



California Independent System
Operator Corporation

October 31, 2011

The Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, D.C. 20426

**Re: California Independent System Operator Corporation
Docket No. ER12-____-000
Tariff Amendment to Permit Sharing of Outage Information
with Natural Gas Utilities**

Dear Secretary Bose:

The California Independent System Operator Corporation (CAISO)¹ submits this filing to revise its tariff to permit the CAISO to share generation and transmission outage information with utilities operating natural gas pipelines, pursuant to non-disclosure agreements. This amendment will allow the CAISO and natural gas utilities in California to manage ongoing natural gas pipeline testing and maintenance along with gas supply shortages in a manner that ensures a sufficient gas supply for reliable operation of the electric grid. No participant in the stakeholder process for this tariff amendment indicated opposition to the tariff revision. The CAISO proposes to make the tariff revision effective sixty-one days after the date of this filing, *i.e.*, December 31, 2011.

I. Background

A. Reasons for this Tariff Amendment

The CAISO proposes to revise its tariff to permit the CAISO to share information concerning planned maintenance outages and unplanned (*i.e.*, forced) outages of generation and transmission facilities on the CAISO controlled grid with utilities operating natural gas pipelines. Sharing this information will

¹ The CAISO submits this filing pursuant to Section 205 of the Federal Power Act, 16 U.S.C. § 824d. The CAISO is also sometimes referred to as the ISO. Capitalized terms not otherwise defined herein have the meanings set forth in Appendix A to the CAISO tariff.

help to ensure that such outages do not undermine the reliable operation of the grid.

Several recent events informed the CAISO's determination that sharing this information is important for maintaining grid reliability. In June 2011, the California Public Utilities Commission (CPUC) directed the state's natural gas utilities to undertake comprehensive testing of the intra-state natural gas transmission and distribution system.² This comprehensive testing will require the natural gas utilities to temporarily reduce gas flows and remove portions of the gas transmission and distribution systems from service, on a periodic basis, which will reduce the availability of natural gas to serve natural gas-fired generation resources. In addition, California may experience planned gas supply curtailments due to an event such as the gas pipeline maintenance work being performed by Southern California Gas Company in the San Diego area over eight consecutive weekends in October and November of 2011.³ It is also possible that California may again experience an unplanned gas supply shortage similar to the February 2011 event in which cold weather conditions in Texas and New Mexico resulted in a severe gas supply curtailment in the San Diego area.⁴

Permitting generation and transmission outage information to be shared with natural gas utilities in circumstances such as these (and subject to non-disclosure agreements) will allow the CAISO and natural gas utilities to manage ongoing gas pipeline testing and maintenance, as well as potential gas supply curtailments and shortages, while ensuring sufficient gas for reliable operation of the electric grid. Through this information sharing, the CAISO and the natural gas utilities will be able to coordinate outages and maintenance of generation and transmission resources necessary for the reliability of the electric grid and also to coordinate outages and maintenance of the gas pipeline transmission and distribution system that are necessary to ensure the safe and reliable operation of the natural gas system.

² See *Decision Determining Maximum Allowable Operating Pressure Methodology and Requiring Filing of Natural Gas Transmission Pipeline Replacement or Testing Implementation Plans*, CPUC Rulemaking 11-02-019 (June 9, 2011), at http://docs.cpuc.ca.gov/word_pdf/FINAL_DECISION/137309.pdf.

³ See CAISO Market Notice, *Gas Pipeline Maintenance Impact on ISO Markets and Operations* (Sept. 26, 2011), at http://www.caiso.com/Documents/GasPipelineMaintenanceImpactonISOMarketsandOperations_Sep_26_2011.htm. The CAISO has subsequently been informed that the maintenance work has been successful and only seven consecutive weekends will be needed for this work.

⁴ See Staffs of the Federal Energy Regulatory Commission and the North American Electric Reliability Corporation, *Report on Outages and Curtailments During the Southwest Cold Weather Event of February 1-5, 2011: Causes and Recommendations* (Aug. 2011), at <http://www.ferc.gov/legal/staff-reports/08-16-11-report.pdf>.

