

CALIFORNIA ISO

Unbundled Results for 1999

Category	Control Area Operations	Interzonal Scheduling	Market Operations	Total
1999 Cost Allocation Percentages	45.1%	7.4%	47.5%	100.0%
1999 Total Operating Costs and Debt Service	\$ 70,955	\$ 11,606	\$ 74,709	\$ 157,270

Attached worksheets

Summary of Cost Allocation

Cost Allocation Matrix

MCI - Total Headcount Method

MCI - Specific Headcount Method

CALIFORNIA ISO

SUMMARY OF COST ALLOCATION - Using 1999 actual costs

ISO Dept #	OPERATING COSTS	Average Headcount	Functional Allocation				Headcount and \$ Allocated		
			Actual Amount in \$000s	Control Area Services	Interzonal Scheduling	Market Operations	Control Area Services	Interzonal Scheduling	Market Operations
Operating Costs									
1521	Planning:	8.0	\$ 1,106	100%	0%	0%	\$ 1,106	\$ -	\$ -
1551	Market Operations	5.0	\$ 2,340	20%	20%	60%	\$ 468	\$ 468	\$ 1,404
1552	Manager of Markets	16.0	\$ 1,742	20%	20%	60%	\$ 348	\$ 348	\$ 1,046
1553	Applications Development	9.0	\$ 964	20%	20%	60%	\$ 193	\$ 193	\$ 578
1542	Outage Coordination	8.0	\$ 966	88%	12%	0%	\$ 850	\$ 116	\$ -
1543	Operations Engineering	13.0	\$ 2,109	85%	3%	12%	\$ 1,793	\$ 63	\$ 253
1547	Director of Engineering & Maint	3.0	\$ 838	86%	7%	7%	\$ 720	\$ 59	\$ 59
1544	Operations Scheduling:	28.0	\$ 3,308	82%	11%	7%	\$ 2,713	\$ 364	\$ 231
1545	Grid Operations and Dispatch	47.0	\$ 6,476	75%	5%	20%	\$ 4,857	\$ 324	\$ 1,295
1546	Security Coordination	5.0	\$ 586	100%	0%	0%	\$ 586	\$ -	\$ -
1541	Operations and Engineering - General	0.0	\$ 37	67%	9%	24%	\$ 25	\$ 3	\$ 9
1548	Operations Training and Maintenance	3.0	\$ 439	69%	9%	22%	\$ 303	\$ 40	\$ 96
1549	Manager of Training	10.0	\$ 1,358	69%	9%	22%	\$ 937	\$ 122	\$ 299
1554	Operations Research and development	3.0	\$ 432	69%	9%	22%	\$ 298	\$ 39	\$ 95
1555	Operations Support Group	0.0	\$ 146	69%	9%	22%	\$ 101	\$ 13	\$ 32
1511	Operations - General	1.5	\$ 988	67%	9%	24%	\$ 662	\$ 89	\$ 237
1721	Billing & Settlements (also 1341)	3.0	\$ 776	4%	0%	96%	\$ 31	\$ -	\$ 745
1722	Applications Support (also 1342)	5.0	\$ 670	0%	0%	100%	\$ -	\$ -	\$ 670
1723	Metering and MDAS (also 1462)	14.0	\$ 1,901	10%	0%	90%	\$ 190	\$ -	\$ 1,711
1724	PSS (also 1343)	6.0	\$ 978	0%	0%	100%	\$ -	\$ -	\$ 978
1725	FSS (also 1344)	6.0	\$ 1,267	0%	0%	100%	\$ -	\$ -	\$ 1,267
1731	Contracts and Compliance	9.0	\$ 1,086	35%	10%	55%	\$ 380	\$ 109	\$ 597
1741	Client Relations (also 1761)	17.0	\$ 2,141	13%	2%	85%	\$ 278	\$ 43	\$ 1,820
1711	Client Services General	1.5	\$ 540	10%	2%	88%	\$ 54	\$ 11	\$ 475
1421	Application Services (SI/SA/BBS)	12.0	\$ 6,107	25%	5%	70%	\$ 1,527	\$ 305	\$ 4,275
1431	Computing Services	8.0	\$ 14,906	33%	5%	62%	\$ 4,919	\$ 745	\$ 9,242
1441	Telecommunication Services	10.0	\$ 36,259	53%	7%	40%	\$ 19,217	\$ 2,538	\$ 14,504
1461	Operations System Support/EMS (also 1531-1533)	14.0	\$ 1,999	98%	2%	0%	\$ 1,959	\$ 40	\$ -
1463	Operations Systems	1.0	\$ 59	100%	0%	0%	\$ 59	\$ -	\$ -
1464	Generation Control Project	0.0	\$ 288	96%	4%	0%	\$ 276	\$ 12	\$ -
1451	Information Security	6.0	\$ 926	47%	6%	47%	\$ 435	\$ 56	\$ 435
1471	IT - Strategic Planning	0.0	\$ -	47%	6%	47%	\$ -	\$ -	\$ -
1411	IT - General (also 1419)	1.5	\$ 718	47%	6%	47%	\$ 337	\$ 43	\$ 338
1641	Market Surveillance:	8.0	\$ 2,178	15%	10%	75%	\$ 327	\$ 218	\$ 1,633
1621	Communications (also 1821)	3.0	\$ 533	48%	7%	45%	\$ 256	\$ 37	\$ 240
1631	Legal and Regulatory	13.0	\$ 6,185	48%	7%	45%	\$ 2,969	\$ 433	\$ 2,783
1611	General Counsel	1.5	\$ 863	40%	8%	52%	\$ 345	\$ 69	\$ 449
1300	Finance (1311, 1321 & 1331)	10.5	\$ 3,299	48%	7%	45%	\$ 1,585	\$ 229	\$ 1,485
1111	Human Resources and CEO (also 1211)	9.5	\$ 3,633	52%	7%	41%	\$ 1,889	\$ 254	\$ 1,490
1221	Administrative Services	5.0	\$ 1,742	52%	7%	41%	\$ 906	\$ 122	\$ 714

