

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

California Independent System Operator Corporation)	Docket Nos. ER01-313-000 and ER01-313-001
)	
Pacific Gas and Electric Company)	Docket Nos. ER01-424-000 and ER01-424-001
)	

**SUMMARY OF THE REBUTTAL TESTIMONY OF
MICHAEL K. EPSTEIN ON BEHALF OF THE CALIFORNIA
INDEPENDENT SYSTEM OPERATOR CORPORATION**

Mr. Epstein addresses testimony filed in this proceeding by intervenors and Commission Staff regarding the assessment of the Grid Management Charge (“GMC”) on “other appropriate parties”, and responds to concerns expressed by one intervenor that it not be double-charged for Control Area Services.

With regard to “other appropriate parties”, Mr. Epstein clarifies a description of the entities encompassed by the term that had been provided by staff Witness Stephen Pointer (Exh. No. ISO-27 at 3-4); provides a list of potential “other appropriate parties” with regard to the Control Area Services Charge and the Market Operations Charge (Exh. No. ISO-27 at 5-8); describes the method in which the ISO determines which entities to bill for certain “behind-the-meter” Load (Exh. No. ISO at 5); and describes the reason the ISO developed the term (Exh. No. ISO-27 at 8, 10).

With regard to double-charging, Mr. Epstein clarifies that no such double-charging is occurring, and that the method by which Load data is reported is unchanged by the unbundled Grid Management Charge (Exh. No. ISO-27 at 14). Mr. Epstein also ISO describes a method for certain “behind-the-meter” Load data to be reported to the ISO, in order to provide additional reassurance that double-charging will not occur (Exh. No. ISO-27 at 15-17).