B. The Stakeholder Process for this Tariff Amendment

On September 14, 2011, the CAISO initiated the stakeholder process for this tariff amendment and posted a draft tariff revision for stakeholder review. The CAISO requested any written stakeholder comments on the draft tariff revision by September 21, 2011; one stakeholder submitted written comments supporting the tariff revision. On September 23, 2011, the CAISO hosted a stakeholder conference call at which the draft tariff revision was discussed.⁵ No market participant indicated opposition to the tariff revision. At its October 27, 2011 meeting, the CAISO Board of Governors authorized the CAISO to submit this tariff amendment.⁶

II. Proposed Tariff Revision

Section 20.4(c) of the existing CAISO tariff specifies the circumstances in which the CAISO may disclose confidential or commercially sensitive information, with or without notice to the affected market participant. To implement the revision contained in this tariff amendment, the CAISO proposes to add new Section 20.4(c)(iv) to its tariff. That new tariff section reads as follows:

In order to maintain reliable operation of the CAISO Balancing Authority Area, the CAISO may share information regarding Maintenance Outages and Forced Outages of natural gas-fired generation resources and Maintenance Outages and Forced Outages of elements of the CAISO Controlled Grid with natural gas transmission and distribution utilities operating inter-state and/or intra-state natural gas pipelines that serve natural gas-fired generation resources within the CAISO Balancing Authority Area. The CAISO may share information necessary for day-to-day coordination and longer term planning of gas transmission and pipeline outages which information includes, but is not limited to, the identity of individual natural gas-fired generation resources that are needed to support reliability of the CAISO Balancing Authority Area in the event of natural gas shortage, natural gas pipeline testing and maintenance, or other curtailment of natural gas supplies. The information will be shared only pursuant to a non-

⁵ Materials from the stakeholder process for this tariff amendment are available at <http://www.caiso.com/informed/Pages/StakeholderProcesses/NaturalGasPipelineCoordinationTariffModifications.aspx>.

⁶ CAISO Governing Board materials related to this tariff amendment are provided in Attachment C to this tariff amendment and are available at <http://www.caiso.com/informed/Pages/BoardCommittees/Default.aspx>.

disclosure agreement and non-disclosure statement included as part of the Business Practice Manual.

This tariff revision implements the purpose of the stakeholder process described above.

III. Effective Date

The CAISO proposes to make the tariff revision contained in this filing effective sixty-one days after the date of this filing, *i.e.*, December 31, 2011.

IV. Communications

Communications regarding this filing should be addressed to the following individuals, whose names should be placed on the official service list established by the Secretary with respect to this submittal:

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V. Service

The CAISO has served copies of this transmittal letter, and all attachments, on the California Public Utilities Commission, the California Energy Commission, and all parties with effective scheduling coordinator service agreements under the CAISO tariff. In addition, the CAISO is posting this transmittal letter and all attachments on the CAISO website.

VI. Attachments

The following documents, in addition to this transmittal letter, support the instant filing:

Attachment A	Revised CAISO tariff sheets
Attachment B	CAISO tariff revision shown in black-line format
Attachment C	CAISO Board of Governors memorandum and resolution

VII. Conclusion

For the foregoing reasons, the Commission should accept the proposed tariff revision contained in the instant filing without modification, effective December 31, 2011. Please contact the undersigned with any questions regarding this matter.