CALIFORNIA ISO
SUMMARY OF COST ALLOCATION - Using 1999 actual costs

ISO Dept #	OPERATING COSTS	Average Headcount	Functional Allocation				Headcount and \$ Allocated		
			Actual Amount in \$000s	Control Area Services	Interzonal Scheduling	Market Operations	Control Area Services	Interzonal Scheduling	Market Operations
1231	Facilities and Security:	3.0	\$ 3,710	52%	7%	41%	\$ 1,929	\$ 260	\$ 1,521
1651	Board	1.0	\$ 639	48%	7%	45%	\$ 306	\$ 45	\$ 288
-	Taxes other than income taxes	0.0	\$ 216	48%	6%	46%	\$ 103	\$ 13	\$ 100
1811	Strategic Development and Communications	1.0	\$ 18	48%	7%	45%	\$ 9	\$ 1	\$ 8
	Gross Operating Expenses	329.0	\$ 117,472	48%	7%	45%	\$ 56,246	\$ 7,824	\$ 53,402
Other Income									
	Interest		\$ (1,686)	48%	7%	45%	\$ (809)	\$ (118)	\$ (759)
	Miscellaneous Income		\$ (1,652)	90%	1%	9%	\$ (1,484)	\$ (23)	\$ (145)
	Total Other Income		\$ (3,338)	69%	4%	27%	\$ (2,293)	\$ (141)	\$ (904)
Net Operating Expenses									
	Gross Operating Expenses	329.0	\$ 117,472	48%	7%	45%	\$ 56,246	\$ 7,824	\$ 53,402
	Total Other Income		\$ (3,338)	69%	4%	27%	\$ (2,293)	\$ (141)	\$ (904)
	Net Operating Expenses	329.0	\$ 114,134	47.3%	6.7%	46.0%	\$ 53,953	\$ 7,683	\$ 52,498
Capital									
	EMS/PMS		\$ 16,470	100%	0%	0%	\$ 16,470	\$ -	\$ -
	SI		\$ 27,102	39%	20%	41%	\$ 10,570	\$ 5,420	\$ 11,112
	SA		\$ 31,681	35%	25%	40%	\$ 11,088	\$ 7,920	\$ 12,672
	BBS		\$ 48,173	0%	0%	100%	\$ -	\$ -	\$ 48,173
	MDAS		\$ 8,166	10%	0%	90%	\$ 817	\$ -	\$ 7,349
	RMR-Software		\$ 56	100%	0%	0%	\$ 56	\$ -	\$ -
	Market Anaysis Software		\$ 238	0%	0%	100%	\$ -	\$ -	\$ 238
	Vehicles		\$ 96	10%	0%	90%	\$ 10	\$ -	\$ 86
	FERC Study Software		\$ 11	25%	25%	50%	\$ 3	\$ 3	\$ 6
	Analope Project		\$ -	100%	0%	0%	\$ -	\$ -	\$ -
	GCP project		\$ 975	100%	0%	0%	\$ 975	\$ -	\$ -
	SRS Software		\$ 1,049	0%	100%	0%	\$ -	\$ 1,049	\$ -
	ETC Software		\$ 891	0%	100%	0%	\$ -	\$ 891	\$ -
	FTR Auction software		\$ 17	0%	100%	0%	\$ -	\$ 17	\$ -
	Issue Management System - Remedy		\$ 692	47%	7%	46%	\$ 325	\$ 48	\$ 318
	Security System - CUDA		\$ 6,993	47%	7%	46%	\$ 3,287	\$ 490	\$ 3,217
	Corporate Accounting - Oracle		\$ 2,993	47%	7%	46%	\$ 1,407	\$ 210	\$ 1,377
	Document Management System - EDMS		\$ 1,715	47%	7%	46%	\$ 806	\$ 120	\$ 789
	HR system -Imperativ		\$ 136	47%	7%	46%	\$ 64	\$ 10	\$ 63
	HR system - ABRA		\$ 38	47%	7%	46%	\$ 18	\$ 3	\$ 17

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ISO Dept #	OPERATING COSTS	Average Headcount	Functional Allocation				Headcount and \$ Allocated		
			Actual Amount in \$000s	Control Area Services	Interzonal Scheduling	Market Operations	Control Area Services	Interzonal Scheduling	Market Operations
	System Monitoring and Management - Tivoli		\$ 200	47%	7%	46%	\$ 94	\$ 14	\$ 92
	Data Warehouse		\$ 1,279	47%	7%	46%	\$ 601	\$ 90	\$ 588
	Network Software		\$ 630	47%	7%	46%	\$ 296	\$ 44	\$ 290
	Facilities		\$ 10,566	47%	7%	46%	\$ 4,966	\$ 740	\$ 4,860
	Furniture		\$ 5,391	47%	7%	46%	\$ 2,534	\$ 377	\$ 2,480
	Facilities Office Equipment		\$ 1,330	47%	7%	46%	\$ 625	\$ 93	\$ 612
	TIDS Software		\$ 139	47%	7%	46%	\$ 65	\$ 10	\$ 64
	Various other software and enhancements		\$ 3,482	47%	7%	46%	\$ 1,637	\$ 244	\$ 1,602
	MCI Contract		\$ 27,040	53%	7%	40%	\$ 14,331	\$ 1,893	\$ 10,816
	IBM Contract		\$ 6,816	47%	7%	46%	\$ 3,204	\$ 477	\$ 3,135
	ACC Upgrades		\$ 1,162	100%	0%	0%	\$ 1,162	\$ -	\$ -
	Trustee Costs		\$ 5,692	37%	10%	53%	\$ 2,106	\$ 569	\$ 3,017
	Interest Capitalized		\$ 1,261	37%	10%	53%	\$ 467	\$ 126	\$ 668
	User Groups		\$ 957	47%	7%	46%	\$ 450	\$ 64	\$ 440
	Startup Costs through 3/31/98		\$ 49,934	47%	7%	46%	\$ 23,469	\$ 3,346	\$ 22,970
	Working Capital 3 months 4/98 to 6/98		\$ 21,692	47%	7%	46%	\$ 10,195	\$ 1,453	\$ 9,978
	Unexpended Proceeds of 1998 Bond Issuance		\$ 16,337	41%	9%	50%	\$ 6,698	\$ 1,470	\$ 8,169
	Total, Spending from 1998 Bond Issuance		\$ 301,400	39.4%	9.1%	51.5%	\$ 118,794	\$ 27,190	\$ 155,198
Debt Service									
	Total Debt Service Cost, 1999	0.0	\$43,136	39.4%	9.1%	51.5%	\$ 17,002	\$ 3,923	\$ 22,211
Cost of Service									
	Net Operating Costs	329.0	\$114,134	47.9%	6.7%	45.5%	\$ 53,953	\$ 7,683	\$ 52,498
	Debt Service		43,136	39.4%	9.1%	51.5%	\$ 17,002	\$ 3,923	\$ 22,211
	Total Cost of Service	329.0	\$157,270	45.1%	7.4%	47.5%	\$ 70,955	\$ 11,606	\$ 74,709

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COST ALLOCATION MATRIX - Using 1999 actual costs

