

**Part D – Information Requirements**

**Budget Schedule**

The CAISO will convene, prior to the commencement of the annual budget process, an initial meeting with stakeholders to: (a) receive ideas to control CAISO costs; (b) receive ideas for projects to be considered in the capital budget development process; and, (c) receive suggestions for reordering CAISO priorities in the coming year.

Within two (2) weeks of the initial meeting, the ideas presented by the stakeholders shall be communicated in writing to the CAISO's officers, directors and managers as part of the budget development process, and a copy of this communication shall be made available to stakeholders.

Subsequent to the initial submission of the draft budget to the finance committee of the CAISO Governing Board, the CAISO will provide stakeholders with the following information: (a) proposed capital budget with indicative projects for the next subsequent calendar year, a budget-to-actual review for capital expenditures for the previous calendar year, and a budget-to-actual review of current year capital costs; and, (b) expenditures and activities in detail for the next subsequent calendar year (in the form of a draft of the budget book for the CAISO Governing Board), budget-to-actual review of expenditures and activities for the previous calendar year, and a budget-to-actual review of expenditures for the current year. Certain of this detailed information which is deemed commercially sensitive will only be made available to parties that pay the CAISO's GMC (or regulators) who execute a confidentiality agreement.

The CAISO shall provide such materials on a timely basis to provide stakeholders at least one full committee meeting cycle to review and prepare comments on the draft annual budget to the finance committee of the CAISO Governing Board.

At least one month prior to the CAISO Governing Board meeting scheduled to consider approval of the proposed budget, the CAISO will hold a meeting open to all stakeholders to discuss the details of the CAISO's budget and revenue requirement for the forthcoming year. To the extent that such a meeting will deal with complex matters of budgetary and policy import, the CAISO will endeavor to host a workshop on the CAISO's budget preparation process in advance of the meeting to better prepare stakeholders.

Prior to a final recommendation by the finance committee of the CAISO Governing Board on the CAISO's draft annual budget, the CAISO shall respond in writing to all written comments on the draft annual budget submitted by stakeholders and/or the CAISO shall issue a revised draft budget indicating in detail the manner in which the stakeholders' comments have been taken into consideration.

The CAISO will provide no fewer than forty-five (45) days for stakeholder review of its annual budget between initial budget posting and final approval of the budget by the CAISO Governing Board.

### **Budget Posting**

After the approval of the annual budget by the CAISO Governing Board, the CAISO will post on the CAISO Website the CAISO operating and capital budget to be effective during the subsequent fiscal year, and the billing determinant volumes used to develop the rate for each component of the Grid Management Charge, together with workpapers showing the calculation of such rates.

### **Annual Filing**

If the Grid Management Charge revenue requirement for any Budget Year does not exceed \$197 million, the CAISO shall not be required to make a Section 205 filing to adjust the GMC charges calculated in accordance with this Schedule 1 to collect such revenue requirement. In order for the CAISO to adjust the GMC charges to collect a Grid Management Charge revenue requirement for a Budget Year that exceeds \$197 million, the CAISO must submit an application to the FERC under FPA Section 205. In any event, the CAISO shall submit a filing under FPA Section 205 for approval of the Grid Management Charge to be effective no later than January 1, 2010. In such filing, the CAISO may revise the Grid Management Charge rates set forth in this Schedule 1, but shall not be required to do so.

### **Periodic Financial Reports**

The CAISO will create periodic financial reports consisting of an income statement, balance sheet, statement of operating reserves, and such other reports as are required by the CAISO Governing Board. The periodic financial reports will be posted on the CAISO Website not less than quarterly.

**Part E – Cost Allocation**

1. The Grid Management Charge revenue requirement, determined in accordance with Part C of this Schedule 1, shall be allocated to the service charges specified in Part A of this Schedule 1 as follows, subject to Section 2 of this Part E and to Part F of this Schedule 1. Expenses projected to be recorded in each cost center shall be allocated among the charges in accordance with the allocation factors listed in Table 1 to this Schedule 1, subject to Section 2 of this Part E and to Part F of this Schedule 1. In the event the CAISO budgets for projected expenditures for cost centers are not specified in Table 1 to Schedule 1, such expenditures shall be allocated based on the allocation factors for the respective CAISO division hosting that newly-created cost center. Such divisional allocation factors are specified in Table 1 to this Schedule 1.

Debt service expenditures for the CAISO's existing bond offerings shall be allocated among the charges in accordance with the allocation factors listed in Table 1 to this Schedule 1, subject to Section 2 of this Part E and to Part F of this Schedule 1. Capital expenditures shall be allocated among the charges in accordance with the allocation factors listed in Table 2 to this Schedule 1, subject to Section 2 of this Part E and to Part F of this Schedule 1, for the system for which the capital expenditure is projected to be made.

Any costs allocated by the factors listed in Table 1 and Table 2 to the Settlements, Metering, and Client Relations Charge category that would remain un-recovered after the assessment of the charge for that service specified in Section 8 of Part A of this Schedule 1 on forecasted billing determinant volumes shall be reallocated to the remaining GMC service categories in the ratios set forth in Table 3 to this Schedule 1.

The cost allocation factors in Tables 1, 2, and 3 to this Schedule 1 include the following association of factors to the components of the Grid Management Charge, subject to Part F of this Schedule 1:

CRS: This factor is the allocation of costs to the Core Reliability Services – Demand Charge and Core Reliability Services - Energy Exports Charge.

