



December 1, 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. ER11-4733-000
Compliance Filing**

Dear Secretary Bose:

Pursuant to Section 205 of the Federal Power Act, 16 U.S.C. § 824d, and Part 35 of the regulations of the Federal Energy Regulatory Commission (“FERC” or “Commission”), 18 C.F.R. Part 35, the California Independent System Operator Corporation (“CAISO”) hereby electronically submits the instant filing and accompanying tariff amendment in compliance with the Commission’s Order on Tariff Filing, issued on November 30, 2011.¹

I. Background

On September 30, 2011, the CAISO filed proposed amendments to Tariff Section 40.9.2 to exempt scheduling coordinators for two categories of qualifying facilities from the requirement in Section 40.9.5 to report outages to the CAISO for purposes of the standard capacity product availability determination.² The exemptions apply to scheduling coordinators for the qualifying facilities that provide resource adequacy capacity under an existing agreement for regulatory must-take generation that either (i) is exempt from the application of non-availability charges and availability incentive payments pursuant to Tariff Sections 40.9.2(2) or 40.9.2(3), or (ii) was executed prior to the August 22, 2010 deadline for grandfathering under Tariff Section 40.9.2(2), and remains in effect pursuant to California Public Utilities Commission Decision 07-09-040 that extended the term of expiring contracts until such time as the new contracts

¹ *California Indep. Sys. Operator Corp.*, 137 FERC ¶ 61,167 (2011)(“November 30 Order”).

² Capitalized terms not otherwise defined herein have the same meaning as set forth in the Master Definitions Supplement, Appendix A, to the currently effective ISO Tariff. References in this filing to section numbers are references to sections of the CAISO Tariff, and references to appendices are references to appendices of the CAISO Tariff, unless the context indicates otherwise.

resulting from that decision are available.³

In the November 30 Order, the Commission accepted the CAISO's proposed tariff amendments to be effective on December 1, 2011, subject to a compliance filing to effectuate the additional tariff modifications discussed below.

II. Discussion of Tariff Modifications

The November 30 Order directed the CAISO to revise Section 40.9.2(8) to make ministerial changes to that provision, as follows: (i) insert "from" between "resulting" and "that" so the phrase reads "new contracts resulting from that decision"; (ii) change "available," to "available."; and (iii) change "of" to "or" so the phrase reads "when its contract terminates or if requested".

In this compliance filing, the CAISO amends Tariff Section 40.9.2(8) to make the changes required by the November 30 Order. The CAISO respectfully requests that the Commission accept these corrections as complying with the directive in the November 30 Order.

III. Materials Provided in the Instant Compliance Filing

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

Attachment A	Clean sheets incorporating the red-lined changes contained in Attachment B
Attachment B	Red-lined changes to the Tariff to implement the revisions contained in this filing

IV. Effective Date

Pursuant to the November 30 Order, the Commission conditionally accepted the September 30 Filing, subject to a compliance filing, effective December 1, 2011. The CAISO requests that the corrections made in this compliance filing become effective as of December 1, 2011 as well.

³ *Order Instituting Rulemaking to Promote Policy and Program Coordination and Integration in Electric Utility Resources Planning, et al.*, Decision 07-09-040 (September 20, 2007).

V. Conclusion

The CAISO respectfully requests that the Commission accept the instant filing as complying with the directives of the November 30 Order and approve the corrections to be effective on the date indicated in the November 30 Order.

Respectfully submitted,

/s/ Beth Ann Burns

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Dated December 1, 2011

CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing document upon all of the parties listed on the official service lists for the above-referenced proceedings, in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.2010).

Dated at Folsom, CA this 1st day of December, 2011.

Anna Pascuzzo

Anna Pascuzzo

California Independent System Operator Corporation

Fifth Replacement FERC Electric Tariff

Attachment A – Clean

SCP-QF Forced Outage Reporting Compliance Filing

December 1, 2011

40.9.2 Exemptions

* * *

- (8) Scheduling Coordinators for Qualifying Facilities that are Resource Adequacy Resources shall be exempt from the Outage reporting requirements of Section 40.9, and will not be subject to Non-Availability Charges or Availability Incentive Payments, if the resource provides Resource Adequacy Capacity pursuant to an existing agreement for Regulatory Must-Take Generation that was executed prior to the August 22, 2010 deadline for exemption under Section 40.9.2(2), and remains in effect pursuant to California Public Utilities Commission Decision 07-09-040 that extended the term of expiring contracts until such time as the new contracts resulting from that decision are available. This exemption from the Outage reporting requirements of Section 40.9, and the Availability Incentive Payments and Non-Availability Charges, shall end for each resource when its contract terminates or if requested by the Scheduling Coordinator for the resource, whichever is earlier.

Exclusions from the Availability Standards and Outage reporting requirements established in this Section 40.9 are for this Section 40.9 alone and do not affect any other obligation arising under the CAISO Tariff.

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California Independent System Operator Corporation

Fifth Replacement FERC Electric Tariff

Attachment B - Marked

SCP-QF Forced Outage Reporting Compliance Filing

December 1, 2011

40.9.2 Exemptions

* * *

- (8) Scheduling Coordinators for Qualifying Facilities that are Resource Adequacy Resources shall be exempt from the Outage reporting requirements of Section 40.9, and will not be subject to Non-Availability Charges or Availability Incentive Payments, if the resource provides Resource Adequacy Capacity pursuant to an existing agreement for Regulatory Must-Take Generation that was executed prior to the August 22, 2010 deadline for exemption under Section 40.9.2(2), and -remains in effect pursuant to California Public Utilities Commission Decision 07-09-040 that extended the term of expiring contracts until such time as the new contracts resulting [from](#) that decision are available.⁵⁷ This exemption from the Outage reporting requirements of Section 40.9, and the Availability Incentive Payments and Non-Availability Charges, shall end for each resource when its contract terminates [oref](#) if requested by the Scheduling Coordinator for the resource, whichever is earlier.

Exclusions from the Availability Standards and Outage reporting requirements established in this Section 40.9 are for this Section 40.9 alone and do not affect any other obligation arising under the CAISO Tariff.

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