

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

California Independent System
Operator Corporation

Docket No. ER06-615-004

California Independent System
Operator Corporation

Docket No. ER06-723-001
ER06-723-002
ER06-723-003

NOTICE OF STAFF TECHNICAL CONFERENCE AND AGENDA

(January 18, 2007)

Take notice that the Federal Energy Regulatory Commission staff will convene a technical conference at 9:00 a.m. Pacific Time on Thursday, February 1, 2007, to address issues related to the California Independent System Operator Corporation's (CAISO) tariff, which reflects the Market Redesign and Technology Upgrade (MRTU) Program. This notice includes additional docket numbers because the technical conference may include a discussion of issues associated with these matters. The conference will be held at the Hyatt Regency Sacramento, 1209 L Street, Sacramento, California 95814. The conference is open to parties to the proceeding and interested persons, and advanced registration is not required. The agenda for the conference is attached.

The purpose of the technical conference is to explore and discuss issues related to the CAISO's proposed methodology for allocating transmission import capacity in conjunction with resource adequacy. The conference is being convened in accordance with the directive of the Commission's September 21, 2006 Order conditionally accepting the CAISO's proposed MRTU tariff.¹ Commenters will be given until February 16, 2007 to file post-technical conference comments. These comments should be filed with the Commission in Docket No. ER06-615-004.

For more information about the conference, please contact Aileen Roder at 202-502-6022, aileen.roder@ferc.gov, or Shawn Bennett at 202-502-8930, shawn.bennett@ferc.gov.

Magalie R. Salas
Secretary

¹ See *Cal. Indep. Sys. Operator Corp.*, 116 FERC ¶ 61,274, at P 1226 (2006).

FERC Staff Technical Conference Agenda
Allocation of MRTU Resource Adequacy Import Capacity
Hyatt Regency – Sacramento, California
February 1, 2007
9:00 a.m. – 5:30 p.m.
Lunch 12:30 p.m. – 1:30 p.m.

Introduction

CAISO's Proposal for Allocation of Import Capacity

Speaker: CAISO

1. Original MRTU proposal
2. Proposal as filed on Dec. 11, 2006
3. Experience with 2007 IRRP allocation

Opening Remarks from Invited Participants (3-5 minutes per speaker)

Speakers are encouraged to discuss principles upon which to evaluate proposals

1. Fairness
2. Facilitate long-term planning
3. Consistency with other market rules
4. Other

Allocation Methodology

1. Contract characteristics for qualification
2. Load share calculation
3. Maximum allocation
4. Oversubscription (contract capacity > branch group capacity)

Duration of Allocation

1. One year
2. Multi-year

Trading of Allocated Capacity

1. Definition of unused capacity
2. Mechanism to trade
3. Load share impact for any multi-year trading
4. Trading platform

Allocation Timeline

1. Annual deadline for information submissions to CAISO
2. Time needed to negotiate bilateral contracts

Next Steps