ISO Dept #	OPERATING COSTS	Average Headcount	Actual Amount in \$000s	Functional Allocation			Source	Allocation Method	Headcount and \$ Allocated		
				Control Area Services	Interzonal Scheduling	Market Operations			Control Area Services	Interzonal Scheduling	Market Operations
1500	Operations - Direct Cost										
1521	Planning Salaries Other Costs Total Costs	8.0	\$1,020 \$86 \$1,106	100% 100%	0% 0%	0% 0%	Planning	Direct Assignment	8.0 \$1,106	0.0 \$0	0.0 \$0
1551	Market Operations Salaries Other Costs Total Costs	5.0	\$666 \$1,674 \$2,340	20% 20%	20% 20%	60% 60%	Market Ops.	Direct Assignment by personnel and budgeted items.	1.0 \$468	1.0 \$468	3.0 \$1,404
1552	Manager of Markets Salaries Other Costs Total Costs	16.0	\$1,694 \$48 \$1,742	20% 20%	20% 20%	60% 60%	Market Ops.	Direct Assignment by personnel .	3.2 \$348	3.2 \$348	9.6 \$1,046
1553	Application Development Salaries Other Costs Total Costs	9.0	\$897 \$67 \$964	20% 20%	20% 20%	60% 60%	Market Ops.	Direct Assignment by personnel .	1.8 \$193	1.8 \$193	5.4 \$578
1542	Outage Coordination Salaries Other Costs Total Costs	8.0	\$935 \$31 \$966	88% 88%	12% 12%	0% 0%	Outage Coordination	Direct Assignment	7.0 \$850	1.0 \$116	0.0 \$0
1543	Operations Engineering Salaries Other Costs Total Costs	13.0	\$1,446 \$663 \$2,109	85% 85%	3% 3%	12% 12%	Ops. Engineering	Direct Assignment	11.1 \$1,793	0.4 \$63	1.5 \$253
1547	Director of Engineering & Maintenance Salaries Other Costs Total Costs	3.0	\$423 \$415 \$838	86% 86%	7% 7%	7% 7%	Ops. Engineering	Allocated based on results of 1542 and 1543	2.6 \$720	0.2 \$59	0.2 \$59
1544	Operations Scheduling: Salaries Other Costs Total Costs	28.0	\$3,184 \$124 \$3,308	82% 82%	11% 11%	7% 7%	Scheduling	Direct Assignment	23.0 \$2,713	3.1 \$364	1.9 \$231
1545	Grid Operations and Dispatch Salaries Other Costs Total Costs	47.0	\$5,813 \$663 \$6,476	75% 75%	5% 5%	20% 20%	Dispatch	Direct Assignment	35.3 \$4,857	2.4 \$324	9.3 \$1,295
1546	Security Coordination: Salaries Other Costs Total Costs	5.0	\$562 \$24 \$586	100% 100%	0% 0%	0% 0%	Security Coordination	Direct Assignment	5.0 \$586	0.0 \$0	0.0 \$0

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COST ALLOCATION MATRIX - Using 1999 actual costs

ISO Dept #	OPERATING COSTS	Average Headcount	Actual Amount in \$000s	Functional Allocation			Source	Allocation Method	Headcount and \$ Allocated		
				Control Area Services	Interzonal Scheduling	Market Operations			Control Area Services	Interzonal Scheduling	Market Operations
	Division Direct Costs		\$20,435						\$13,634	\$1,935	\$4,866
	Division Direct Headcount	142.0							98.0	13.1	30.9
	Division Direct Costs %								67%	9%	24%
	Division Direct Headcount %								69%	9%	22%
1500	Operations - Indirect Costs										
1541	Operations and Engineering - General	0.0		67%	9%	24%			0.0	0.0	0.0
	Salaries		\$37								
	Consultants		\$0								
	Other		\$0								
	Total Costs		\$37	67%	9%	24%	Calculation	Allocated on % Direct Costs of Operations	\$25	\$3	\$9
1548	Operations Training and Maintenance	3.0		69%	9%	22%			2.1	0.3	0.6
	Salaries		\$339								
	Consultants		\$20								
	Other		\$80								
	Total Costs		\$439	69%	9%	22%	Calculation	Allocated on % Direct Headcount	\$303	\$40	\$96
1549	Manager of Training	10.0		69%	9%	22%			6.7	0.9	2.4
	Salaries		\$936								
	Consultants		\$175								
	Other		\$247								
	Total Costs		\$1,358	69%	9%	22%	Calculation	Allocated on % Direct Headcount	\$937	\$122	\$299
1554	Operations Research and Development	3.0		69%	9%	22%			2.0	0.3	0.7
	Salaries		\$276								
	Consultants		\$127								
	Other		\$29								
	Total Costs		\$432	69%	9%	22%	Calculation	Allocated on % Direct Headcount	\$298	\$39	\$95
1555	Operations Support Group	0.0		69%	9%	22%			0.0	0.0	0.0
	Salaries		\$77								
	Consultants		\$27								
	Other		\$42								
	Total Costs		\$146	69%	9%	22%	Calculation	Allocated on % Direct Headcount	\$101	\$13	\$32
	Operations Cost and Headcount	158.0	\$22,847						\$15,298	\$2,152	\$5,397
	Operations Cost %		100%						67%	9%	24%
1511	Operations - General	1.5		67%	9%	24%			1.0	0.1	0.4
	Salaries & Benefits		\$430								
	Other		\$558								
	Total		\$988	67%	9%	24%	Calculation	Allocated on % Direct Cost	\$662	\$89	\$237
	Total Operations Cost		\$23,835	67%	9%	24%			\$15,960	\$2,241	\$5,634
	Total Operations Costs and Headcount	159.5	\$23,835						109.8	14.7	35.0
	Total Operations Headcount	159.5							69%	9%	22%
	Total Operations Salaries		\$18,735								
	Indirect costs as % of Total Costs		14%								

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COST ALLOCATION MATRIX - Using 1999 actual costs

ISO Dept #	OPERATING COSTS	Average Headcount	Actual Amount in \$000s	Functional Allocation			Source	Allocation Method	Headcount and \$ Allocated			
				Control Area Services	Interzonal Scheduling	Market Operations			Control Area Services	Interzonal Scheduling	Market Operations	
1700	Client Services											
1721	Billing and Settlements	3.0		4%	0%	96%			0.1	0.0	2.9	
1341	Salaries		\$399				Billings & Settlements	Allocated based on results of 1722, 1723, 1724, 1725				
	Other Costs		\$377									
	Total Costs		\$776	4%	0%	96%			\$31	\$0	\$745	
1722	Applications Support	5.0		0%	0%	100%			0.0	0.0	5.0	
1342	Salaries		\$542				Application Support	Direct Assignment				
	Other Costs		\$128									
	Total Costs		\$670	0%	0%	100%			\$0	\$0	\$670	
1723	Metering and MDAS	14.0		10%	0%	90%			1.4	0.0	12.6	
1462	Salaries		\$1,287				Metering	Direct Assignment				
	Other Costs		\$614									
	Total Costs		\$1,901	10%	0%	90%			\$190	\$0	\$1,711	
1724	PSS	6.0		0%	0%	100%			0.0	0.0	6.0	
1343	Salaries		\$583				PSS	Direct Assignment				
	Other Costs		\$395									
	Total Costs		\$978	0%	0%	100%			\$0	\$0	\$978	
1725	FSS	6.0		0%	0%	100%			0.0	0.0	6.0	
1344	Salaries		\$679				FSS	Direct Assignment				
	Other Costs		\$588									
	Total Costs		\$1,267	0%	0%	100%			\$0	\$0	\$1,267	
1731	Contracts and Compliance	9.0		35%	10%	55%			3.2	0.9	4.9	
	Salaries		\$710				Contracts & Compliance	Direct Assignment				
	Other Costs		\$376									
	Total Costs		\$1,086	35%	10%	55%			\$380	\$109	\$597	
1741	Client Relations	17.0		13%	2%	85%			2.2	0.3	14.5	
1761	Salaries		\$1,679				Client Relations	Direct Assignment				
	Other Costs		\$462									
	Total Costs		\$2,141	13%	2%	85%			\$278	\$43	\$1,820	
	Division Direct Costs	60.0	\$8,819						\$879	\$152	\$7,788	
	Division Direct Headcount		100%						10%	2%	88%	
1711	Client Services-General	1.5		10%	2%	88%			0.2	0.0	1.3	
	Salaries		\$513				Calculation	Allocated on % Directs				
	Other		\$27									
	Total		\$540	10%	2%	88%			\$54	\$11	\$475	

