <th>TAC Rate (TAC Area + ISO Wide) (\$/MWH) [19] =[13]+[17]</th> <th>Wheeling Rate (TAC Area + ISO Wide) (\$/MWH) [20] =[19]</th> <th>Existing HV Facilites (EHVF) only TAC Rate (\$/MWH) [21] =[13B]+[18]</th> <th>New HV Facilites (NHVF) only TAC Rate (\$/MWH) [22] =[15]/[16]</th> </tr> </thead> <tbody> <tr> <td>North</td> <td>\$ 3.6147</td> <td>\$ 3.6147</td> <td>\$ 1.8235</td> <td>\$ 1.7684</td> </tr> <tr> <td>East/Central</td> <td>\$ 3.6972</td> <td>\$ 3.6972</td> <td>\$ 1.8938</td> <td>\$ 1.7684</td> </tr> <tr> <td>South</td> <td>\$ 3.5695</td> <td>\$ 3.5695</td> <td>\$ 1.7783</td> <td>\$ 1.7684</td> </tr> </tbody> </table>		TAC Rate (TAC Area + ISO Wide) (\$/MWH) [19] =[13]+[17]	Wheeling Rate (TAC Area + ISO Wide) (\$/MWH) [20] =[19]	Existing HV Facilites (EHVF) only TAC Rate (\$/MWH) [21] =[13B]+[18]	New HV Facilites (NHVF) only TAC Rate (\$/MWH) [22] =[15]/[16]	North	\$ 3.6147	\$ 3.6147	\$ 1.8235	\$ 1.7684	East/Central	\$ 3.6972	\$ 3.6972	\$ 1.8938	\$ 1.7684	South	\$ 3.5695	\$ 3.5695	\$ 1.7783	\$ 1.7684		
	TAC Rate (TAC Area + ISO Wide) (\$/MWH) [19] =[13]+[17]	Wheeling Rate (TAC Area + ISO Wide) (\$/MWH) [20] =[19]	Existing HV Facilites (EHVF) only TAC Rate (\$/MWH) [21] =[13B]+[18]	New HV Facilites (NHVF) only TAC Rate (\$/MWH) [22] =[15]/[16]																									
North	\$ 3.6147	\$ 3.6147	\$ 1.8235	\$ 1.7684																									
East/Central	\$ 3.6972	\$ 3.6972	\$ 1.8938	\$ 1.7684																									
South	\$ 3.5695	\$ 3.5695	\$ 1.7783	\$ 1.7684																									
East/C	\$ 210,569,840	\$ 42,113,968	\$ 40,902,792	99,158,501	\$ 0.4247	\$ 0.4125																							
South	\$ 32,068,052	\$ 6,413,610	\$ 6,413,610	21,596,392	\$ 0.2970	\$ 0.2970																							
<b>Total</b>	<b>\$ 400,258,547</b>	<b>\$ 80,051,709</b>	<b>\$ 78,840,534</b>	<b>212,891,488</b>																									
	ISO Wide TRR Existing HV Facilities (\$) [14] Total ([10]) x 80%	ISO Wide TRR EHV w/Load (\$) [14B] Total ([10] w/Load) x 80%	ISO Wide TRR New HV Facilities (\$) [15] = Total [2]	ISO Wide Annual Gross Load (MWh) [16] = Total [3]	ISO Wide Rate (\$/MWH) [17] =[14]+[15]/[16]	EHVF ISO-Wide Rate TRR w/Load only (\$/MWH) [18] =[14B]/[16]																							
<b>ISO-wide</b>	<b>\$ 320,206,837</b>	<b>\$ 315,362,134</b>	<b>\$ 376,482,901</b>	<b>212,891,488</b>	<b>\$ 3.2725</b>	<b>\$ 1.4813</b>																							

## September 01, 2008 TAC Rates Based on Filed Annual TRR/TRBA and Load Data

**STEP 2: Calculate the HV Access Charge the UDC/MSS pays on Filed 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)	EHVF only TAC Rate (\$/MWH)	Amount Paid Based on Filed Gross Load (\$)	EHVF only Utility Specific Rate (\$/MWH)	Would Have Paid w/ EHVF Utility Specific Rate (\$)	EHVF Access Charge (Benefit)/Burden (\$)
[23] =[4]	[24] =[3]	[25] =[7]	[26] =[24] x [25]	[27] =[6]	[28] =[24] x [27]	[29] =[26] - [28]
PGE N	92,136,595	\$ 1.8235	\$ 168,008,654	\$ 1.7107	\$ 157,620,655	\$ 10,387,999
SCE EC	91,670,569	\$ 1.8938	\$ 173,608,213	\$ 1.7384	\$ 159,363,861	\$ 14,244,352
SDGE S	21,596,392	\$ 1.7783	\$ 38,404,952	\$ 1.4849	\$ 32,068,052	\$ 6,336,900
Anaheim EC	2,766,313	\$ 1.8938	\$ 5,238,919	\$ 7.8337	\$ 21,670,561	\$ (16,431,642)
Azusa EC	239,575	\$ 1.8938	\$ 453,714	\$ 4.2110	\$ 1,008,851	\$ (555,138)
Banning EC	139,457	\$ 1.8938	\$ 264,107	\$ 5.9522	\$ 830,074	\$ (565,967)
Pasadena EC	1,239,884	\$ 1.8938	\$ 2,348,126	\$ 7.0224	\$ 8,706,949	\$ (6,358,823)
Riverside EC	1,814,019	\$ 1.8938	\$ 3,435,438	\$ 7.5413	\$ 13,680,083	\$ (10,244,645)
Vernon EC	1,288,684	\$ 1.8938	\$ 2,440,545	\$ (0.5792)	\$ (746,419)	\$ 3,186,964
Startrans EC	-	\$ 1.8938	\$ 0	\$ 0	\$ 0	\$ 0
<b>ISO Total</b>	<b>212,891,488</b>		<b>\$ 394,202,668</b>		<b>\$ 394,202,668</b>	<b>\$ 0</b>

