

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

**California Independent System
Operator Corporation**

Docket No. ER12-423-000

**MOTION FOR EXTENSION OF TIME ON BEHALF
OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR
CORPORATION'S
MARKET SURVEILLANCE COMMITTEE**

I. Introduction

Pursuant to Rules 212 and 2008(a) of the Commission's Rules of Practice,¹ the California Independent System Operator Corporation (the ISO) respectfully submits this motion on behalf of its Market Surveillance Committee (MSC) for an extension of time until June 28, 2013 to file its analysis of alternatives to the ISO's current three-pivotal-supplier test for determining local market power.

In a September 21, 2006 Order (September 2006 Order),² the Commission considered the ISO's proposal to utilize for its new markets a three-pivotal-supplier test in considering whether transmission paths are competitive or non-competitive. In the September 2006 Order, the Commission accepted the ISO's proposal, but the Commission also stated that "a three-pivotal-supplier test may be overly stringent" and directed the MSC to examine and report on this issue. The MSC submitted its report on this issue in June 2010 in docket ER06-615.

¹ 18 C.F.R. §§ 385.212, 385.2008(a).

² *Cal. Indep. Sys. Operator Corp.*, 116 FERC ¶ 61,274 (2006).

In its March 1, 2012 Order (March 2012 Order) accepting the ISO's amendment to improve the accuracy of the ISO's day-ahead local market power mitigation,³ the Commission stated that "a market screen that was necessary and appropriate under the existing system may turn out to be overly restrictive in the context of the enhanced, more accurate mitigation provisions."⁴ The March 2012 Order directed the MSC "to examine the appropriateness of the three pivotal-supplier test and whether an alternative competitive screen to identify market power opportunities for generation in load pockets should be considered"⁵ and to submit it to the Commission by May 1, 2013. Granting this Motion would afford the MSC an eight-week extension of time to file its report.

II. There is Good Cause for Granting the MSC an Extension of Time

The MSC, an independent advisory committee to the ISO Board, has indicated that having more time to review the data and information provided by the ISO's Department of Market Monitoring (DMM) would be helpful as it prepares its analysis. DMM has been providing data and information to the MSC regarding the performance of the local market power mitigation provisions of the ISO's new market design. As the MSC has reviewed this data, it has requested and received from DMM additional data on bidding behavior under differing degrees of congestion. The MSC requires additional time to give this additional information appropriate consideration and to complete its analyses and finalize its report.

³ *Cal. Indep. Sys. Operator Corp.*, 138 FERC ¶ 61,154 (2012).

⁴ *Id.* at P 37.

⁵ *Id.*

An extension would also grant the MSC the time necessary to formally adopt its report as an official MSC opinion. As part of this process, the MSC will: publish a draft report; obtain comments from DMM, the ISO, and stakeholders; and formally adopt the report through a public process. As a formal advisory committee of the ISO Governing Board, the MSC is subject to the same open meeting requirements as the Governing Board. Under the ISO's Open Meeting Policy, except under emergency circumstances, the ISO Governing Board and its subcommittees may only take action in a properly noticed meeting.⁶ In addition, prior to adopting an opinion, the MSC publishes a draft opinion for stakeholder comment several days in advance of stakeholder meetings. These timing constraints, in tandem with the MSC's desire to review additional information provided by DMM, warrant an extension of time for the MSC to make to finalize and adopt its report. Such an extension will result in a more thorough and complete final product that will benefit from stakeholder comment. The ISO has no reason to believe that any party will be prejudiced by this slight delay in filing the MSC's analysis.

III. Conclusion

For the above-stated reasons, the ISO requests on behalf of the MSC that the Commission grant the MSC an eight-week extension to file its alternative competitive screen analysis report with the Commission on or before June 28,

⁶ CALIF. INDEP. SYS. OPERATOR CORP., OPEN MEETING POLICY § 2, *available at* <http://www.caiso.com/Documents/CaliforniaISOOpenMeetingPolicy.pdf>. This policy is a legislative requirement, as California law mandates that the ISO "[m]aintain open meeting standards and meeting notice requirements consistent with the general policies of the Bagley-Keene Open Meetings Act" and must maintain its Open Meeting Policy at a level "that is no less consistent with the Bagley-Keene Open Meetings Act than its" current policy. CAL. PUB. UTIL. CODE § 345.5 (c)(3).

2013. Granting such an extension would permit a more complete consideration of DMM's data and information.

Respectfully submitted,

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Dated: April 24, 2013

CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing document upon all of the parties listed on the official service list for the above referenced proceeding, in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.2011).

Dated at Folsom, California this 24th day of April, 2013.

Jennifer Rotz
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