

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

San Diego Gas & Electric Company,
Complainant,

v.

Docket No. EL00-95-000

Sellers of Energy and Ancillary Services
Into Markets Operated by the California
Independent System Operator and the
California Power Exchange,
Respondents.

Investigation of Practices of the California
Independent System Operator and the
California Power Exchange

Docket No. EL00-98-000

California Independent System Operator (MD02)

Docket No. ER02-1656-000

AMENDED NOTICE OF TECHNICAL CONFERENCE AND AGENDA

(August 8, 2002)

The Federal Energy Regulatory Commission Staff is convening a technical conference to facilitate continued discussions between the California Independent System Operator Corporation (CAISO), market participants, state agencies and other interested participants on the development of a revised market design for the CAISO. Attached is the proposed agenda for the conference. The conference will be held in San Francisco, California, at the Renaissance Parc 55 Hotel, 55 Cyril Magnin Street, San Francisco, CA, on August 13, 14 and 15, 2002, beginning at 9 a.m.

For additional information concerning the conference, interested persons may contact Susan G. Pollonais at (202) 502-6011 or by electronic mail at "susan.pollonais@ferc.gov." No telephone communication bridge will be provided at this technical conference.

Linwood A. Watson, Jr.

Deputy Secretary

Discussion Issues for FERC Technical Conference on California Market Design (MD02) August 13-15, 2002

5. Introduction and Statement of Goals for Technical Conference
6. Overview and Discussion on Forthcoming Process
 - a. Short-term Issues - Process for Resolving Issues Related to Phase II
 - b. Long-term Issues - Process for Resolving Issues Related to Phase III
7. Standard Market Design (SMD) Overview
 - a. Market Power Mitigation
 - b. Day-Ahead and Real-Time Markets
 - c. Resource Adequacy
 - d. Congestion Revenue Rights (CRRs)
8. Implementation Issues and Milestones
 - a. Introduction - Overview of FERC Directives
 - b. Phase IA
 - i. Status Report on Development of Automatic Mitigation Procedures (AMP)
 - ii. Status Report on RFP for Independent Entity to Develop AMP

Reference

- Prices
- c. Phase IB
 - i. Status Report on Implementation of Real-Time Economic Dispatch/Deviation Penalties (enhanced Scheduling Logging for the ISO of California (SLIC))
- d. Phase 2
 - i. Update on Implementation Requirements and Timeline
 - ii. Issues:
 - Integrated Forward Markets and Simultaneous Optimization
 - Residual Unit Commitment
 - Financial v. Physical Forward Schedules
- e. Phase III (including Locational Marginal Pricing (LMP) and CRRs)

i. Update on Implementation Timeline

ii. Issues:

- Network Model and State Estimator
- LMP and Optimal Power Flow (OPF)
- CRRs
- Financial v. Physical Forward Schedules

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9. California ISO Market Surveillance Committee - Opinion and Comment
10. Next Steps/Future Conferences