

**UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION**

**California Independent System  
Operator Corporation**

**Docket Nos. ER00-2019-006  
ER01-819-002  
ER03-608-000**

**ORDER GRANTING MOTION OF CITY OF VERNON, CALIFORNIA  
FOR LEAVE TO FILE SUPPLEMENTAL TESTIMONY**

**(Issued August 7, 2003)**

1. The City of Vernon, California (“Vernon”) has moved for leave to file the supplemental testimony of Peter J. Lanzalotta (“supplemental testimony”) submitted with its motion on July 25, 2003. For the reasons set forth herein below, the motion is GRANTED.
2. The supplemental testimony addresses the relatively discrete circumstances of how transmission revenues collected by the California Independent System Operator Corporation (“ISO”) should be disbursed among the Participating Transmission Owners (“PTO”). *See* ISO Tariff, Appendix F, Schedule 3, Section 10.1. Such disbursements are in payment for the PTOs’ Transmission Revenue Requirements (“TRR”), which the PTOs receive in compensation for their turning their transmission over to ISO operational control.
3. As noted in the supplemental testimony, in its Amendment No. 34, the ISO filed to change this disbursement methodology from one where transmission revenues were allocated pro rata, proportional to each PTO’s TRR, to a methodology that utilizes actual loads associated with individual PTOs. Vernon asserts that this tariff change was negotiated in the last half of the year 2000 among the ISO and the Original PTOs (“OPTO”)(i.e., Southern California Edison Company, Pacific Gas and Electric Company (“PG&E”), and San Diego Gas and Electric Company). Vernon did not participate in these negotiations and only became aware of the tariff changes after