ETS: This factor is the allocation of costs to the Energy Transmission Services – Net Energy Charge and Energy Transmission Services – Uninstructed Deviations Charge, subject to Section 2 of this Part E.

CRS/ETS TOR: This factor is the allocation of costs to Core Reliability Services/Energy Transmission Services – Transmission Ownership Rights Charge for the assessment of the Core Reliability Services – Demand Charge, Core Reliability Services – Energy Exports Charge, and the Energy Transmission Services – Net Energy Charge to Metered Balancing Authority Area Load served over Transmission Ownership Rights.

FS: This factor is the allocation of costs to the Forward Scheduling Charge.

MU: This factor is the allocation of costs to the Market Usage Charge, except for the application of the Market Usage Charge to purchases or sales of Energy in the Day-Ahead Market.

MU-FE: This factor is the allocation of costs to the Market Usage Charge as applied to net purchases or sales of Energy in the Day-Ahead Market.

SMCR: This factor is the allocation of costs to the Settlements, Metering, and Client Relations Charge.

2. The allocation of costs in accordance with Section 1 and Tables 1 and 2 of this Part E shall be adjusted as follows:

Costs allocated to the Energy Transmission Services (ETS) category in the following tables are further apportioned to the Energy Transmission Services – Net Energy Charge and Energy Transmission Services – Uninstructed Deviations Charge subcategories in eighty percent (80%) and twenty percent (20%) ratios, respectively.

**Table 1**  
**O&M, Debt Service, and Other Expense Recoveries Cost Allocation Factors**

| CC#  | Cost Center Name                                     | CRS     | ETS     | CRS/ETS TOR | FS    | MU     | MU-FE  | SMCR   | Total   |
|------|--|---------|---------|-------------|-------|--------|--------|--------|---------|
| 2111 | CEO-General  | 38.89%  | 15.11%  | 0.44%       | 4.29% | 13.32% | 3.54%  | 24.42% | 100.00% |
| 2121 | Market Monitoring                                    | 22.40%  | 0.00%   | 0.00%       | 6.20% | 46.69% | 17.11% | 7.60%  | 100.00% |
| 2122 | Market Surveillance Committee (Non-labor costs only) | 25.00%  | 0.00%   | 0.00%       | 0.00% | 75.00% | 0.00%  | 0.00%  | 100.00% |
| 2211 | Planning and Infrastructure Development              | 53.25%  | 46.75%  | 0.00%       | 0.00% | 0.00%  | 0.00%  | 0.00%  | 100.00% |
| 2221 | Regional Transmission-North                          | 57.67%  | 42.33%  | 0.00%       | 0.00% | 0.00%  | 0.00%  | 0.00%  | 100.00% |
| 2231 | Regional Transmission-South                          | 54.60%  | 45.40%  | 0.00%       | 0.00% | 0.00%  | 0.00%  | 0.00%  | 100.00% |
| 2241 | Grid Assets  | 68.34%  | 31.66%  | 0.00%       | 0.00% | 0.00%  | 0.00%  | 0.00%  | 100.00% |
| 2242 | Generator Interconnections                           | 100.00% | 0.00%   | 0.00%       | 0.00% | 0.00%  | 0.00%  | 0.00%  | 100.00% |
| 2251 | Network Applications                                 | 0.00%   | 100.00% | 0.00%       | 0.00% | 0.00%  | 0.00%  | 0.00%  | 100.00% |
| 2311 | CFO General  | 37.33%  | 14.40%  | 0.42%       | 3.96% | 10.70% | 5.12%  | 28.05% | 100.00% |
| 2321 | Accounting   | 38.89%  | 15.11%  | 0.44%       | 4.29% | 13.32% | 3.54%  | 24.42% | 100.00% |
| 2331 | Financial Planning and Treasury                      | 31.41%  | 12.20%  | 0.36%       | 3.46% | 10.76% | 2.86%  | 38.95% | 100.00% |
| 2341 | Human Resources                                      | 40.85%  | 16.67%  | 0.47%       | 3.01% | 10.06% | 6.00%  | 22.94% | 100.00% |
| 2351 | Facilities   | 40.85%  | 16.67%  | 0.47%       | 3.01% | 10.06% | 6.00%  | 22.94% | 100.00% |
| 2361 | Procurement and Vendor Management                    | 38.89%  | 15.11%  | 0.44%       | 4.29% | 13.32% | 3.54%  | 24.42% | 100.00% |
| 2371 | Enterprise Risk Management                           | 34.73%  | 11.83%  | 0.38%       | 5.53% | 9.35%  | 6.78%  | 31.40% | 100.00% |
| 2372 | Internal Audit                                       | 38.89%  | 15.11%  | 0.44%       | 4.29% | 13.32% | 3.54%  | 24.42% | 100.00% |
| 2373 | Information Security                                 | 23.53%  | 3.01%   | 0.22%       | 9.91% | 6.42%  | 9.47%  | 47.44% | 100.00% |
| 2374 | Physical Security                                    | 40.85%  | 16.67%  | 0.47%       | 3.01% | 10.06% | 6.00%  | 22.94% | 100.00% |