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				Control Area Services	Interzonal Scheduling	Market Operations			Control Area Services	Interzonal Scheduling	Market Operations
	Total Client Service Costs		\$9,359	10%	2%	88%			\$933	\$163	\$8,263
	Total Client Service Headcount	61.5							7.1	1.2	53.2
	Client Services - Salaries		\$6,392						12%	2%	86%
	Indirect Costs as % of Direct Costs		6%								
	Total Ops. & Client Services Costs		\$33,194						\$16,893	\$2,404	\$13,897
	Total Ops. & Client Services Costs %		100%						51%	7%	42%
1400 Information. Technology - Direct Costs											
1421	Application Services (SI/SA/BBS)	12.0		25%	5%	70%			3.0	0.6	8.4
	Salaries		\$1,262								
	Other Costs		\$4,845				Application Services				
	Total Costs		\$6,107	25%	5%	70%		Functional Use Estimate	\$1,527	\$305	\$4,275
1431	Computing Services	8.0		33%	5%	62%			2.6	0.4	5.0
	Salaries		\$928								
	IBM Contract		\$7,279								
	Other Costs		\$6,699				Computing Services				
	Total Costs		\$14,906	33%	5%	62%		Functional Use Estimate	\$4,919	\$745	\$9,242
1441	Telecommunication Services	10.0		53%	7%	40%			5.3	0.7	4.0
	Salaries		\$1,134								
	MCI Contract		\$33,258								
	Other Costs		\$1,867								
	Total Costs		\$36,259	53%	7%	40%	Telecom	See detailed allocation information	\$19,217	\$2,538	\$14,504
1461	Operating System Support - EMS	14.0		98%	2%	0%			13.7	0.3	0.0
1531	Salaries		\$1,239								
1532	Other Costs		\$760				OSS/EMS	Direct Assignment	\$1,959	\$40	\$0
1533	Total Costs		\$1,999	98%	2%	0%					
1463	Operations Systems	1.0		100%	0%	0%			1.0	0.0	0.0
	Salaries		\$59								
	Other Costs		\$0				OSS/EMS	Direct Assignment	\$59	\$0	\$0
	Total Costs		\$59	100%	0%	0%					
1464	Generation Control Project	0.0		96%	4%	0%			0.0	0.0	0.0
	Salaries		\$127								
	Other Costs		\$161				OSS/EMS	Direct Assignment	\$276	\$12	\$0
	Total Costs		\$288	96%	4%	0%					
	Division Direct Costs	45.0	\$59,618						\$27,957	\$3,640	\$28,021
	Division Direct Costs %		100%						47%	6%	47%

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ISO Dept #	OPERATING COSTS	Average Headcount	Actual Amount in \$000s	Functional Allocation			Source	Allocation Method	Headcount and \$ Allocated		
				Control Area Services	Interzonal Scheduling	Market Operations			Control Area Services	Interzonal Scheduling	Market Operations
1400 Information Technology Indirect Costs											
1451	Information Security	6.0		47%	6%	47%			2.8	0.4	2.8
	Salaries		\$723								
	Other Costs		\$203								
	Total Costs		\$926	47%	6%	47%	Calculation	% Total IT Division Direct Costs	\$435	\$56	\$435
1471	IT - Strategic Planning	0.0		47%	6%	47%			0.0	0.0	0.0
	Salaries		\$0								
	Other Costs		\$0								
	Total Costs		\$0	47%	6%	47%	Calculation	% Total IT Division Direct Costs	\$0	\$0	\$0
1411	IT - General										
1419	Salaries	1.5	\$282	47%	6%	47%			0.7	0.1	0.7
	Other		\$436								
	Total		\$718	47%	6%	47%	Calculation	Allocated on % Total IT Division Direct Costs	\$337	\$43	\$338
	Total IT Costs		\$61,262						\$28,729	\$3,739	\$28,794
	Total IT Costs and Headcount	52.5	\$61,262								
	Total IT Headcount	52.5							29.1	2.5	20.9
									55%	5%	40%
	IT - Salaries		\$5,754								
	Indirect Costs as % of Direct Costs		3%								
	Total Ops, Client Services & IT Headcount	273.5							146.0	18.4	109.1
	Total Ops, Client Services & IT Headcount %								53%	7%	40%
	Total Ops, Client Services and IT Costs		\$94,456						\$45,622	\$6,143	\$42,691
	Total Ops, Client Services and IT Costs %		100%						48%	7%	45%
1600 General Counsel											
1641	Market Surveillance	8.0		15%	10%	75%			1.2	0.8	6.0
	Salaries		\$914				Market Surveillance				
	Consulting Services		\$1,085								
	Other		\$179								
	Total		\$2,178	15%	10%	75%		Functional Use Estimate	\$327	\$218	\$1,633
1621	Communications	3.0		48%	7%	45%			1.4	0.2	1.4
1821	Salaries		\$303								
	Consulting Services		\$115								
	Other		\$115								
	Total		\$533	48%	7%	45%	Calculation	Allocated on Resulting % of Total Operations, Client Services, and IT Costs	\$256	\$37	\$240
1631	Legal & Regulatory	13.0		48%	7%	45%			6.2	0.9	5.9
	Salaries		\$1,517								
	Legal & Regulatory		\$4,933								
	Other		(\$265)								
	Total		\$6,185	48%	7%	45%	Calculation	Allocated on Resulting % of Total Operations, Client Services, and IT Costs	\$2,969	\$433	\$2,783
	Division Overhead Costs		\$8,896						\$3,552	\$688	\$4,656

