

SWIDLER BERLIN SHEREFF FRIEDMAN, LLP

THE WASHINGTON HARBOUR
3000 K STREET, NW, SUITE 300
WASHINGTON, DC 20007-5116
TELEPHONE (202) 424-7500
FACSIMILE
WWW.SWIDLAW.COM

NEW YORK OFFICE
THE CHRYSLER BUILDING
405 LEXINGTON AVENUE
NEW YORK, NY 10174
TEL. (212) 973-0111
FAX (212) 891-9598

JULIA MOORE
DIRECT DIAL: (202) 295-8357
FAX: (202) 424-7643
JULIAMOORE@SWIDLAW.COM

September 17, 2003

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. ER03-____ - 000**

Transmission Access Charge Informational Filing

Dear Secretary Salas:

The enclosed informational filing by the California Independent System Operator Corporation ("ISO") is intended to provide notice regarding the updated transmission Access Charges that reflect a revision in its transmission Access Charge rates to account for the changes to the rates of Pacific Gas and Electric Company ("PG&E"), specifically, those resulting from the "TO6" proceeding in Docket No. ER03-409-000.¹

Changes in Rates

The transmission Access Charges provided in the present filing updates the Access Charges provided for informational purposes in the ISO's submission of June 23, 2003 in Docket Nos. ER03-608-000, ER00-2019-006, and ER01-819-002. The changes in the present filing are effective August 13, 2003, coincident with the effectiveness of TO6.

Worksheets illustrating the recalculation of the ISO's transmission Access Charge is included with the present transmittal letter as Attachment A. The re-

¹ See *Pacific Gas and Electric Company*, 102 FERC ¶ 61,270 (2003) at P 17.

calculated rates for each of the TAC Areas, effective August 13, 2003, are as follows:

Northern Area -	\$ 2.2714/MWh
East Central Area -	\$ 2.7154/MWh
Southern Area -	\$ 2.5959/MWh

Additionally, the ISO provides, in Attachment B to the present filing, a form of notice suitable for publication in the Federal Register, which is also provided in electronic form on the enclosed diskette.

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:

Deborah A. Le Vine*	David B. Rubin*
California Independent System Operator Corporation	Julia Moore
151 Blue Ravine Road	Swidler Berlin Shereff Friedman, LLP
Folsom, CA 95630	3000 K Street, NW, Suite 300
Phone: (916) 608-7143	Washington, DC 20007
Fax: (916) 608-7296	Phone: (202) 424-7500
	Fax: (202) 424-7647

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

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

Two additional copies of this filing are enclosed to be date-stamped and returned to our messenger. If there are any questions concerning this filing, please contact the undersigned.

Respectfully submitted,



Charles F. Robinson
General Counsel
The California Independent System
Operator Corporation
151 Blue Ravine Road
Folsom, CA 95630

David B. Rubin
Julia Moore
Swidler Berlin Shereff Friedman, LLP
3000 K Street, NW
Suite 300
Washington, DC 20007

Attorneys for the California Independent System Operator Corporation

ATTACHMENT A

August 13, 2003 TAC Rate Based on Filed Annual TRR/TRBA and Load Data

TAC Components:

	Filed Annual TRR Existing HV Facilities (\$)	Filed Annual TRR New HV Facilities (\$)	Filed Annual Gross Load (MWh)	TAC Area	Total Filed TRR (\$1000)	EHVF only Utility Specific Rate (\$/MWh)	EHVF only TAC Area Rate (\$/MWh)	HV Utility Specific Rate (\$/MWh)	TAC Area Rate (\$/MWh)
	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]
RATE @ 13Aug03									
PG&E	\$ 154,837,354	\$ 48,896,007	82,761,368	N	\$ 203,733,361	\$ 1,8709	\$ 1,9739	\$ 2,4617	\$ 2,2714
SCE	\$ 169,946,053	\$ 7,062,648	84,358,000	EC	\$ 177,008,701	\$ 2,0146	\$ 2,4179	\$ 2,0983	\$ 2,7154
SDG&E	\$ 41,321,927	\$ 815,050	17,700,683	S	\$ 42,136,977	\$ 2,3345	\$ 2,2984	\$ 2,3805	\$ 2,5959
Anaheim	\$ 23,665,095	\$ -	2,589,830	EC	\$ 23,665,095	\$ 9,1377	\$ 2,4179	\$ 9,1377	\$ 2,7154
Azusa	\$ 1,812,911	\$ -	239,575	EC	\$ 1,812,911	\$ 7,5672	\$ 2,4179	\$ 7,5672	\$ 2,7154
Banning	\$ 1,262,005	\$ -	139,457	EC	\$ 1,262,005	\$ 9,0494	\$ 2,4179	\$ 9,0494	\$ 2,7154
Riverside	\$ 19,481,736	\$ -	1,814,019	EC	\$ 19,481,736	\$ 10,7395	\$ 2,4179	\$ 10,7395	\$ 2,7154
Vernon	\$ 10,175,975	\$ -	1,210,668	EC	\$ 10,175,975	\$ 8,4053	\$ 2,4179	\$ 8,4053	\$ 2,7154
Total	\$ 422,503,056	\$ 56,773,705	190,813,600		\$ 479,276,761				