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First Revised Sheet No. 1196  
 Superseding Original Sheet No. 1196

| CC#  | Cost Center Name                        | CRS    | ETS    | CRS/ETS TOR | FS     | MU     | MU-FE | SMCR   | Total   |
|------|---|--------|--------|-------------|--------|--------|-------|--------|---------|
| 2411 | Information Technology-General          | 35.13% | 8.03%  | 0.35%       | 8.08%  | 11.07% | 4.65% | 32.69% | 100.00% |
| 2412 | Asset Management (Non-Labor costs only) | 32.40% | 9.79%  | 0.33%       | 7.51%  | 12.78% | 5.37% | 31.83% | 100.00% |
| 2421 | IT Projects                             | 23.53% | 3.01%  | 0.22%       | 9.91%  | 6.42%  | 9.47% | 47.44% | 100.00% |
| 2431 | IT Project Management                   | 23.53% | 3.01%  | 0.22%       | 9.91%  | 6.42%  | 9.47% | 47.44% | 100.00% |
| 2441 | Software Quality Assurance              | 23.53% | 3.01%  | 0.22%       | 9.91%  | 6.42%  | 9.47% | 47.44% | 100.00% |
| 2451 | IT Support & Operations                 | 37.26% | 10.02% | 0.39%       | 9.71%  | 12.49% | 2.34% | 27.78% | 100.00% |
| 2452 | System & Database Administration        | 23.53% | 3.01%  | 0.22%       | 9.91%  | 6.42%  | 9.47% | 47.44% | 100.00% |
| 2453 | Data Center & Operations                | 40.24% | 18.35% | 0.49%       | 2.44%  | 14.15% | 1.64% | 22.70% | 100.00% |
| 2454 | Architecture & Systems Engineering      | 23.53% | 3.01%  | 0.22%       | 9.91%  | 6.42%  | 9.47% | 47.44% | 100.00% |
| 2462 | EMS Information Technology              | 94.09% | 2.45%  | 0.80%       | 0.00%  | 1.33%  | 0.00% | 1.33%  | 100.00% |
| 2463 | Operations Information Technology       | 31.43% | 9.40%  | 0.33%       | 13.67% | 26.52% | 0.00% | 18.65% | 100.00% |
| 2464 | Corporate Systems                       | 32.52% | 10.30% | 0.32%       | 1.22%  | 10.23% | 1.92% | 43.49% | 100.00% |

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First Revised Sheet No. 1197  
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| CC#  | Cost Center Name                   | CRS     | ETS    | CRS/ETS TOR | FS     | MU      | MU-FE  | SMCR    | Total   |
|------|------------------------------------|---------|--------|-------------|--------|---------|--------|---------|---------|
| 2511 | Operations-General                 | 46.52%  | 16.54% | 0.75%       | 1.33%  | 15.19%  | 2.09%  | 17.58%  | 100.00% |
| 2521 | Grid Operations                    | 68.53%  | 24.09% | 1.42%       | 0.00%  | 5.96%   | 0.00%  | 0.00%   | 100.00% |
| 2522 | Real-Time Operations               | 60.99%  | 29.70% | 1.20%       | 0.00%  | 8.11%   | 0.00%  | 0.00%   | 100.00% |
| 2523 | Scheduling                         | 65.75%  | 32.87% | 1.38%       | 0.00%  | 0.00%   | 0.00%  | 0.00%   | 100.00% |
| 2524 | Outage Management                  | 94.00%  | 0.37%  | 4.17%       | 0.00%  | 1.47%   | 0.00%  | 0.00%   | 100.00% |
| 2531 | Alhambra Grid Operations           | 100.00% | 0.00%  | 0.00%       | 0.00%  | 0.00%   | 0.00%  | 0.00%   | 100.00% |
| 2541 | Market Services                    | 5.38%   | 0.00%  | 0.00%       | 5.02%  | 44.24%  | 7.90%  | 37.46%  | 100.00% |
| 2542 | Market Operations                  | 5.14%   | 0.00%  | 0.00%       | 13.08% | 56.08%  | 20.56% | 5.14%   | 100.00% |
| 2543 | Billing and Settlements            | 12.56%  | 0.00%  | 0.00%       | 0.00%  | 0.00%   | 0.00%  | 87.44%  | 100.00% |
| 2544 | Settlement Projects                | 0.00%   | 0.00%  | 0.00%       | 0.00%  | 0.00%   | 0.00%  | 100.00% | 100.00% |
| 2545 | Market Information                 | 0.00%   | 0.00%  | 0.00%       | 0.00%  | 100.00% | 0.00%  | 0.00%   | 100.00% |
| 2551 | Operations Support                 | 38.68%  | 19.64% | 0.00%       | 0.00%  | 1.76%   | 0.00%  | 39.92%  | 100.00% |
| 2552 | Operations Data and Compliance     | 41.75%  | 0.00%  | 0.00%       | 0.00%  | 0.00%   | 0.00%  | 58.25%  | 100.00% |
| 2553 | Operations Procedures and Training | 63.23%  | 36.77% | 0.00%       | 0.00%  | 0.00%   | 0.00%  | 0.00%   | 100.00% |
| 2554 | Model & Contract Implementation    | 35.54%  | 0.00%  | 0.00%       | 0.00%  | 8.77%   | 0.00%  | 55.69%  | 100.00% |
| 2555 | Information Engineering & Analysis | 8.80%   | 46.39% | 0.00%       | 0.00%  | 0.00%   | 0.00%  | 44.82%  | 100.00% |
| 2561 | Reliability Coordination           | 100.00% | 0.00%  | 0.00%       | 0.00%  | 0.00%   | 0.00%  | 0.00%   | 100.00% |