Respectfully submitted,

/s/ Sidney M. Davies
Nancy Saracino
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Sidney M. Davies
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Counsel for the California Independent System Operator Corporation

Attachment A – Clean Tariff
Natural Gas Pipeline Amendment
California Independent System Operator Corporation
Fifth Replacement FERC Electric Tariff
October 31, 2011

20.4 Disclosure

Notwithstanding anything in this Section 20 to the contrary,

- (a) The CAISO: (i) shall publish individual bids ninety (90) days after the Trading Day with respect to which the bid was submitted and in a manner that does not reveal the specific resource or the name of the Scheduling Coordinator submitting the bid, but that allows the bidding behavior of individual, unidentified resources and Scheduling Coordinators to be tracked over time; and (ii) may publish data sets analyzed in any public report issued by the CAISO or by the MSC, provided that such data sets shall be published no sooner than six (6) months after the latest Trading Day to which data in the data set apply, and in a manner that does not reveal any specific resource or the name of any Scheduling Coordinator submitting bids included in such data sets.
- (b) If the CAISO is required by applicable laws or regulations, or in the course of administrative or judicial proceedings, to disclose information that is otherwise required to be maintained in confidence pursuant to this Section 20, the CAISO may disclose such information; provided, however, that as soon as the CAISO learns of the disclosure requirement and prior to making such disclosure, the CAISO shall notify any affected Market Participant of the requirement and the terms thereof. The Market Participant may, at its sole discretion and own cost, direct any challenge to or defense against the disclosure requirement and the CAISO shall cooperate with such affected Market Participant to the maximum extent practicable to minimize the disclosure of the information consistent with applicable law. The CAISO shall cooperate with the affected Market Participant to obtain proprietary or confidential treatment of confidential information by the person to whom such information is disclosed prior to any such disclosure.
- (c) The CAISO may disclose confidential or commercially sensitive information, without notice to an affected Market Participant, in the following circumstances:

- (i) If the FERC, or its staff, during the course of an investigation or otherwise, requests information that is confidential or commercially sensitive. In providing the information to FERC or its staff, the CAISO shall take action consistent with 18 C.F.R. §§ 1b.20 and 388.112, and request that the information be treated as confidential and non-public by the FERC and its staff and that the information be withheld from public disclosure. The CAISO shall provide the requested information to the FERC or its staff within the time provided for in the request for information. The CAISO shall notify an affected Market Participant within a reasonable time after the CAISO is notified by FERC or its staff that a request for disclosure of, or decision to disclose, the confidential or commercially sensitive information has been received, at which time the CAISO and the affected Market Participant may respond before such information would be made public; or
- (ii) In order to maintain reliable operation of the CAISO Balancing Authority Area, the CAISO may share critical operating information, system models, and planning data with the WECC Reliability Coordinator that has executed the Western Electricity Coordinating Council Confidentiality Agreement for Electric System Data, or is subject to similar confidentiality requirements; or
- (iii) In order to maintain reliable operation of the CAISO Balancing Authority Area, the CAISO may share individual Generating Unit Outage information with the operations engineering and the outage coordination division(s) of other Balancing Authorities, Participating TOs, MSS Operators and other transmission system operators engaged in the operation and maintenance of the electric supply system whose system is significantly affected by the Generating Unit and who have executed

the Western Electricity Coordinating Council Confidentiality Agreement for Electric System Data.

(iv) In order to maintain reliable operation of the CAISO Balancing Authority Area, the CAISO may share information regarding Maintenance Outages and Forced Outages of natural gas-fired generation resources and Maintenance Outages and Forced Outages of elements of the ISO Controlled Grid with natural gas transmission and distribution utilities operating inter-state and/or intra-state natural gas pipelines that serve natural gas-fired generation resources within the CAISO Balancing Authority Area. The CAISO may share information necessary for day-to-day coordination and longer term planning of gas transmission and pipeline outages which information includes, but is not limited to, the identity of individual natural gas-fired generation resources that are needed to support reliability of the ISO Balancing Authority Area in the event of natural gas shortage, natural gas pipeline testing and maintenance, or other curtailment of natural gas supplies. The information will be shared only pursuant to a non-disclosure agreement and non-disclosure statement included as part of the Business Practice Manual.