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 (70%) divided by the Total Load of each area.
 The ISO portion is the percent of all TRR which has transitioned to ISO-Wide (30%), plus the TRR of New HV Facilities, divided by total load.

	Annual TRR Existing HV Facilities (\$)	Annual TRR New HV Facilities (\$)	Annual Gross Load (GWh)	TAC Area Rate (\$/MWh)	EHVF only ISO-Wide Rate (\$/MWh)	Existing HV Facilities (EHVF) only TAC Rate (\$/MWh)
	[10]	[11]	[12]	[13]	[14]	[15]
North	\$ 154,837,354	\$ 108,386,148	82,761,368	\$ 1,3096		
East/C	\$ 226,343,775	\$ 158,440,643	90,351,549	\$ 1,7536		
South	\$ 41,321,927	\$ 28,925,349	17,700,683	\$ 1,6341		
Total	\$ 422,503,056	\$ 295,752,139	190,813,600			
ISO Wide TRR Existing HV Facilities (\$)						
ISO Wide TRR New HV Facilities (\$)						
Total	\$ 126,750,917	\$ 56,773,705				
ISO-wide	\$ 126,750,917	\$ 56,773,705	190,813,600	\$ 0.9618	\$ 0.6643	

STEP 2: Calculate the HV Access Charge the UDC/ISS pays on Filed Gross Load and Benefit/Burden

	Filed Gross Load (MWh)	EHVF only TAC Area 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 (\$)
	[22]	[23]	[24]	[25]	[26]	[27]
PG&E	N	82,761,368	\$ 163,361,680	\$ 1,8709	\$ 154,837,354	\$ 8,524,326
SCE	EC	84,358,000	\$ 203,966,464	\$ 2,0146	\$ 169,946,053	\$ 34,020,411
SDG&E	S	17,700,683	\$ 40,683,304	\$ 2,3345	\$ 41,321,927	\$ (638,623)

August 13, 2003 TAC Rate Based on Filed Annual TRR/TRBA and Load Data

Anaheim	2,589,830	2,4179	6,261,866	9,1377	23,665,095	17,403,229
Azusa	239,575	2,4179	579,261	7,5672	1,812,911	1,233,650
Banning	139,457	2,4179	337,189	9,0494	1,262,005	924,816
Riverside	1,814,019	2,4179	4,386,058	10,7395	19,481,736	15,095,678
Vernon	1,210,668	2,4179	2,927,235	8,4053	10,175,975	7,248,740
Total	190,813,600	2,4179	422,503,056	42,503,056	0	0

Note: ISO total for Access Charge (Benefit)/Burden may not equal zero due to rounding of TAC Rate

STEP 3: For Information Only -- Projected annual net benefits/burdens from Access Charge.

\$32/32/8 million cap for IOUs; munis are held harmless; IOUs pay muni cost increases in proportion to their cap relative to the total cap.