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First Revised Sheet No. 1198  
 Superseding Original Sheet No. 1198

| CC#  | Cost Center Name                         | CRS    | ETS    | CRS/ETS TOR | FS     | MU     | MU-FE  | SMCR   | Total   |
|------|--|--------|--------|-------------|--------|--------|--------|--------|---------|
| 2611 | General Counsel-General                  | 38.89% | 15.11% | 0.44%       | 4.29%  | 13.32% | 3.54%  | 24.42% | 100.00% |
| 2621 | Asst General Counsel-Corporate           | 38.89% | 15.11% | 0.44%       | 4.29%  | 13.32% | 3.54%  | 24.42% | 100.00% |
| 2631 | Asst General Counsel-Regulatory          | 38.89% | 15.11% | 0.44%       | 4.29%  | 13.32% | 3.54%  | 24.42% | 100.00% |
| 2641 | Asst General Counsel Tariff & Compliance | 38.89% | 15.11% | 0.44%       | 4.29%  | 13.32% | 3.54%  | 24.42% | 100.00% |
| 2651 | Asst Corporate Secretary                 | 38.89% | 15.11% | 0.44%       | 4.29%  | 13.32% | 3.54%  | 24.42% | 100.00% |
| 2711 | Market Development-Program Mgmt-General  | 18.92% | 21.45% | 0.04%       | 8.86%  | 42.78% | 0.43%  | 7.51%  | 100.00% |
| 2721 | Market and Product Development           | 7.43%  | 14.86% | 0.00%       | 7.43%  | 62.86% | 0.00%  | 7.43%  | 100.00% |
| 2722 | Tariff and Regulatory/Policy Development | 0.00%  | 9.34%  | 0.00%       | 18.69% | 71.97% | 0.00%  | 0.00%  | 100.00% |
| 2723 | Infrastructure Policy & Contracts        | 45.42% | 44.49% | 0.00%       | 0.00%  | 0.00%  | 0.00%  | 10.09% | 100.00% |
| 2731 | Program Office                           | 38.89% | 15.11% | 0.44%       | 4.29%  | 13.32% | 3.54%  | 24.42% | 100.00% |
| 2741 | MRTU Program                             | 10.30% | 4.25%  | 0.12%       | 19.93% | 10.75% | 16.19% | 38.46% | 100.00% |

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First Revised Sheet No. 1199  
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| CC#  | Cost Center Name                       | CRS    | ETS    | CRS/ETS TOR | FS    | MU     | MU-FE | SMCR    | Total   |
|------|--|--------|--------|-------------|-------|--------|-------|---------|---------|
| 2811 | External Affairs-General               | 12.89% | 5.00%  | 0.15%       | 1.42% | 4.41%  | 1.17% | 74.96%  | 100.00% |
| 2821 | Communications & Public Relations      | 38.89% | 15.11% | 0.44%       | 4.29% | 13.32% | 3.54% | 24.42%  | 100.00% |
| 2822 | Information Products & Services        | 0.00%  | 0.00%  | 0.00%       | 0.00% | 0.00%  | 0.00% | 100.00% | 100.00% |
| 2831 | State/Federal Affairs                  | 38.89% | 15.11% | 0.44%       | 4.29% | 13.32% | 3.54% | 24.42%  | 100.00% |
| 2841 | Customer Services and Industry Affairs | 0.00%  | 0.00%  | 0.00%       | 0.00% | 0.00%  | 0.00% | 100.00% | 100.00% |

| Financing and Capital Project Budgets |   |         |        |                |        |        |        |         |         |
|---------------------------------------|---|---------|--------|----------------|--------|--------|--------|---------|---------|
|                                       |   | CRS     | ETS    | CRS/ETS<br>TOR | FS     | MU     | MU-FE  | SMCR    | Total   |
|                                       | 1998/2000 Bond<br>Financed Capital          | 29.96%  | 8.36%  | 0.31%          | 11.78% | 16.47% | 1.07%  | 32.05%  | 100.00% |
|                                       | 2004 Bond Financed<br>Capital               | 16.20%  | 5.07%  | 0.17%          | 17.67% | 10.90% | 14.09% | 35.90%  | 100.00% |
|                                       | 2007 Bond Financed<br>Capital               | 13.44%  | 5.08%  | 0.15%          | 19.05% | 10.48% | 15.71% | 36.09%  | 100.00% |
| Other Revenues and Expense Credits    |   |         |        |                |        |        |        |         |         |
|                                       | SC Application and<br>Training Fees         | 0.00%   | 0.00%  | 0.00%          | 0.00%  | 0.00%  | 0.00%  | 100.00% | 100.00% |
|                                       | WECC<br>Reimbursement/NERC<br>Reimbursement | 100.00% | 0.00%  | 0.00%          | 0.00%  | 0.00%  | 0.00%  | 0.00%   | 100.00% |
|                                       | COI Path Operator Fee                       | 71.81%  | 28.19% | 0.00%          | 0.00%  | 0.00%  | 0.00%  | 0.00%   | 100.00% |
|                                       | Large Generator<br>Interconnection Project  | 100.00% | 0.00%  | 0.00%          | 0.00%  | 0.00%  | 0.00%  | 0.00%   | 100.00% |
|                                       | Interest Earnings                           | 34.78%  | 12.18% | 0.38%          | 7.33%  | 12.98% | 5.30%  | 27.06%  | 100.00% |