CALIFORNIA ISO

COST ALLOCATION MATRIX - Using 1999 actual costs

ISO Dept #	OPERATING COSTS	Average Headcount	Actual Amount in \$000s	Functional Allocation			Source	Allocation Method	Headcount and \$ Allocated		
				Control Area Services	Interzonal Scheduling	Market Operations			Control Area Services	Interzonal Scheduling	Market Operations
Division Overhead Cost %									40%	8%	52%
1611	General Counsel	1.5		40%	8%	52%			0.6	0.1	0.8
	Salaries & Benefits		\$705								
	Other		\$158								
	Total		\$863	40%	8%	52%	Calculation	Allocated on % Legal Before GC	\$ 345	\$ 69	\$ 449
Total General Counsel Costs			\$9,759						\$ 3,897	\$ 757	\$ 5,105
Total General Counsel Costs & Headcount		25.5	\$9,759						9.4	2.0	14.1
1300 Finance											
1311	Finance and Accounting	10.5		48%	7%	45%			5.0	0.7	4.8
1321	Salaries		\$1,187								
1331	Other		\$2,112								
	Total		\$3,299	48%	7%	45%	Calculation	Allocated on Resulting % of Total Operations, Client Services, and IT Costs	\$1,585	\$229	\$1,485
Total All Operating Costs			\$107,514						\$51,104	\$7,129	\$49,281
Total All Operating Costs %			100%						48%	7%	45%
Total Headcount		309.5							160.4	21.1	128.0
Total Headcount %		100%							52%	7%	41%
1111/1211 Human Resources and CEO											
1111	Human Resources and CEO	9.5		52%	7%	41%			4.9	0.7	3.9
1221	Salaries		\$1,476								
	Relocation		\$48								
	Other		\$2,109								
	Total		\$3,633	52%	7%	41%	Calculation	Allocated on % Total Headcount	\$1,889	\$254	\$1,490
1221	Administrative Service	5.0		52%	7%	41%			2.6	0.4	2.0
	Salaries		\$252								
	Facilities Expenses		\$929								
	Other		\$561								
	Total		\$1,742	52%	7%	41%	Calculation	Allocated on % Total Headcount	\$906	\$122	\$714
1231	Facilities and Security	3.0		52%	7%	41%			1.6	0.2	1.2
	Salaries		\$240								
	Facilities Expenses		\$3,204								
	Other		\$266								
	Total		\$3,710	52%	7%	41%	Calculation	Allocated on % Total Headcount	\$1,929	\$260	\$1,521
Division Total Headcount		17.5							9.1	1.3	7.1
Division Total Costs			\$9,085						\$4,724	\$636	\$3,725

CALIFORNIA ISO

COST ALLOCATION MATRIX - Using 1999 actual costs

ISO Dept #	OPERATING COSTS	Average Headcount	Actual Amount in \$000s	Functional Allocation			Source	Allocation Method	Headcount and \$ Allocated		
				Control Area Services	Interzonal Scheduling	Market Operations			Control Area Services	Interzonal Scheduling	Market Operations
1651	Board	1.0		48%	7%	45%			0.5	0.1	0.4
	Salaries		\$7								
	Other		\$632								
	Total		\$639	48%	7%	45%	Calculation	Allocated on Resulting % of Total Operations, Client Services, and IT Costs	\$306	\$45	\$288
	Taxes other than income	0.0		0%	0%	0%			0.0	0.0	0.0
	Salaries		\$0								
	Other		\$216								
	Total		\$216	48%	6%	46%	Calculation	Allocated on Resulting % of Total Operations, Client Services, and IT Costs	\$103	\$13	\$100
1811	Strategic Development & Communications	1.0		48%	7%	45%			0.5	0.1	0.4
	Salaries		\$16								
	Other		\$2								
	Total		\$18	48%	7%	45%	Calculation	Allocated on Resulting % of Total Operations, Client Services, and IT Costs	\$9	\$1	\$8
	Division Total Headcount	2.0							1.0	0.2	0.8
	Division Total Costs		\$873						\$418	\$59	\$396
	Total Operating Costs		\$9,958						\$5,142	\$695	\$4,121
	Total Operating Costs %								52%	7%	41%
	Total Headcount	19.5							10.1	1.5	7.9
	Total Headcount %								52%	8%	40%
Gross Operating Costs											
	Total Headcount	329.0							170.5	22.6	135.9
	Total Headcount %								52%	7%	41%
	Gross Operating Costs		\$117,472						\$56,246	\$7,824	\$53,402
	Gross Operating Costs %								48%	7%	45%
Other Income											
	Interest	0.0	(\$1,686)	48%	7%	45%	Calculation	Used Total O&M Cost	(\$809)	(\$118)	(\$759)
	Miscellaneous Income										
	WSCC Security Coordinator reimbursement		(\$876)	100%	0%	0%		Direct Assignment	(\$876)	\$0	\$0
	MCI Subscriber charges		(\$324)	52%	7%	41%		Operating costs	(\$168)	(\$23)	(\$133)
	Fines and penalties		(\$440)	100%	0%	0%		Direct Assignment	(\$440)	\$0	\$0
	SC Application fees		(\$12)	0%	0%	100%		Direct Assignment	\$0	\$0	(\$12)
	Total Miscellaneous Income	0.0	(\$1,652)						(\$1,484)	(\$23)	(\$145)
	Total Other Income	0.0	(\$3,338)						(\$2,293)	(\$141)	(\$904)
	Total Other Income %								69%	4%	27%
Total Operating Costs											
	Total Operating Costs		\$114,134						\$53,953	\$7,683	\$52,498
	Total Actual Costs		\$114,134								
	% Allocation of Total Operating Costs								47.3%	6.7%	46.0%