(d) Notwithstanding the provisions of Section 20.2(e), information submitted through Resource Adequacy Plans and Supply Plans in accordance with Section 40 may be provided to:

(i) the Scheduling Coordinator(s) and/or Market Participant(s) involved in a dispute or discrepancy as to whether a resource is properly identified in a Resource Adequacy Plan or a Supply Plan only to the limited extent necessary to identify the disputed transaction and the relevant counterparty or counterparties.

- (ii) the regulatory entity, whether the CPUC, other Local Regulatory Authority, or federal agency, with jurisdiction over a Load Serving Entity involved in a dispute or discrepancy as to whether a resource is properly identified in a Resource Adequacy Plan or the Supply Plan, or otherwise identified by the CAISO as exhibiting a potential deficiency in demonstrating compliance with resource adequacy requirements adopted by the CPUC, other Local Regulatory Authority, or federal agency, as applicable. The information provided shall be limited to the particular dispute, discrepancy, or deficiency.
 - (iii) the California Energy Commission with respect to Demand Forecast information provided to the CAISO under Sections 40.2.2.3 and 40.2.3.3(b) to the extent the CAISO seeks, and the California Energy Commission grants, confidential treatment of such information pursuant to California Public Resources Code Section 25322 and related regulations.
- (e) Notwithstanding the provisions of Section 20.2(f), information submitted through the Transmission Planning Process shall be disclosed as follows:
 - (i) Critical Energy Infrastructure Information may be provided to a requestor where such person is employed or designated to receive CEII by: (a) a Market Participant; (b) an electric utility regulatory agency within California; (c) an Interconnection Customer that has submitted an Interconnection Request to the CAISO under the CAISO's Large Generator Interconnection Procedure or Small Generator Interconnection Procedure (LGIP or SGIP); (d) a developer having a pending or potential proposal for development of a Generating Facility or transmission addition, upgrade or facility and that is performing studies in contemplation of filing an Interconnection Request or submitting a transmission infrastructure project through the CAISO Transmission

Planning Process; or (e) a not-for-profit organization representing consumer regulatory or environmental interests before a Local Regulatory Authority or federal regulatory agency. To obtain Critical Energy Infrastructure Information, the requestor must submit a statement as to the need for the CEII, and must execute and return to the CAISO the form of the non-disclosure agreement and non-disclosure statement included as part of the Business Practice Manual. The CAISO may, at its sole discretion, reject a request for CEII and upon such rejection, the requestor will be directed to utilize the FERC procedures for access to the requested CEII.

- (ii) Information that is confidential under Section 20.2(f)(i) or 20.2(f)(ii) may be disclosed to any individual designated by a Market Participant, electric utility regulatory agency within California, or other stakeholder that signs and returns to the CAISO the form of the non-disclosure agreement, nondisclosure statement and certification that the individual is a non-Market Participant, which is any person or entity not involved in a marketing, sales, or brokering function as market, sales, or brokering are defined in FERC's Standards of Conduct for Transmission Providers (18 C.F.R. § 358 et seq.), included as part of the Business Practice Manual; provided, however, that information obtained pursuant to this Section 20.4(e)(ii) will be provided only in composite form so that information related to individual Load Serving Entities or Scheduling Coordinators will not be disclosed.
- (iii) Data base and other transmission planning information obtained from the WECC, or its successor, may be disclosed to individuals designated by a Market Participant, electric utility regulatory agency within California, or other stakeholder in accordance with the procedures set forth in the Business Practice Manual.

Nothing in this Section 20 shall limit the ability of the CAISO to aggregate data for public release about the adequacy of supply.

