

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

**California Independent System
Operator Corporation**

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**Docket Nos. ER15-861-000
and EL15-53-000**

**CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION
MOTION TO MODIFY COMMENT SCHEDULE FOLLOWING TECHNICAL
CONFERENCE AND MOTION TO SHORTEN TIME**

The California Independent System Operator Corporation (“CAISO”) respectfully submits this motion to modify the schedule for the submittal of comments following the technical conference held April 9, 2015, in the above-identified proceedings.¹ The CAISO requests that the Commission modify the schedule, which currently provides for one set of comments on April 23, 2015, in order to allow for the CAISO to file its proposal and initial comments by April 23, 2015, parties to comment on the CAISO’s proposal by May 7, 2015, and parties, including the CAISO, to file reply comments by May 21, 2015.

I. Background

On January 15, 2015, the CAISO proposed revisions to its tariff provisions governing the Energy Imbalance Market (“EIM”) that would apply to each new entity joining the EIM (“EIM Entity”) during such EIM Entity’s initial year of EIM participation. Proposed tariff section 29.27(b)(1) provided that CAISO would determine prices for intervals that experience transmission or system balance constraints within the new EIM

¹ The CAISO files this motion pursuant to Rule 212 of the Commission’s Rules of Practice and Procedure, 18 C.F.R. § 385.212 (2014).

Entity's balancing authority area by using the last economic bid to establish the market clearing price, rather than using the existing tariff's \$1,000/MWh penalty price.

Proposed tariff section 29.27(b)(2) would state that, for a 12-month transition period after a new EIM Entity commences operations in the EIM, CAISO will set the flexible ramping constraint relaxation parameter specified in tariff section 27.10 for the new EIM Entity's BAA between \$0 and \$0.01 (instead of \$60).

In its March 16, 2015 order, the Commission rejected the proposed tariff amendments. The Commission instituted a proceeding under section 206 of the Federal Power Act, to investigate the justness and reasonableness of the EIM provisions in CAISO's existing tariff related to the imbalance energy price spikes in PacifiCorp's balancing authority area that the CAISO had described in its tariff filing and in previous filings seeking a temporary waiver of the pricing parameters in sections 27.4.3.2 and 27.4.3.4 of its tariff. The Commission established a refund effective date 90 days from publication of notice in the Federal Register.² The Commission also directed staff to hold a technical conference to explore the issues raised by the CAISO.³

On March 24, the Commission noticed the technical conference for April 9, 2015 and set forth an agenda. On April 8, 2015, the Commission issued a supplemental notice establishing an April 23, 2015 date for supplemental comments following the technical conference. The technical conference occurred on April 9, 2015.

II. MOTION TO REVISE SCHEDULE FOR COMMENTS

At the technical conference, the CAISO addressed the questions included in the agenda, which included a discussion of the specific actions taken to address the

² Notice appeared in the Federal Register on April 2, 2015. 80 Fed. Reg. 17742 (April 2, 2015).

³ *Cal. Indep. Sys. Operator Corp.*, 150 FERC ¶ 61,191 (2015).

underlying causes of the price excursion absent the price discovery waiver in effect. In order to facilitate full consideration of the remedial enhancements presented, the CAISO suggested a modification of the schedule to allow parties to better understand the CAISO's proposed enhancements and provide informed comments. Under the proposed modified schedule, on April 23, 2015, the CAISO would submit its comments responding to any questions posed by Commission staff that it could not address at the conference as well as a detailed explanation of the remedial enhancements currently under consideration. Parties would then have two weeks to consider and comment on the CAISO's filing. Then all parties, including the CAISO, would have two more weeks to file reply comments. No party at the technical conference expressed opposition to this modification.

The CAISO submits that this proposed modification will provide the Commission with a more complete record on which to decide the issues in these dockets. By allowing the CAISO to first set forth its proposal, it will allow other parties to expand the focus of their comments to include the solution as well as the issues that have arisen. The CAISO believes that the modification will also expedite the implementation of a solution so as to avoid new issues when additional parties join the EIM.⁴

III. Motion to Shorten Time

The existing schedule calls for the submittal of comments on April 23, 2015, which is prior to the time that answers to motions to modify the schedule would ordinarily be due under Rule 213 of the Commission's Rules of Practice and

⁴ The CAISO believes that it will not be feasible to implement any solution by June 22, 2015 (the refund effective date). In addition, because the solution would involve market modifications, it will not be practical to implement the solution retroactively. The CAISO will therefore shortly be submitting a request to extend the refund effective date.

Procedure.⁵ Accordingly, the CAISO requests that the Commission shorten time for answers to four business days.

IV. Conclusion

For the foregoing reasons, the CAISO requests that the Commission modify the schedule for comments following the technical conference in this proceeding as described above.

Respectfully submitted,

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⁵ 18 C.F.R. § 385.213 (2014).