CALIFORNIA ISO

COST ALLOCATION MATRIX - Using 1999 actual costs

ISO Dept #	OPERATING COSTS	Average Headcount	Actual Amount in \$000s	Functional Allocation			Source	Allocation Method	Headcount and \$ Allocated		
				Control Area Services	Interzonal Scheduling	Market Operations			Control Area Services	Interzonal Scheduling	Market Operations
Debt Service											
Infrastructure: Direct Assigned Items											
	EMS		\$16,470	100%	0%	0%	Contract Analysis	Direct Assignment	\$16,470	\$0	\$0
	SI		\$27,102	39%	20%	41%	Contract Analysis	Direct Assignment	\$10,570	\$5,420	\$11,112
	SA		\$31,681	35%	25%	40%	Contract Analysis	Direct Assignment	\$11,088	\$7,920	\$12,673
	BBS		\$48,173	0%	0%	100%	Contract Analysis	Direct Assignment	\$0	\$0	\$48,173
	MDAS		\$8,166	10%	0%	90%	Contract Analysis	Direct Assignment	\$817	\$0	\$7,349
	RMR-Software		\$56	100%	0%	0%	G/L	Direct Assignment	\$56	\$0	\$0
	Market Analysis Software		\$238	0%	0%	100%	G/L	Direct Assignment	\$0	\$0	\$238
	Vehicles		\$96	10%	0%	90%	G/L	Direct Assignment	\$10	\$0	\$86
	FERC Study Software		\$11	25%	25%	50%	G/L	Direct Assignment	\$3	\$3	\$5
	Analope Project		\$0	100%	0%	0%	G/L	Direct Assignment	\$0	\$0	\$0
	GCP		\$975	100%	0%	0%	G/L	Direct Assignment	\$975	\$0	\$0
	SRS Software		\$1,049	0%	100%	0%	G/L	Direct Assignment	\$0	\$1,049	\$0
	ETC Software		\$891	0%	100%	0%	G/L	Direct Assignment	\$0	\$891	\$0
	FTR Auction software		\$17	0%	100%	0%	G/L	Direct Assignment	\$0	\$17	\$0
	Total Infrastructure Direct Assigned Items		\$134,925						\$39,989 30%	\$15,300 11%	\$79,636 59%
Infrastructure: Allocated Items											
	Issue Management System - Remedy		\$692	47%	7%	46%	Contract Analysis	Use Total O&M Costs	\$325	\$48	\$319
	Security System - CUDA		\$6,993	47%	7%	46%	Contract Analysis	Use Total O&M Costs	\$3,287	\$490	\$3,216
	Corporate Accounting - Oracle		\$2,993	47%	7%	46%	Contract Analysis	Use Total O&M Costs	\$1,407	\$210	\$1,376
	Document Management System - EDMS		\$1,715	47%	7%	46%	Contract Analysis	Use Total O&M Costs	\$806	\$120	\$789
	HR system -Imperativ		\$136	47%	7%	46%	Contract Analysis	Use Total O&M Costs	\$64	\$10	\$62
	HR system - ABRA		\$38	47%	7%	46%	Contract Analysis	Use Total O&M Costs	\$18	\$3	\$17
	System Monitoring and Management - Tivoli		\$200	47%	7%	46%	Contract Analysis	Use Total O&M Costs	\$94	\$14	\$92
	Data Warehouse		\$1,279	47%	7%	46%	Contract Analysis	Use Total O&M Costs	\$601	\$90	\$588
	Network Software		\$630	47%	7%	46%	Contract Analysis	Use Total O&M Costs	\$296	\$44	\$290
	Facilities		\$10,566	47%	7%	46%	Contract Analysis	Use Total O&M Costs	\$4,966	\$740	\$4,860
	Furniture		\$5,391	47%	7%	46%	Contract Analysis	Use Total O&M Costs	\$2,534	\$377	\$2,480
	Facilities - Office Equipment		\$1,330	47%	7%	46%	Contract Analysis	Use Total O&M Costs	\$625	\$93	\$612
	TIDS Software		\$139	47%	7%	46%	Contract Analysis	Use Total O&M Costs	\$65	\$10	\$64
	Various other software and enhancements		\$3,482	47%	7%	46%	Contract Analysis	Use Total O&M Costs	\$1,637	\$244	\$1,601
	Total Infrastructure Allocated Items		\$35,584						\$16,725	\$2,493	\$16,366
Startup Related: Allocated Items											
	MCI Contract		\$27,040	53%	7%	40%	Contract Analysis	Telecom services	\$14,331	\$1,893	\$10,816
	IBM Contract		\$6,816	47%	7%	46%	Contract Analysis	Use Total O&M Costs	\$3,204	\$477	\$3,135
	ACC Upgrades		\$1,162	100%	0%	0%	G/L	Direct Assignment	\$1,162	\$0	\$0
	Subtotal, All above items:		\$205,527						\$75,411 37%	\$20,163 10%	\$109,953 53%
	Trustee Costs		\$5,692	37%	10%	53%	G/L	infrastructure subtotal	\$2,106	\$569	\$3,017
	Interest Capitalized		\$1,261	37%	10%	53%	G/L	infrastructure subtotal	\$467	\$126	\$668
	User Groups		\$957	47%	7%	46%	G/L	Use Total O&M Costs	\$450	\$67	\$440
	Startup Costs through 3/31/98		\$49,934	47%	7%	46%	G/L	Use Total O&M Costs	\$23,469	\$3,495	\$22,970
	Working Capital 3 months 4/98 to 6/98		\$21,692	47%	7%	46%	G/L	Use Total O&M Costs	\$10,195	\$1,518	\$9,979
	Total, Startup Related Allocated Items		\$114,554						\$55,384	\$8,145	\$51,025

CALIFORNIA ISO

COST ALLOCATION MATRIX - Using 1999 actual costs

ISO Dept #	OPERATING COSTS	Average Headcount	Actual Amount in \$000s	Functional Allocation			Source	Allocation Method	Headcount and \$ Allocated		
				Control Area Services	Interzonal Scheduling	Market Operations			Control Area Services	Interzonal Scheduling	Market Operations
Unexpended 1998 Bond Proceeds											
	Unexpended 1998 Bond Proceeds		\$16,337	41%	9%	50%	G/L	Direct Assignment	\$6,698	\$1,470	\$8,169
Total Capital											
	Total Spending from 1998 Bond Issuance		\$301,400						\$118,796 39.4%	\$27,408 9.1%	\$155,196 51.5%
Total Debt Service											
	Principal Payments		\$25,497								
	Interest payments and Operating Reserve		\$17,639								
	Total Debt Service Cost, 1999		\$43,136	39.4%	9.1%	51.5%		Total Capital %s	\$17,002	\$3,923	\$22,211
Total Cost of Service - 1999											
	Operating Costs		\$114,134	47.3%	6.7%	46.0%			\$53,953	\$7,683	\$52,498
	Debt Service		\$43,136	39.4%	9.1%	51.5%			\$17,002	\$3,923	\$22,211
	Total Cost of Service		\$157,270						\$70,955	\$11,606	\$74,709
	Percent of Total Cost		100%						45.1%	7.4%	47.5%

**CALIFORNIA ISO
COST ALLOCATION MATRIX - Using 1999 actual costs
MCI - Total Headcount Method**

ISO Acct #	OPERATING COSTS	Average Headcount	Actual Amount in \$000s	Functional Allocation			Source	Allocation Method	Headcount and \$ Allocated		
				Control Area Services	Interzonal Scheduling	Market Operations			Control Area Services	Interzonal Scheduling	Market Operations
1500	Operations - Directs										
1521	Planning	8.0		100%	0%	0%		Direct Assignment	8.0	0.0	0.0
1551	Market Operations	5.0		20%	20%	60%		Direct Assignment	1.0	1.0	3.0
1552	Manager of Markets	16.0		20%	20%	60%		Direct Assignment	3.2	3.2	9.6
1553	Applications Development	9.0		20%	20%	60%		Direct Assignment	1.8	1.8	5.4
1542	Outage Coordination	8.0		88%	12%	0%		Direct Assignment	7.0	1.0	0.0
1543	Operations Engineering	13.0		85%	3%	12%		Direct Assignment	11.0	0.4	1.6
1547	Director of Engineering & Maint	3.0		85%	7%	8%		Direct Assignment	2.6	0.2	0.2
1544	Operations Scheduling:	28.0		82%	11%	7%		Direct Assignment	22.9	3.1	2.0
1545	Grid Operations and Dispatch	47.0		75%	5%	20%		Direct Assignment	35.2	2.4	9.4
1546	Security Coordination	5.0		100%	0%	0%		Direct Assignment	5.0	0.0	0.0
	Division Direct Headcount	142.0							97.7	13.1	31.2
	Division Direct Headcount %	100%							69%	9%	22%
1500	Operations - Indirects										
1541	Operations & Engineering General	0.0		69%	9%	22%		Direct Dept costs	0.0	0.0	0.0
1548	Operations Training & Maintenance	3.0		69%	9%	22%		Direct Dept costs	2.0	0.3	0.7
1549	Manager of Training	10.0		69%	9%	22%		Direct Dept costs	6.9	0.9	2.2
1554	Operations Research & Develop	3.0		69%	9%	22%		Direct Dept costs	2.0	0.3	0.7
1555	Operations Support Group	0.0		69%	9%	22%		Direct Dept costs	0.0	0.0	0.0
	Division Indirect Headcount	158.0							108.6	14.6	34.8
	Division Indirect Headcount %	100%							69%	9%	22%
1511	Operations - General	1.5		69%	9%	22%		Direct Dept costs	1.0	0.1	0.4
	Operations Headcount	159.5							109.6	14.7	35.2
	Operations Headcount %	100%							69%	9%	22%
1700	Client Services - Directs										
1721	Billing and Settlements:	3.0		10%	0%	90%		Direct Assignment	0.3	0.0	2.7
1722	Applications Support:	5.0		0%	0%	100%		Direct Assignment	0.0	0.0	5.0
1723	Metering and MDAS	14.0		10%	0%	90%		Direct Assignment	1.4	0.0	12.6
1724	PSS	6.0		0%	0%	100%		Direct Assignment	0.0	0.0	6.0
1725	FSS	6.0		0%	0%	100%		Direct Assignment	0.0	0.0	6.0
1731	Contracts and Compliance	9.0		35%	10%	55%		Direct Assignment	3.1	0.9	5.0
1741	Client Relations	17.0		13%	2%	85%		Direct Assignment	2.2	0.3	14.5
	Division Direct Headcount	60.0							7.0	1.2	51.8
	Division Direct Headcount %	100%							12%	2%	86%
1711	Client Services-General	1.5		0%	0%	100%		Direct Dept costs	0.0	0.0	1.5
	Client Service Headcount	61.5							7.0	1.2	53.3
	Client Service Headcount %	100%							11%	2%	87%
	Ops & Client Services Headcount	221.0							116.6	15.9	88.5
	Ops & Client Services Headcount %	100%							53%	7%	40%