**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 (\$)	IOU Burden Annual Cap (\$)	Amount IOUs' Cap Exceeds IOUs' Burden (\$)	Amount IOU's Burden Exceeds IOU's Cap (\$)	Payments by Entities with Net Benefit (\$)	Mitigation Payments (\$)	Adjusted Net (Benefit) / Burden (\$)	Reallocation IOU Burden (\$)	Transition Charge (\$)	Adjusted Net (Benefit) / Burden (\$)	Transition Charge Rate (\$/MWh)
[30] =[29]	[31]	[32] IF ([31] - [30] > 0) = [31] - [30]. If no cap, then 0.	[33] IF [30] - [31] > 0 = [30] - [31]. If no cap, then 0.	[34] IOUs = ([32] / total[32]) x total[33]. Munis w/ Benefit = ([30] / total[30]) x total[33] - total[32]	[35] = [34] - [33]	[36] = [30] + [35]	[37] Reallocate IOU Burden [39] so it is proportional to IOU Cap [31] = [39] - [36]	[38] = [35] + [37]	[39] = [36] + [37]	[40] = [38] / [24]
\$ 10,387,999	\$ 32,000,000	\$ 21,612,001	\$ 0	\$ 1,678,660	\$ 1,678,660	\$ 12,066,659	\$ 3,113,881	\$ 4,792,541	\$ 15,180,540	\$ 0.0520
\$ 14,244,352	\$ 32,000,000	\$ 17,755,648	\$ 0	\$ 1,379,127	\$ 1,379,127	\$ 15,623,479	\$ (442,939)	\$ 936,188	\$ 15,180,540	\$ 0.0102
\$ 6,336,900	\$ 8,000,000	\$ 1,663,100	\$ 0	\$ 129,177	\$ 129,177	\$ 6,466,077	\$ (2,670,942)	\$ (2,541,765)	\$ 3,795,135	\$ (0.1177)
\$ (16,431,642)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (16,431,642)	\$ 0	\$ 0	\$ (16,431,642)	\$ 0
\$ (555,138)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (555,138)	\$ 0	\$ 0	\$ (555,138)	\$ 0
\$ (565,967)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (565,967)	\$ 0	\$ 0	\$ (565,967)	\$ 0
\$ (6,358,823)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (6,358,823)	\$ 0	\$ 0	\$ (6,358,823)	\$ 0
\$ (10,244,645)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (10,244,645)	\$ 0	\$ 0	\$ (10,244,645)	\$ 0
\$ 3,186,964	\$ 0	\$ 0	\$ 3,186,964	\$ 0	\$ (3,186,964)	\$ 0	\$ 0	\$ (3,186,964)	\$ 0	\$ (2.4730)
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>Total</b>	<b>\$ 72,000,000</b>	<b>\$ 41,030,749</b>	<b>\$ 3,186,964</b>	<b>\$ 3,186,964</b>	<b>\$ (0)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

**September 01, 2008 TAC Rates**  
**Based on Filed Annual TRR/TRBA and Load Data**

**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] = [2]	ISO Wide Annual Gross Load (MWh) [42] = [3]	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	\$ 179,098,145	92,136,595	\$ 1.7684	\$ 162,936,775	\$ (16,161,370)	\$ (980,830)
SCE	\$ 94,316,942	91,670,569	\$ 1.7684	\$ 162,112,643	\$ 67,795,701	\$ 82,976,241
SDGE	\$ 70,694,758	21,596,392	\$ 1.7684	\$ 38,191,627	\$ (32,503,131)	\$ (28,707,996)
Anaheim	\$ -	2,766,313	\$ 1.7684	\$ 4,892,021	\$ 4,892,021	\$ (11,539,622)
Azusa	\$ -	239,575	\$ 1.7684	\$ 423,671	\$ 423,671	\$ (131,467)
Banning	\$ -	139,457	\$ 1.7684	\$ 246,619	\$ 246,619	\$ (319,347)
Pasadena	\$ -	1,239,884	\$ 1.7684	\$ 2,192,643	\$ 2,192,643	\$ (4,166,180)
Riverside	\$ -	1,814,019	\$ 1.7684	\$ 3,207,959	\$ 3,207,959	\$ (7,036,686)
Vernon	\$ -	1,288,684	\$ 1.7684	\$ 2,278,943	\$ 2,278,943	\$ 2,278,943
Atlantic P15	\$ 32,373,056	0	\$ 1.7684	\$ 0	\$ (32,373,056)	\$ (32,373,056)
<b>Total</b>	<b>\$ 376,482,901</b>	<b>212,891,488</b>		<b>\$ 376,482,901</b>	<b>\$ 0</b>	<b>\$ 0</b>