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Attachment B – Marked Tariff
Natural Gas Pipeline Amendment
California Independent System Operator Corporation
Fifth Replacement FERC Electric Tariff
October 31, 2011

20.4 Disclosure

Notwithstanding anything in this Section 20 to the contrary,

- (a) The CAISO: (i) shall publish individual bids ninety (90) days after the Trading Day with respect to which the bid was submitted and in a manner that does not reveal the specific resource or the name of the Scheduling Coordinator submitting the bid, but that allows the bidding behavior of individual, unidentified resources and Scheduling Coordinators to be tracked over time; and (ii) may publish data sets analyzed in any public report issued by the CAISO or by the MSC, provided that such data sets shall be published no sooner than six (6) months after the latest Trading Day to which data in the data set apply, and in a manner that does not reveal any specific resource or the name of any Scheduling Coordinator submitting bids included in such data sets.
- (b) If the CAISO is required by applicable laws or regulations, or in the course of administrative or judicial proceedings, to disclose information that is otherwise required to be maintained in confidence pursuant to this Section 20, the CAISO may disclose such information; provided, however, that as soon as the CAISO learns of the disclosure requirement and prior to making such disclosure, the CAISO shall notify any affected Market Participant of the requirement and the terms thereof. The Market Participant may, at its sole discretion and own cost, direct any challenge to or defense against the disclosure requirement and the CAISO shall cooperate with such affected Market Participant to the maximum extent practicable to minimize the disclosure of the information consistent with applicable law. The CAISO shall cooperate with the affected Market Participant to obtain proprietary or confidential treatment of confidential information by the person to whom such information is disclosed prior to any such disclosure.
- (c) The CAISO may disclose confidential or commercially sensitive information, without notice to an affected Market Participant, in the following circumstances:

- (i) If the FERC, or its staff, during the course of an investigation or otherwise, requests information that is confidential or commercially sensitive. In providing the information to FERC or its staff, the CAISO shall take action consistent with 18 C.F.R. §§ 1b.20 and 388.112, and request that the information be treated as confidential and non-public by the FERC and its staff and that the information be withheld from public disclosure. The CAISO shall provide the requested information to the FERC or its staff within the time provided for in the request for information. The CAISO shall notify an affected Market Participant within a reasonable time after the CAISO is notified by FERC or its staff that a request for disclosure of, or decision to disclose, the confidential or commercially sensitive information has been received, at which time the CAISO and the affected Market Participant may respond before such information would be made public; or
- (ii) In order to maintain reliable operation of the CAISO Balancing Authority Area, the CAISO may share critical operating information, system models, and planning data with the WECC Reliability Coordinator that has executed the Western Electricity Coordinating Council Confidentiality Agreement for Electric System Data, or is subject to similar confidentiality requirements; or
- (iii) In order to maintain reliable operation of the CAISO Balancing Authority Area, the CAISO may share individual Generating Unit Outage information with the operations engineering and the outage coordination division(s) of other Balancing Authorities, Participating TOs, MSS Operators and other transmission system operators engaged in the operation and maintenance of the electric supply system whose system is significantly affected by the Generating Unit and who have executed

the Western Electricity Coordinating Council Confidentiality Agreement for Electric System Data.

(iv) In order to maintain reliable operation of the CAISO Balancing Authority Area, the CAISO may share information regarding Maintenance Outages and Forced Outages of natural gas-fired generation resources and Maintenance Outages and Forced Outages of elements of the ISO Controlled Grid with natural gas transmission and distribution utilities operating inter-state and/or intra-state natural gas pipelines that serve natural gas-fired generation resources within the CAISO Balancing Authority Area. The CAISO may share information necessary for day-to-day coordination and longer term planning of gas transmission and pipeline outages which information includes, but is not limited to, the identity of individual natural gas-fired generation resources that are needed to support reliability of the ISO Balancing Authority Area in the event of natural gas shortage, natural gas pipeline testing and maintenance, or other curtailment of natural gas supplies. The information will be shared only pursuant to a non-disclosure agreement and non-disclosure statement included as part of the Business Practice Manual.

- (d) Notwithstanding the provisions of Section 20.2(e), information submitted through Resource Adequacy Plans and Supply Plans in accordance with Section 40 may be provided to:
- (i) the Scheduling Coordinator(s) and/or Market Participant(s) involved in a dispute or discrepancy as to whether a resource is properly identified in a Resource Adequacy Plan or a Supply Plan only to the limited extent necessary to identify the disputed transaction and the relevant counterparty or counterparties.

