

125 FERC ¶ 61,380
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

December 30, 2008

In Reply Refer To:
California Independent System
Operator Corporation
Docket No. ER08-1591-000

California Independent System
Operator Corporation
151 Blue Ravine Road
Folsom, CA 95630

Attention: Anthony J. Ivancovich
Assistant General Counsel-Regulatory

Reference: Open Access Transmission Tariff Compliance Filing

Dear Mr. Ivancovich:

1. On September 26, 2008, the California Independent System Operator Corporation (CAISO) filed a request for waiver of Order No. 676-C,¹ and the Wholesale Electric Quadrant (WEQ) of the North American Energy Standards Board (NAESB) standards adopted by the Commission in Order No. 676-C.

2. In Order No. 676-C, the Commission incorporated by reference the latest version (Version 001) of certain standards adopted by NAESB's WEQ. In addition, the Commission directed public utilities to comply with the revised standards and revise their open access transmission tariffs (OATT) to include the revised standards. The NAESB WEQ standards: (1) revise the Open Access Same-Time Information Systems (OASIS) business practice standards and communications protocols (Standards WEQ-001, 002, and 003); (2) revise four business practice standards relating to interchange matters

¹ *Standards for Business Practices and Communication Protocols for Public Utilities*, Order No. 676-C, 73 Fed. Reg. 43,848 (July 29, 2008), FERC Stats. & Regs. ¶ 31,274 (2008) (Order No. 676-C).

(Standards WEQ-004, 005, 006, 007); (3) add new standards on transmission loading relief for the Eastern Interconnection (WEQ-008); (4) add new standards regarding Gas/Electric Coordination (WEQ-011); (5) add new standards for key public infrastructure (WEQ-012); and (6) add a new OASIS implementation guide (WEQ-013).

3. The CAISO is a non-profit public benefit corporation organized under the laws of the State of California and is responsible for the reliable operation of a transmission grid composed of transmission facilities owned by Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas and Electric Company, Trans-Elect NTD Path 15 LLC, and the Cities of Vernon, Anaheim, Azusa, Banning, Riverside, and Pasadena, California. The CAISO states that although it shares similarities with other electric utilities that are required to abide by all OASIS requirements, its status as an Independent System Operator (ISO) and the nature of the markets in which it operates necessitate waiver of OASIS standards.

4. Order No. 676 permitted public utilities to request a waiver of specific standards by explaining the reasons why the waiver should be granted. Further, Order No. 676 stated that public utilities, including ISOs and RTOs, that have existing waivers of certain OASIS standards may reapply for such waivers using simplified procedures. These streamlined procedures require an applicant to identify the specific standard(s) from which it seeks waiver and to provide the caption, date, and docket number of the proceeding in which it previously received the waiver(s). In addition, an applicant must certify that the circumstances warranting its waiver(s) have not changed.²

5. In its waiver application, the CAISO has utilized the streamlined procedures outlined above. In addition, the CAISO states that a significant number of OASIS Business Practices implemented by Order 676 and Order 676-C do not apply to the CAISO's operations or to the transmission services it provides, and therefore would constitute an unnecessary and impractical burden. The CAISO also states that the Commission recognized the need for the waiver of certain OASIS requirements when it approved the CAISO's operation as an ISO, and has previously granted the CAISO waiver of the Order No. 889 OASIS standards.³ The CAISO requests a continuation of the full waiver of WEQ Standards (WEQ-001, 002, 003, 008, 013) and limited waiver of WEQ Standard (WEQ-012) under its current tariff.⁴ In its revised tariff sheets for its

² *Id.* P 79.

³ *Pacific Gas and Electric Co.*, 81 FERC ¶ 61,122, at 61,460 (1997).

⁴ In its order issued November 16, 2006, granting waiver of these NAESB WEQ standards, the Commission also directed the CAISO to either comply with – or seek further waiver of – the OASIS standards sixty days prior to the date on which it

(continued...)

currently effective and MRTU Tariffs, the CAISO has also incorporated by reference WEQ Standards (WEQ-004, 005, 006, 007).⁵

6. Notice of the CAISO's filing was published in the *Federal Register*, 73 Fed. Reg. 59,618 (2008) on October 9, 2008, with interventions, comments and protests due by October 8, 2008. None were filed.

7. The Commission grants the CAISO's request for waiver of WEQ Standards (WEQ-001, 002, 003, 008, 013) and limited waiver of WEQ Standard (WEQ-012) as it applies to the CAISO's current tariff. In the past, where we have granted these waivers to the CAISO, we have required the CAISO to file tariff sheets that reflect these waivers. Here, we note that the CAISO filed, in Docket No. ER09-169-000, tariff sheets for its current (non-MRTU) tariff that state that "[t]he CAISO has applied for a waiver of the ... NAESB WEQ standards" discussed herein.⁶ As such, we direct the CAISO to file new tariff sheets for the currently effective tariff that state that these waivers have been granted.

8. Finally, we note that the CAISO's transmittal letter in Docket No. ER09-169-000 states that the CAISO "has also filed for limited waiver of Standard WEQ-011."⁷ The CAISO states further that it does not consider it necessary to indicate in its Tariff that it has sought this limited waiver in light of Order No. 676-D.⁸ However, our review of the

implements its MRTU initiative. *California Independent System Operator Corp.*, 117 FERC ¶ 61,196, at P 10, Ordering Paragraph (B) (2006). The CAISO states that it intends to file revised tariff sheets at least sixty days prior to MRTU implementation indicating which OASIS standards it will be able to comply with and requesting waiver of those standards that either do not apply or are incompatible with the CAISO's MRTU service model.

⁵ See California Independent System Operator Corp., October 29, 2008, Amendment to the Currently Effective CAISO Tariff and MRTU Tariff to Address References to Reliability Coordinator and Reliability Criteria for Ancillary Services, Docket No. ER09-169-000, Attachment A, Section 7.2.2 (discussing NAESB standards) (CAISO Tariff Filing); see *id.* Attachment C, Section 7.3.3.

⁶ See CAISO Tariff Filing, Attachment A, Section 7.2.2; see *id.* Attachment C, Section 7.3.3.

⁷ CAISO Tariff Filing at 5.

⁸ *Id.* (citing *Standards for Business Practices and Communication Protocols for Public Utilities*, Order No. 676-D, 124 FERC ¶ 61,317, at P 9 (2008) (Order No. 676-D).

CAISO's Petition for Waiver does not reveal any such request. Therefore, the Commission directs the CAISO to file a separate request for waiver of WEQ-011, tariff sheets that reflect this waiver request, and support for such request.

By direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.