	EHVF Access Charge (Benefit)/Burden (\$) [29] = [28]	IOU Burden Annual Cap (\$) [30]	IOUs' Cap Exceeds IOUs' Burden (\$) [31] IF ([30] - [29]) > 0 = [30] - [29] if no cap, then 0	Amount IOUs' Burden Exceeds IOU's Cap (\$) [32] IF [29] - [30] > 0 = [29] - [30] if no cap, then 0	Payments by Entities with Net Benefit (\$) [33] IOUs = ([31] / total[31]) x total[32] Munis w/ Benefit = ([29] / total[29]) x total[32] - total[31]	Mitigation Payments (\$) [34] = [33] - [32]	Adjusted Net (Benefit) / Burden (\$) [35] = [29] + [34]	Reallocation IOU Burden (\$) [36] Reallocate IOU Burden [38] so it is proportional to IOU Cap [30] = [38] - [35]	Transition Charge (\$) [37] = [34] + [36]	Adjusted Net (Benefit) / Burden (\$) [38] = [35] + [36]	Transition Charge Rate (\$/MWh) [39] = [37] / [23]
PG&E	\$ 8,524,326	\$ 32,000,000	\$ 23,475,674	\$ 0	\$ 1,476,928	\$ 1,476,928	\$ 10,001,255	\$ 8,623,685	\$ 10,100,614	\$ 18,624,940	\$ 0.1220
SCE	\$ 34,020,411	\$ 32,000,000	\$ 0	\$ 2,020,411	\$ 0	\$ (2,020,411)	\$ 32,000,000	\$ (13,375,060)	\$ (15,395,471)	\$ 18,624,940	\$ (0.1825)
SDG&E	\$ (638,623)	\$ 8,000,000	\$ 8,638,623	\$ 0	\$ 543,483	\$ 543,483	\$ (95,140)	\$ 4,751,375	\$ 5,294,858	\$ 4,656,235	\$ 0.2991
Anaheim	\$ (17,403,229)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (17,403,229)	\$ 0	\$ 0	\$ (17,403,229)	\$ 0
Azusa	\$ (1,233,650)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (1,233,650)	\$ 0	\$ 0	\$ (1,233,650)	\$ 0
Banning	\$ (924,816)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (924,816)	\$ 0	\$ 0	\$ (924,816)	\$ 0
Riverside	\$ (15,095,678)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (15,095,678)	\$ 0	\$ 0	\$ (15,095,678)	\$ 0
Vernon	\$ (7,248,740)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (7,248,740)	\$ 0	\$ 0	\$ (7,248,740)	\$ 0
Total	\$ 0	\$ 72,000,000	\$ 32,114,296	\$ 2,020,411	\$ 2,020,411	\$ 0	\$ 0	\$ (0)	\$ (0)	\$ 0	\$ 0

13 August 2003 ISO Access Charge Rate
HIGH VOLTAGE AND LOW VOLTAGE COMPONENTS

								Info Only
PTO	HV TRR	LV TRR	New HV Facilities	New LV Facilities	Total HV Filed TRR	Total LV Filed TRR	Combined TRR	
PTO	Base TRR	187,595,960	285,448,078	59,240,830		246,836,790	285,448,078	532,284,868
	TRBAA (as of 30Sep02)	(31,871,180)	(12,989,031)	(10,064,583)		(41,935,763)	(12,989,031)	(54,924,794)
	Standby Credit	(887,426)	(1,215,326)	(280,240)		(1,167,666)	(1,215,326)	(2,382,992)
	Total	154,837,354	271,243,721	48,896,007		203,733,361	271,243,721	474,977,082
PGE	Gross Load	82,761,368	82,761,368	82,761,368		82,761,368	82,761,368	82,761,368
	Utility Specific Access Charges (\$/kWh)	1.8709	3.2774	0.5908		2.4617	3.2774	5.7391
Effective Date		13-Aug-03		13-Aug-03				
	Docket #	ER03-409		ER03-409				
SCE	Effective Date	1-Sep-02 ER02-925		1-Sep-02				
	Docket #	1-Jan-03 ER03-338		ER02-925				
SDG	Effective Date	1-Jan-01 ER97-2364		1-Jul-02 ER02-1687				
	Docket #	1-Jan-03 ER03-339		1-Nov-01 ER01-3074				
Verri	Effective Date	1-Jan-03						
	Docket #	EL03-31						
Anal	Effective Date	1-Jan-03						
	Docket #	EL03-15						
Azus	Effective Date	1-Jan-03						
	Docket #	EL03-14						
Bant	Effective Date	1-Jan-03						
	Docket #	EL03-21						
Rive	Effective Date	1-Jan-03						
	Docket #	EL03-20						
For Information Only								
Total CAISO Grid	Base TRR	511,412,549	364,983,886	68,916,765	338,570	580,329,314	365,322,456	945,651,770
	TRBAA (as of 01Jan03)	(86,775,052)	(12,852,838)	(11,818,299)	13,342	(98,593,351)	(12,839,496)	(111,432,847)
	Standby Credit	(2,134,441)	(1,514,868)	(324,761)	-	(2,459,202)	(1,514,868)	(3,974,070)
	Total	422,503,056	350,616,180	56,773,705	351,912	479,276,761	350,968,092	830,244,853
	Gross Load	190,813,600	184,959,508	184,820,051	17,700,683	190,813,600	184,959,508	190,813,600
Utility Specific Access Charges (\$/kWh)	2.2142	1.8956	0.3072	0.0199	2.5118	1.8975	4.3511	

ATTACHMENT B