- (ii) the regulatory entity, whether the CPUC, other Local Regulatory Authority, or federal agency, with jurisdiction over a Load Serving Entity involved in a dispute or discrepancy as to whether a resource is properly identified in a Resource Adequacy Plan or the Supply Plan, or otherwise identified by the CAISO as exhibiting a potential deficiency in demonstrating compliance with resource adequacy requirements adopted by the CPUC, other Local Regulatory Authority, or federal agency, as applicable. The information provided shall be limited to the particular dispute, discrepancy, or deficiency.
 - (iii) the California Energy Commission with respect to Demand Forecast information provided to the CAISO under Sections 40.2.2.3 and 40.2.3.3(b) to the extent the CAISO seeks, and the California Energy Commission grants, confidential treatment of such information pursuant to California Public Resources Code Section 25322 and related regulations.
- (e) Notwithstanding the provisions of Section 20.2(f), information submitted through the Transmission Planning Process shall be disclosed as follows:
 - (i) Critical Energy Infrastructure Information may be provided to a requestor where such person is employed or designated to receive CEII by: (a) a Market Participant; (b) an electric utility regulatory agency within California; (c) an Interconnection Customer that has submitted an Interconnection Request to the CAISO under the CAISO's Large Generator Interconnection Procedure or Small Generator Interconnection Procedure (LGIP or SGIP); (d) a developer having a pending or potential proposal for development of a Generating Facility or transmission addition, upgrade or facility and that is performing studies in contemplation of filing an Interconnection Request or submitting a transmission infrastructure project through the CAISO Transmission

Planning Process; or (e) a not-for-profit organization representing consumer regulatory or environmental interests before a Local Regulatory Authority or federal regulatory agency. To obtain Critical Energy Infrastructure Information, the requestor must submit a statement as to the need for the CEII, and must execute and return to the CAISO the form of the non-disclosure agreement and non-disclosure statement included as part of the Business Practice Manual. The CAISO may, at its sole discretion, reject a request for CEII and upon such rejection, the requestor will be directed to utilize the FERC procedures for access to the requested CEII.

- (ii) Information that is confidential under Section 20.2(f)(i) or 20.2(f)(ii) may be disclosed to any individual designated by a Market Participant, electric utility regulatory agency within California, or other stakeholder that signs and returns to the CAISO the form of the non-disclosure agreement, nondisclosure statement and certification that the individual is a non-Market Participant, which is any person or entity not involved in a marketing, sales, or brokering function as market, sales, or brokering are defined in FERC's Standards of Conduct for Transmission Providers (18 C.F.R. § 358 et seq.), included as part of the Business Practice Manual; provided, however, that information obtained pursuant to this Section 20.4(e)(ii) will be provided only in composite form so that information related to individual Load Serving Entities or Scheduling Coordinators will not be disclosed.
- (iii) Data base and other transmission planning information obtained from the WECC, or its successor, may be disclosed to individuals designated by a Market Participant, electric utility regulatory agency within California, or other stakeholder in accordance with the procedures set forth in the Business Practice Manual.

Nothing in this Section 20 shall limit the ability of the CAISO to aggregate data for public release about the adequacy of supply.

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Attachment C

CAISO Board of Governors Memorandum and Resolution

Natural Gas Pipeline Amendment

California Independent System Operator Corporation

Fifth Replacement FERC Electric Tariff

October 31, 2011

Memorandum

To: ISO Board of Governors
From: Eric Schmitt, Vice President, Operations
Date: October 20, 2011
Re: Decision on ISO and Gas Utility Outage Coordination

This memorandum requires Board action.