**CALIFORNIA ISO
COST ALLOCATION MATRIX - Using 1999 actual costs
MCI - Total Headcount Method**

ISO Acct #	OPERATING COSTS	Average Headcount	Actual Amount in \$000s	Functional Allocation			Source	Allocation Method	Headcount and \$ Allocated		
				Control Area Services	Interzonal Scheduling	Market Operations			Control Area Services	Interzonal Scheduling	Market Operations
1400	Information Technology - Directs										
1421	Application Services (SI/SA/BBS)	12.0		25%	5%	70%		Direct Assignment	3.0	0.6	8.4
1431	Computing Services	8.0		33%	5%	62%		Direct Assignment	2.6	0.4	5.0
1441	Telecommunication. Services	0.0		0%	0%	0%		see schedule	0.0	0.0	0.0
1461	Operating System Support - EMS	14.0		98%	2%	0%		Direct Assignment	13.7	0.3	0.0
1463	Operations Systems	1.0		100%	0%	0%		Direct Assignment	1.0	0.0	0.0
1464	Generation Control Project	0.0		96%	4%	0%		Direct Assignment	0.0	0.0	0.0
	Division Direct Headcount	35.0							20.3	1.3	13.4
	Division Direct Headcount %	100%							58%	4%	38%
1400	Information Technology - Indirects										
1451	Information Security	6.0		58%	4%	38%		Direct Dept costs	3.5	0.2	2.3
1471	IT - Strategic Planning	0.0		58%	4%	38%		Direct Dept costs	0.0	0.0	0.0
1411	IT - General	1.5		58%	4%	38%		Direct Dept costs	0.8	0.1	0.6
	Total IT Headcount	42.5							24.6	1.6	16.3
	Total IT Headcount %	100%							58%	4%	38%
	Total Ops, CS & IT Headcount	263.5							141.2	17.5	104.8
	Total Ops, CS & IT Headcount %	100%							54%	7%	40%
1600	General Counsel										
1641	Market Surveillance	8.0		15%	10%	75%		Direct Assignment	1.2	0.8	6.0
1621	Communications:	3.0		54%	7%	40%		Total Ops, CS & IT	1.6	0.2	1.2
1631	Legal and Regulatory	13.0		54%	7%	40%		Total Ops, CS & IT	6.9	0.9	5.2
	Division Direct Headcount	24.0							9.7	1.9	12.4
	Division Direct Headcount %	100%							40%	8%	52%
1611	General Counsel	1.5		54%	7%	40%		Total Ops, CS & IT	0.8	0.1	0.6
	General Counsel Headcount	25.5							10.5	2.0	13.0
	General Counsel Headcount %	100%							41%	8%	51%
1300	Finance										
1300	Finance and Accounting:	10.5		54%	7%	40%		Total Ops, CS & IT	5.6	0.7	4.2
	Total Headcount	299.5							157.3	20.2	122.0
	% of Total Headcount	100%							52%	7%	41%
1111/1211	Human Resources and CEO										
1111	Human Resources and CEO	9.5		52%	7%	41%		Total Ops, CS & IT	4.9	0.7	3.9
1221	Administrative Services	5.0		52%	7%	41%		Total Ops, CS & IT	2.5	0.4	2.1
1231	Facilities and Security:	3.0		52%	7%	41%		Total Ops, CS & IT	1.6	0.2	1.2
1651	Board	1.0		52%	7%	41%		Total Ops, CS & IT	0.5	0.1	0.4
1811	Strategic Development & Commun	1.0		52%	7%	41%		Total Ops, CS & IT	0.5	0.1	0.4
	Division Headcount	19.5							10.0	1.5	8.0
	Division Headcount %	100%							51%	8%	41%
	Total Headcount										
	Total Headcount	319.0							167.3	21.7	130.0
	Total Headcount %	100%							52%	7%	41%
	Excluded: Telecommunications	10.0									
	Total Headcount	329.0									

