

125 FERC ¶ 61,315
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

December 18, 2008

In Reply Refer To:
California Independent System
Operator Corporation
Docket Nos. ER07-869-004
ER07-475-005
ER06-615-030

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

Attention: Anna McKenna
Attorney for the California Independent System Operator Corporation

Reference: Compliance Filing

Dear Ms. McKenna:

1. On August 26, 2008, the California Independent System Operator Corporation (CAISO) submitted tariff revisions to both its proposed Market Redesign and Technology Upgrade (MRTU) tariff and its currently effective tariff to comply with the directives in the Commission's July 28 Order.¹ As discussed below, we conditionally accept the CAISO's submittal, subject to modification in a further compliance filing.

2. The CAISO proposes the following tariff revisions: (1) clarifying tariff section 36.8.3.1.3.1 regarding the quantity of Long-Term Congestion Revenue Rights that Load Serving Entities are eligible to nominate; (2) modifying tariff section 36.8.2.1 regarding the quantity of Congestion Revenue Rights that pump load entities are eligible to nominate; and (3) revising tariff section 36.8.6 to clarify that it will consider the most currently available load data and forecasts submitted by Load Serving Entities to the applicable state and local regulatory authorities and agencies when it determines

¹ *California Indep. Sys. Operator Corp.*, 124 FERC ¶ 61,095 (2008) (July 28 Order).

Congestion Revenue Rights eligibility, subject to its ability to perform its consistency assessment and make necessary adjustments in accordance with related tariff provisions.

3. Notice of the filing was published in the *Federal Register*, 73 Fed. Reg. 52,346 (Sept. 9, 2008), with interventions and protests due on or before September 16, 2008. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2008), notices of intervention and timely unopposed motions intervene serve to make the entities that filed them parties to this proceeding. City of Santa Clara, California d/b/a Silicon Valley Power and M-S-R Public Power Agency (SVP/M-S-R) filed timely comments on September 16, 2008. No other comments were received.

4. SVP/M-S-R states that the CAISO omitted a portion of tariff section 36.8.1.3.1 stating: "and the LSE nominates more than twenty percent (20%) of its Adjusted Load Metric . . . ," which the CAISO urged the Commission to accept in the July 28 Order.² SVP/M-S-R further notes that the July 28 Order directed the CAISO to include this clarifying language in a compliance filing.³ Therefore, SVP/M-S-R requests that the Commission direct the CAISO to restore the omitted language.

5. We conditionally accept the CAISO's compliance filing, subject to modification. The tariff revisions are accepted as of the dates indicated on the appendix to this order. The proposed revisions to tariff sections 36.8.2.1 and 36.8.6 are in satisfactory compliance with the Commission's directives.⁴ However, the CAISO has omitted a portion of the clarifying language that it was directed to include in tariff section 36.8.1.3.1. Specifically, the revision to tariff section 36.8.1.3.1 should read as follows:

If an LSE's combination of long-term procurement arrangements of ten (10) years or greater and ownership of generation resources is greater than twenty percent (20%) of its Adjusted Load Metric and the LSE nominates more than twenty percent (20%) of its Adjusted Load Metric as Long Term CRRs, then the CRR Sources for all of the LSE's Long Term CRR nominations must be sources associated with its demonstrated long-term procurement arrangements of ten (10) years or greater or its owned generation resources. (Emphasis added.)

² *Id.*, P 20.

³ *Id.* P 21-23.

⁴ *See id.* P 53 (directing the CAISO to submit a compliance filing regarding State Water Project's eligible load metric) and P 63 (directing the CAISO to submit a compliance filing regarding the use of load forecasts verified by a state agency).

6. Accordingly, we direct the CAISO to submit a further compliance filing within 30 days of the date of this order that reflects the correct language in tariff section 36.8.1.3.1.

By direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.

California Independent System Operator Corporation
ER07-869-004, *et al.*

To: FERC Electric Tariff Third Replacement Volume No. II

Tariff Sheets Accepted Effective July 9, 2007

Substitute Original Sheet No. 1321B

Tariff Sheets Accepted Effective July 30, 2008

Second Revised Sheet No. 1319

Original Sheet No. 1319.00

Second Revised Sheet No. 1336

To: FERC Electric Tariff Fourth Replacement Volume No. I

Tariff Sheets Accepted Effective Upon MRTU Implementation

Substitute First Revised Sheet No. 678

Original Sheet No. 678.00

First Revised Sheet No. 682

Substitute First Revised Sheet No. 701