EXECUTIVE SUMMARY

Management recommends that the ISO Board of Governors authorize an amendment to the ISO tariff to allow the ISO to share with natural gas utilities confidential planned and unplanned transmission and generation outage information, and information required for day-to-day coordination to maintain electric reliability, subject to a non-disclosure agreement. The sharing of this information will allow the ISO and the state's natural gas utilities to manage ongoing natural gas pipeline testing and maintenance in a manner that ensures sufficient gas for reliable operation of the electric grid.

Management recommends the following:

Moved, that the ISO Board of Governors approves the policy to allow the ISO to share with natural gas utilities confidential planned and unplanned transmission and generation outage information subject to a non-disclosure agreement as described in the memorandum dated October 20, 2011; and

Moved that the Board authorizes Management to make all necessary and appropriate filings with the Federal Energy Regulatory Commission to implement this policy.

BACKGROUND AND MANAGEMENT RECOMMENDATION

The California Public Utilities Commission has directed the state's natural gas utilities to undertake comprehensive testing of the intra-state natural gas transmission and distribution system. Testing will require the natural gas utilities to temporarily reduce gas flows and remove portions of the gas transmission and distribution systems from service, on a periodic basis, which will reduce the availability of natural gas to serve natural gas-fired generation

resources. In addition, if there is an unplanned gas supply shortage similar to the February 3, 2011 event (when severe cold weather conditions in Texas and New Mexico resulted in a severe gas supply shortage in the San Diego area), or planned gas supply shortages (such as the ongoing maintenance work by Southern California Gas company in the San Diego area on successive weekends in October and November), the exchange of information would be crucial to maintain the reliability of the electric grid so that information can be shared as soon as possible to permit coordinated planning.

The current ISO tariff classifies generation outage information as confidential. In order to reduce the risk to the reliable operation of the electric grid, Management is proposing to amend the tariff to allow the ISO to share confidential planned and unplanned transmission and generation outage information, along with specific unit requirements, to maintain electric reliability with natural gas utilities subject to a non-disclosure agreement. The information will allow the ISO and the gas utilities to manage ongoing natural gas pipeline testing and maintenance, and potential supply shortages while ensuring sufficient gas for reliable operation of the electric grid. For example, gas transmission and distribution outages of specific equipment may require specific generating units to be available to maintain the electric grid reliability and should, therefore, not be on a planned outage at that time. In addition, the information will also allow the ISO and the gas utilities to manage gas supply emergencies to ensure the reliability of the electric grid.

Similarly, planned transmission outages often require specific generating units to be available. Accordingly, it is important to ensure that the required generating units have natural gas supply during the planned outages. Through information sharing, the ISO and the gas utilities will be able to coordinate outages and maintenance of generation and transmission resources necessary for the reliability of the electric grid as well as the outages and maintenance of the gas pipeline transmission and distribution system that are necessary to ensure the safe and reliable operation of the natural gas system.

The ISO published a market notice and draft tariff language on September 14, 2011 and held a conference call on September 23, 2011 to discuss the proposal. No market participant indicated any opposition to the proposal.

CONCLUSION

Management recommends that the Board approve the policy described above as sharing of the planned and unplanned transmission and generation outage information will allow the ISO and the state's natural gas utilities to manage ongoing natural gas pipeline testing and maintenance along with gas supply shortages in a manner that ensures sufficient gas for reliable operation of the electric grid.



Board of Governors

October 27-28, 2011

Decision on ISO Gas and Utility
Outage Coordination

Motion

Moved, that the ISO Board of Governors approves the policy to allow the ISO to share with natural gas utilities confidential planned and unplanned transmission and generation outage information subject to a non-disclosure agreement as described in the memorandum dated October 20, 2011; and

Moved that the Board authorizes Management to make all necessary and appropriate filings with the Federal Energy Regulatory Commission to implement this policy.

Moved: Bhagwat Second: Galiteva

Board Action:	Passed	Vote Count:	4-0-0
Bhagwat	Y		
Foster	Y		
Galiteva	Y		
Mullin	Y		

Motion Number: 2011-10-G2