**CALIFORNIA ISO
COST ALLOCATION MATRIX - Using 1999 actual costs
MCI - Specific Headcount Method**

ISO Acct #	OPERATING COSTS	Average Headcount	Actual Amount in \$000s	Functional Allocation			Source	Allocation Method	Headcount and \$ Allocated		
				Control Area Services	Interzonal Scheduling	Market Operations			Control Area Services	Interzonal Scheduling	Market Operations
1500	Operations - Directs										
1521	Planning	8.0		100%	0%	0%	Planning	Direct Assignment	8.0	0.0	0.0
1551	Market Operations	5.0		20%	20%	60%		Direct Assignment	1.0	1.0	3.0
1552	Manager of Markets	16.0		20%	20%	60%		Direct Assignment	3.2	3.2	9.6
1553	Applications Development	9.0		20%	20%	60%		Direct Assignment	1.8	1.8	5.4
1542	Outage Coordination	8.0		88%	12%	0%		Direct Assignment	7.0	1.0	0.0
1543	Operations Engineering	13.0		85%	3%	12%		Direct Assignment	11.0	0.4	1.6
1547	Director of Engineering & Maint	3.0		85%	7%	8%		use 1542 & 1543	2.6	0.2	0.2
1544	Operations Scheduling:	28.0		82%	11%	7%		Direct Assignment	22.9	3.1	2.0
1545	Grid Operations and Dispatch	47.0		75%	5%	20%		Direct Assignment	35.2	2.4	9.4
1546	Security Coordination	5.0		100%	0%	0%		Direct Assignment	5.0	0.0	0.0
	Division Direct Headcount	142.0							97.7	13.1	31.2
	Division Direct Headcount %	100%							69%	9%	22%
1500	Operations - Indirects										
1541	Operations & Engineering General	0.0		69%	9%	22%		Direct headcount, above	0.0	0.0	0.0
1548	Operations Training & Maintenance	3.0		69%	9%	22%		Direct headcount, above	2.0	0.3	0.7
1549	Manager of Training	10.0		69%	9%	22%		Direct headcount, above	6.9	0.9	2.2
1554	Operations Research & Develop	3.0		69%	9%	22%		Direct headcount, above	2.0	0.3	0.7
1555	Operations Support Group	0.0		69%	9%	22%		Direct headcount, above	0.0	0.0	0.0
	Division Indirect Headcount	158.0							108.6	14.6	34.8
	Division Indirect Headcount %	100%							69%	9%	22%
1511	Operations - General	1.5		69%	9%	22%		Direct headcount, above	1.1	0.1	0.3
	Operations Headcount	159.5							109.7	14.7	35.1
	Operations Headcount %	100%							69%	9%	22%
1700	Client Services										
1721	Billing and Settlements:	3.0		10%	0%	90%		Direct assignment	0.3	0.0	2.7
1722	Applications Support:	0.0		0%	0%	100%		Direct assignment	0.0	0.0	0.0
1723	Metering and MDAS	14.0		10%	0%	90%		Direct assignment	1.4	0.0	12.6
1724	PSS	6.0		0%	0%	100%		Direct assignment	0.0	0.0	6.0
1725	FSS	6.0		0%	0%	100%		Direct assignment	0.0	0.0	6.0
1731	Contracts and Compliance	0.0		35%	10%	55%		Direct assignment	0.0	0.0	0.0
1741	Client Relations	0.0		13%	2%	85%		Direct assignment	0.0	0.0	0.0
	Division Direct Headcount	29.0							1.7	0.0	27.3
	Division Direct Headcount %	100%							6%	0%	94%
1711	Client Services-General	0.0		0%	0%	0%		not allocated	0.0	0.0	0.0
	Client Service Headcount	29.0							1.7	0.0	27.3
	Client Service Headcount %	100%							6%	0%	94%
	Ops & Client Services Headcount	188.5							111.4	14.7	62.4
	Ops & Client Services Headcount %	100%							59%	8%	33%
1400	Information Technology - Directs										
1421	Application Services (SI/SA/BBS)	12.0		25%	5%	70%		Functional Use est	3.0	0.6	8.4
1431	Computing Services	8.0		33%	5%	62%		Functional Use est	2.6	0.4	5.0
1441	Telecommunication Services	0.0		0%	0%	0%		See calculation	0.0	0.0	0.0
1461	Operating System Support - EMS	14.0		98%	2%	0%		Direct assignment	13.7	0.3	0.0

**CALIFORNIA ISO
 COST ALLOCATION MATRIX - Using 1999 actual costs
 MCI - Specific Headcount Method**

ISO Acct #	OPERATING COSTS	Average Headcount	Actual Amount in \$000s	Functional Allocation			Source	Allocation Method	Headcount and \$ Allocated		
				Control Area Services	Interzonal Scheduling	Market Operations			Control Area Services	Interzonal Scheduling	Market Operations
1463	Operations Systems	1.0		100%	0%	0%		Direct assignment	1.0	0.0	0.0
1464	Generation Control Project	0.0		96%	4%	0%		Direct assignment	0.0	0.0	0.0
	Division Direct Headcount	35.0							20.3	1.3	13.4
	Division Direct Headcount %	100%							58%	4%	38%

**CALIFORNIA ISO
COST ALLOCATION MATRIX - Using 1999 actual costs
MCI - Specific Headcount Method**

ISO Acct #	OPERATING COSTS	Average Headcount	Actual Amount in \$000s	Functional Allocation			Source	Allocation Method	Headcount and \$ Allocated		
				Control Area Services	Interzonal Scheduling	Market Operations			Control Area Services	Interzonal Scheduling	Market Operations
1700	Information Technology - Indirects										
1451	Information Security	6.0		58%	4%	38%		IT headcount	3.5	0.2	2.3
1471	IT - Strategic Planning	0.0		58%	4%	38%		IT headcount	0.0	0.0	0.0
1411	IT - General	1.5		58%	4%	38%		IT headcount	0.8	0.1	0.6
	Total IT Headcount	42.5							24.6	1.6	16.3
	Total IT Headcount %	100%							58%	4%	38%
	Total Ops, CS & IT Headcount	231.0							136.0	16.3	78.7
	Total Ops, CS & IT Headcount %	100%							59%	7%	34%
1600	General Counsel										
1641	Market Surveillance	8.0		15%	10%	75%		Direct assignment	1.2	0.8	6.0
1621	Communications:	0.0		59%	7%	34%		not allocated	0.0	0.0	0.0
1631	Legal and Regulatory	0.0		59%	7%	34%		not allocated	0.0	0.0	0.0
1611	General Counsel	0.0		59%	7%	34%		not allocated	0.0	0.0	0.0
	Total General Counsel Headcount	8.0							1.2	0.8	6.0
	Total General Counsel Headcount %	100%							15%	10%	75%
1300	Finance										
1311	Finance and Accounting:	0.0		59%	7%	34%		not allocated	0.0	0.0	0.0
	Total Headcount	239.0							137.2	17.1	84.7
	% of Total Headcount	100%							57%	7%	36%
1100/1200	Human Resources and CEO										
1111	Human Resources and CEO	0.0		57%	7%	36%		not allocated	0.0	0.0	0.0
1221	Administrative Services	0.0		57%	7%	36%		not allocated	0.0	0.0	0.0
1231	Facilities and Security:	0.0		57%	7%	36%		not allocated	0.0	0.0	0.0
1651	Board	0.0		57%	7%	36%		not allocated	0.0	0.0	0.0
	Division Headcount	0.0							0.0	0.0	0.0
	Division Headcount %	100%							0%	0%	0%
	Total Operating Headcount										
	Total Operating Headcount	239.0							137.2	17.1	84.7
	Total Operating Headcount %	100%							57%	7%	36%
	Excluded Headcount										
	Legal and Regulatory	17.5									
	Human Resources and CEO	19.5									
	Finance	10.5									
	Client Relations	32.5									
	Telecommunications	10.0									
	Total Headcount	329.0									
1441	Telecommunication Services										
1441	Telecommunication Services										
	Direct Allocation		\$2,000	0%	0%	100%	Estimate of cost for Connected Entities	\$0	\$0	\$2,000	
	Total Headcount Allocation		\$4,000	52%	7%	41%	Estimate of cost for voice services	\$2,080	\$280	\$1,640	
	Specific Headcount Allocation		\$27,258	57%	7%	36%	Remaining cost	\$15,537	\$1,908	\$9,813	
	Total MCI Contract Costs		\$33,258					\$17,617	\$2,188	\$13,453	
	Allocation Ratio							53%	7%	40%	