**Table 2**

**Capital Cost Allocation Factors**

| System  | CRS    | ETS    | CRS/ETS TOR | FS     | MU     | MU-FE | SMCR    | Total   |
|---|--------|--------|-------------|--------|--------|-------|---------|---------|
| ACC Upgrades (Communication between ISO & IOUs)       | 99.18% | 0.00%  | 0.82%       | 0.00%  | 0.00%  | 0.00% | 0.00%   | 100.00% |
| Ancillary Services Management (ASM) Component of SA   | 14.88% | 0.00%  | 0.12%       | 40.00% | 45.00% | 0.00% | 0.00%   | 100.00% |
| Application Development Tools                         | 23.53% | 3.01%  | 0.22%       | 9.91%  | 6.42%  | 9.47% | 47.44%  | 100.00% |
| Automated Dispatch System (ADS)                       | 49.59% | 0.00%  | 0.41%       | 25.00% | 20.00% | 0.00% | 5.00%   | 100.00% |
| Automated Load Forecast System (ALFS)                 | 69.42% | 0.00%  | 0.58%       | 10.00% | 20.00% | 0.00% | 0.00%   | 100.00% |
| Automatic Mitigation Procedure (AMP)                  | 0.00%  | 84.30% | 0.70%       | 0.00%  | 15.00% | 0.00% | 0.00%   | 100.00% |
| Backup systems (Legato/Quantum)                       | 23.53% | 3.01%  | 0.22%       | 9.91%  | 6.42%  | 9.47% | 47.44%  | 100.00% |
| Balance of Business Systems (BBS)                     | 0.00%  | 0.00%  | 0.00%       | 0.00%  | 0.00%  | 0.00% | 100.00% | 100.00% |
| Balancing Energy Ex Post Price (BEEP) Component of SA | 49.59% | 2.83%  | 0.43%       | 20.00% | 27.14% | 0.00% | 0.00%   | 100.00% |
| Bill's Interchange Schedule (BITS)                    | 84.30% | 0.00%  | 0.70%       | 0.00%  | 15.00% | 0.00% | 0.00%   | 100.00% |
| CAISO Outage Modeling Tool (COMT)                     | 64.47% | 1.42%  | 0.55%       | 15.00% | 18.57% | 0.00% | 0.00%   | 100.00% |
| CaseWise (process modeling tool)                      | 40.34% | 19.26% | 0.49%       | 1.52%  | 14.24% | 1.70% | 22.45%  | 100.00% |
| CHASE   | 40.34% | 19.26% | 0.49%       | 1.52%  | 14.24% | 1.70% | 22.45%  | 100.00% |
| Client Relations Tools                                | 0.00%  | 0.00%  | 0.00%       | 0.00%  | 0.00%  | 0.00% | 100.00% | 100.00% |
| Common Information Model (CIM)                        | 99.18% | 0.00%  | 0.82%       | 0.00%  | 0.00%  | 0.00% | 0.00%   | 100.00% |
| Compliance  | 41.75% | 0.00%  | 0.00%       | 0.00%  | 0.00%  | 0.00% | 58.25%  | 100.00% |
| Congestion Management (CONG) Component of SA          | 0.00%  | 28.34% | 0.23%       | 0.00%  | 71.43% | 0.00% | 0.00%   | 100.00% |

