



# California Refunds

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Federal Energy Regulatory  
Commission

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# Proposed Findings

Judge Birchman recommends:

- ❖ Based on the mitigated market clearing price (MMCP) method, suppliers owe refund to CAISO and PX of \$1.8 billion
- ❖ But total amount owed to suppliers is \$3.0 billion for electricity delivered but unpaid over refund period
- ❖ So after refund offsets debts to suppliers, CA still owes suppliers \$1.2 billion

# Significant Commission Findings Today



- ❖ Adopt most of the Birchman Decision
- ❖ Because Staff Report finds gas index prices unreliable, use a proxy for competitive spot gas prices to compute the MMCP
- ❖ Generators will be paid for gas expenses in excess of the MMCP
- ❖ Calculation of MMCP will approximate just and reasonable prices in California's single-clearing price auction during the refund period from 10/2/00 through 6/20/01

# Process From Here



- ❖ Requests for Rehearing concerning this order are due within 30 days
- ❖ Calculation of final refund amount through settlements and billing process will follow the issuance of a final Commission Order in this proceeding
- ❖ Refunds could be paid before the end of the summer

# Team Members



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