

SCE has reviewed the tariff language and preliminarily agrees with the changes. We do have a question however regarding revenue neutrality. If you are not the right person to direct this question to please advise.

Thanks
Mike

Question:

Current tariff allows for a monthly true-up for CRR shortfalls using the CRR balancing account. We see no conflict with the revised tariff language and monthly balancing account true-up under the current payment cycle but we do see a potential conflict under Payment Acceleration (PA). Under PA the CAISO will be invoicing twice a month, with the first invoice (consisting of day's 1-15) being issued around the 22nd of the month. Per the tariff change CRR holders will be paid in full on the 22nd but the CAISO would not be able to collect from the balancing account to cover any shortfalls until the second half of the month is invoiced (second invoice includes monthly charge codes). Where will the CAISO get the money from to fully fund CRR's holders on the 1st initial invoice if a shortfall exists?