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| System  | CRS    | ETS    | CRS/ETS<br>TOR | FS      | MU      | MU-FE  | SMCR    | Total   |
|---|--------|--------|----------------|---------|---------|--------|---------|---------|
| Congestion Reform-DSOW  | 0.00%  | 63.76% | 0.53%          | 0.00%   | 35.71%  | 0.00%  | 0.00%   | 100.00% |
| Congestion Revenue Rights<br>(CRR)  | 0.00%  | 22.67% | 0.19%          | 0.00%   | 77.14%  | 0.00%  | 0.00%   | 100.00% |
| DataWarehouse   | 31.59% | 2.86%  | 0.00%          | 3.07%   | 18.90%  | 6.93%  | 36.65%  | 100.00% |
| Dept. of Market Analysis Tools<br>(SAS/MARS)                                | 22.40% | 0.00%  | 0.00%          | 6.20%   | 46.69%  | 17.11% | 7.60%   | 100.00% |
| Dispute Tracking System<br>(Remedy)   | 0.00%  | 0.00%  | 0.00%          | 0.00%   | 0.00%   | 0.00%  | 100.00% | 100.00% |
| Documentum  | 40.34% | 19.26% | 0.49%          | 1.52%   | 14.24%  | 1.70%  | 22.45%  | 100.00% |
| Electronic Tagging (Etag)   | 99.18% | 0.00%  | 0.82%          | 0.00%   | 0.00%   | 0.00%  | 0.00%   | 100.00% |
| Energy Management System<br>(EMS)   | 99.18% | 0.00%  | 0.82%          | 0.00%   | 0.00%   | 0.00%  | 0.00%   | 100.00% |
| Engineering Analysis Tools  | 59.51% | 39.67% | 0.82%          | 0.00%   | 0.00%   | 0.00%  | 0.00%   | 100.00% |
| Evaluation of Market Separation   | 0.00%  | 14.17% | 0.12%          | 0.00%   | 85.71%  | 0.00%  | 0.00%   | 100.00% |
| Existing Transmission Contracts<br>Calculator (ETCC)                        | 24.79% | 4.25%  | 0.24%          | 20.00%  | 30.71%  | 0.00%  | 20.00%  | 100.00% |
| FERC Study Software   | 0.00%  | 0.00%  | 0.00%          | 0.00%   | 100.00% | 0.00%  | 0.00%   | 100.00% |
| Firm Transmission Right (FTR)<br>and Secondary Registration<br>System (SRS) | 0.00%  | 17.00% | 0.14%          | 15.00%  | 57.86%  | 0.00%  | 10.00%  | 100.00% |
| Global Resource Reliability<br>Management Application<br>(GRRMA)            | 74.38% | 14.88% | 0.74%          | 0.00%   | 10.00%  | 0.00%  | 0.00%   | 100.00% |
| Grid Operations Training<br>Simulator (GOTS)                                | 62.48% | 36.70% | 0.82%          | 0.00%   | 0.00%   | 0.00%  | 0.00%   | 100.00% |
| Hour-Ahead Data AnalysisTool,<br>Day-Ahead Data AnalysisTool,               | 0.00%  | 0.00%  | 0.00%          | 100.00% | 0.00%   | 0.00%  | 0.00%   | 100.00% |
| Human Resources   | 40.34% | 19.26% | 0.49%          | 1.52%   | 14.24%  | 1.70%  | 22.45%  | 100.00% |

CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION  
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First Revised Sheet No. 1203  
 Superseding Original Sheet No. 1203

| System  | CRS    | ETS    | CRS/ETS<br>TOR | FS     | MU     | MU-FE  | SMCR    | Total   |
|---|--------|--------|----------------|--------|--------|--------|---------|---------|
| IBM Contract (also known as Outsourced Contracts)     | 34.79% | 13.90% | 0.40%          | 4.29%  | 11.66% | 4.26%  | 30.69%  | 100.00% |
| Integrated Forward Market (IFM)                       | 9.92%  | 0.00%  | 0.08%          | 35.00% | 0.00%  | 55.00% | 0.00%   | 100.00% |
| Internal Development                                  | 23.53% | 3.01%  | 0.22%          | 9.91%  | 6.42%  | 9.47%  | 47.44%  | 100.00% |
| Interzonal Congestion Management reform - Real Time   | 0.00%  | 63.76% | 0.53%          | 0.00%  | 35.71% | 0.00%  | 0.00%   | 100.00% |
| Land and Building Costs                               | 40.34% | 19.26% | 0.49%          | 1.52%  | 14.24% | 1.70%  | 22.45%  | 100.00% |
| Local Area Network (LAN)                              | 40.34% | 19.26% | 0.49%          | 1.52%  | 14.24% | 1.70%  | 22.45%  | 100.00% |
| Locational Marginal Pricing (LMPM)                    | 9.92%  | 0.00%  | 0.08%          | 35.00% | 55.00% | 0.00%  | 0.00%   | 100.00% |
| Market Quality System (MQS)                           | 0.00%  | 0.00%  | 0.00%          | 0.00%  | 0.00%  | 0.00%  | 100.00% | 100.00% |
| Masterfile  | 19.84% | 0.00%  | 0.16%          | 20.00% | 55.00% | 0.00%  | 5.00%   | 100.00% |
| Meter Data Acquisition System (MDAS)                  | 0.00%  | 0.00%  | 0.00%          | 0.00%  | 0.00%  | 0.00%  | 100.00% | 100.00% |
| Miscellaneous (2004 related capital)                  | 23.53% | 3.01%  | 0.22%          | 9.91%  | 6.42%  | 9.47%  | 47.44%  | 100.00% |
| Monitoring (Tivoli)                                   | 23.53% | 3.01%  | 0.22%          | 9.91%  | 6.42%  | 9.47%  | 47.44%  | 100.00% |
| MRTU Capital  | 12.68% | 4.68%  | 0.14%          | 19.01% | 10.75% | 15.41% | 37.33%  | 100.00% |
| Network Applications                                  | 0.00%  | 99.18% | 0.82%          | 0.00%  | 0.00%  | 0.00%  | 0.00%   | 100.00% |
| New Resource Interconnection (NRI)                    | 99.18% | 0.00%  | 0.82%          | 0.00%  | 0.00%  | 0.00%  | 0.00%   | 100.00% |
| New System Equipment (replacement of owned equipment) | 23.53% | 3.01%  | 0.22%          | 9.91%  | 6.42%  | 9.47%  | 47.44%  | 100.00% |
| NT/web servers  | 40.34% | 19.26% | 0.49%          | 1.52%  | 14.24% | 1.70%  | 22.45%  | 100.00% |
| NT-servers  | 40.34% | 19.26% | 0.49%          | 1.52%  | 14.24% | 1.70%  | 22.45%  | 100.00% |

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First Revised Sheet No. 1204  
 Superseding Original Sheet No. 1204

| System  | CRS    | ETS    | CRS/ETS<br>TOR | FS     | MU     | MU-FE | SMCR    | Total   |
|---|--------|--------|----------------|--------|--------|-------|---------|---------|
| Office Automation -<br>desktop/laptop (OA)                                      | 40.34% | 19.26% | 0.49%          | 1.52%  | 14.24% | 1.70% | 22.45%  | 100.00% |
| Office equipment (scanner,<br>printer, copier, fax,<br>Communication Equip.)    | 40.34% | 19.26% | 0.49%          | 1.52%  | 14.24% | 1.70% | 22.45%  | 100.00% |
| Open Access Same-Time<br>Information System (OASIS)                             | 9.92%  | 2.83%  | 0.11%          | 25.00% | 42.14% | 0.00% | 20.00%  | 100.00% |
| Operational Meter Analysis and<br>Reporting (OMAR)                              | 0.00%  | 0.00%  | 0.00%          | 0.00%  | 0.00%  | 0.00% | 100.00% | 100.00% |
| Oracle Corporate Financials   | 40.34% | 19.26% | 0.49%          | 1.52%  | 14.24% | 1.70% | 22.45%  | 100.00% |
| Oracle Enterprise Manager<br>(OEM)  | 6.46%  | 0.68%  | 0.06%          | 43.90% | 26.52% | 0.00% | 22.38%  | 100.00% |
| Oracle Licenses   | 6.46%  | 0.68%  | 0.06%          | 43.90% | 26.52% | 0.00% | 22.38%  | 100.00% |
| Oracle Market Financials BBS  | 0.00%  | 0.00%  | 0.00%          | 0.00%  | 0.00%  | 0.00% | 100.00% | 100.00% |
| Out of Sequence Market<br>Operation Settlements<br>Information System (OOS)     | 4.96%  | 4.96%  | 0.08%          | 0.00%  | 90.00% | 0.00% | 0.00%   | 100.00% |
| Outage Scheduler (OS)   | 49.59% | 5.67%  | 0.46%          | 10.00% | 34.29% | 0.00% | 0.00%   | 100.00% |
| Participating Intermittent<br>Resource Project (PIRP)                           | 0.00%  | 0.00%  | 0.00%          | 64.75% | 35.25% | 0.00% | 0.00%   | 100.00% |
| Physical Facilities Software<br>Application/Furniture/Leasehold<br>Improvements | 40.34% | 19.26% | 0.49%          | 1.52%  | 14.24% | 1.70% | 22.45%  | 100.00% |
| Portal  | 0.00%  | 0.00%  | 0.00%          | 0.00%  | 0.00%  | 0.00% | 100.00% | 100.00% |
| Post Transaction Repository<br>(PTR)  | 0.00%  | 0.00%  | 0.00%          | 0.00%  | 0.00%  | 0.00% | 100.00% | 100.00% |
| Process Information System (PI)   | 79.34% | 0.00%  | 0.66%          | 0.00%  | 10.00% | 0.00% | 10.00%  | 100.00% |
| Rational Buyer  | 99.18% | 0.00%  | 0.82%          | 0.00%  | 0.00%  | 0.00% | 0.00%   | 100.00% |
| Real Time Energy Dispatch<br>System (REDS)                                      | 99.18% | 0.00%  | 0.82%          | 0.00%  | 0.00%  | 0.00% | 0.00%   | 100.00% |
| Real Time Nodal Market  | 34.71% | 0.00%  | 0.29%          | 10.00% | 55.00% | 0.00% | 0.00%   | 100.00% |
| Reliability Management System<br>(RMS)  | 99.18% | 0.00%  | 0.82%          | 0.00%  | 0.00%  | 0.00% | 0.00%   | 100.00% |

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 FERC ELECTRIC TARIFF  
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First Revised Sheet No. 1205  
 Superseding Original Sheet No. 1205

| System  | CRS    | ETS    | CRS/ETS<br>TOR | FS     | MU     | MU-FE | SMCR    | Total   |
|---|--------|--------|----------------|--------|--------|-------|---------|---------|
| Remedy (related to Transmission Registry, New Resource Interconnection and Resource Registry) | 99.18% | 0.00%  | 0.82%          | 0.00%  | 0.00%  | 0.00% | 0.00%   | 100.00% |
| Remote Intelligent Gateway (RIG) & Data Processing Gateway (DPG)                              | 99.18% | 0.00%  | 0.82%          | 0.00%  | 0.00%  | 0.00% | 0.00%   | 100.00% |
| Resource Adequacy   | 99.18% | 0.00%  | 0.82%          | 0.00%  | 0.00%  | 0.00% | 0.00%   | 100.00% |
| Resource Register (RR)  | 99.18% | 0.00%  | 0.82%          | 0.00%  | 0.00%  | 0.00% | 0.00%   | 100.00% |
| RMR Application Validation Engine ( RAVE)   | 99.18% | 0.00%  | 0.82%          | 0.00%  | 0.00%  | 0.00% | 0.00%   | 100.00% |
| Scheduling & Logging for ISO California (SLIC)  | 64.47% | 1.42%  | 0.55%          | 15.00% | 18.57% | 0.00% | 0.00%   | 100.00% |
| Scheduling & Tagging Next Generation (STiNG)  | 84.30% | 0.00%  | 0.70%          | 0.00%  | 15.00% | 0.00% | 0.00%   | 100.00% |
| Scheduling Architecture (SA)  | 15.51% | 12.00% | 0.23%          | 19.99% | 52.27% | 0.00% | 0.00%   | 100.00% |
| Scheduling Infrastructure (SI)  | 0.00%  | 0.00%  | 0.00%          | 64.75% | 35.25% | 0.00% | 0.00%   | 100.00% |
| Scheduling Infrastructure Business Rules (SIBR)   | 0.00%  | 0.00%  | 0.00%          | 64.75% | 35.25% | 0.00% | 0.00%   | 100.00% |
| Security Constrained Economic Dispatch (SCED)   | 0.00%  | 39.67% | 0.33%          | 0.00%  | 60.00% | 0.00% | 0.00%   | 100.00% |
| Security- External/Physical   | 40.34% | 19.26% | 0.49%          | 1.52%  | 14.24% | 1.70% | 22.45%  | 100.00% |
| Security-ISS (CUDA)   | 23.53% | 3.01%  | 0.22%          | 9.91%  | 6.42%  | 9.47% | 47.44%  | 100.00% |
| Settlements and Market Clearing   | 0.00%  | 0.00%  | 0.00%          | 0.00%  | 0.00%  | 0.00% | 100.00% | 100.00% |
| Sign Board (Symon Board maint.)   | 40.34% | 19.26% | 0.49%          | 1.52%  | 14.24% | 1.70% | 22.45%  | 100.00% |
| Startup Costs through 3/31/98, Working Capital-3 months                                       | 40.34% | 19.26% | 0.49%          | 1.52%  | 14.24% | 1.70% | 22.45%  | 100.00% |
| Storage (EMC symmetrix)   | 24.87% | 6.18%  | 0.21%          | 13.62% | 17.62% | 4.11% | 33.40%  | 100.00% |
| System Equipment Buyouts (lease buyouts)  | 44.00% | 1.00%  | 0.00%          | 7.00%  | 11.00% | 0.00% | 37.00%  | 100.00% |
| Tactical Emergency Management System (TEMS)   | 99.18% | 0.00%  | 0.82%          | 0.00%  | 0.00%  | 0.00% | 0.00%   | 100.00% |

CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION  
 FERC ELECTRIC TARIFF  
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First Revised Sheet No. 1206  
 Superseding Original Sheet No. 1206

| System  | CRS    | ETS    | CRS/ETS<br>TOR | FS     | MU     | MU-FE | SMCR   | Total   |
|---|--------|--------|----------------|--------|--------|-------|--------|---------|
| Telephone/PBX   | 40.34% | 19.26% | 0.49%          | 1.52%  | 14.24% | 1.70% | 22.45% | 100.00% |
| Training Systems  | 23.53% | 3.01%  | 0.22%          | 9.91%  | 6.42%  | 9.47% | 47.44% | 100.00% |
| Transmission Constrained Unit<br>Commitment (TCUC) Must Offer<br>Obligation | 0.00%  | 99.18% | 0.82%          | 0.00%  | 0.00%  | 0.00% | 0.00%  | 100.00% |
| Transmission Map Plotting &<br>Display                                      | 49.59% | 49.59% | 0.82%          | 0.00%  | 0.00%  | 0.00% | 0.00%  | 100.00% |
| Treasury<br>Workstation/Investment<br>Program                               | 40.21% | 19.26% | 0.49%          | 1.81%  | 15.60% | 2.00% | 20.62% | 100.00% |
| Trustee Costs, Interest-<br>Capitalized, User Groups                        | 17.40% | 2.96%  | 0.17%          | 17.81% | 19.94% | 0.03% | 41.69% | 100.00% |
| Utilities - System i.e. Print<br>drivers                                    | 23.53% | 3.01%  | 0.22%          | 9.91%  | 6.42%  | 9.47% | 47.44% | 100.00% |
| Vitria (Middleware)   | 23.53% | 3.01%  | 0.22%          | 9.91%  | 6.42%  | 9.47% | 47.44% | 100.00% |
| Wide Area Network (WAN)   | 38.26% | 0.93%  | 0.32%          | 19.89% | 12.46% | 0.63% | 27.51% | 100.00% |

**Table 3**

**Reallocation Factors for Projected Unrecovered Portion of Settlements, Metering, and Client Relations Revenue Requirement**

|   | CRS   | ETS    | CRS/ETS<br>TOR | FS    | MU     | MU-FE | SMCR | Total  |
|---|-------|--------|----------------|-------|--------|-------|------|--------|
| Functional Association of Settlements, Metering, and Client Relations | 0.00% | 65.68% | 0.25%          | 0.70% | 23.73% | 9.64% | 0.00 | 100.00 |

**Part F – Other Modifications to the Rates**

Consistent with a Settlement Agreement accepted by the FERC in Docket Nos. ER04-115-000, et al., GMC rates and charges shall be calculated consistent with the following additional requirements:

1. The Forward Scheduling Charge assessed against Inter-SC Trades submitted by Pacific Gas and Electric Company solely in its role as Path 15 facilitator will be reduced by excluding sixty-five percent (65%) of the number of such Inter-SC Trades from the Forward Scheduling Charge. Such excluded Inter-SC Trades shall not be included in the denominator upon which the Forward Scheduling Charge is calculated.