UNITED STATES OF AMERICA BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

California Independent System) Docket No. ER17-218-000 Operator Corporation)

MOTION FOR LEAVE TO FILE ANSWER AND ANSWER TO PROTESTS OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION

The California Independent System Operator Corporation (CAISO) hereby

moves for leave to answer, and submits its answer, to the November 18, 2016, limited

protest (Six Cities Protest) of the Cities of Anaheim, Azusa, Banning, Colton, Pasadena,

and Riverside, California (Six Cities), filed in the above-referenced docket.¹

The Six Cities Protest expresses concern with one aspect of the CAISO's

revisions to the tariff definition of Load Serving Entity, proposed in a CAISO filing

submitted to the Commission on October 28, 2016.² Five other parties submitted

document-less motions to intervene in this proceeding³ and two parties filed supportive

comments. No party aside from Six Cities protests the CAISO's October 28 filing.⁴

The portion of the CAISO's proposed definition relevant to the Six Cities Protest

states that a Load Serving Entity is an entity that:

¹ The CAISO files this answer pursuant to Rules 212 and 213 of the Commission's Rules of Practice and Procedure, 18 C.F.R. §§ 385.212, 385.213. The CAISO requests waiver of Rule 213(a)(2), 18 C.F.R. § 385.213(a)(2), to permit it to make an answer to the protests. Good cause for this waiver exists here because the answer will aid the Commission in understanding the issues in this proceeding, provide additional information to assist the Commission in the decision-making process, and help to ensure a complete and accurate record in this case. *See, e.g., Equitrans, L.P.*, 134 FERC ¶ 61,250, at P 6 (2011); California Independent System Operator Corp., 132 FERC ¶ 61,023, at P 16 (2010); Xcel Energy Services, Inc., 124 FERC ¶ 61,011, at P 20 (2008).

² Capitalized terms not otherwise defined herein have the meanings set forth in the CAISO tariff.

³ PG&E, Powerex, Santa Clara (Silicon Valley Power), Modesto Irrigation District, and Metropolitan Water District.

⁴ CDWR and NCPA.

(a) (i) serves End Users within the CAISO Balancing Authority Area and (ii) has been granted authority or has an obligation pursuant to state or local law, regulation, or franchise to sell electric energy to End Users located within the CAISO Balancing Authority Area; (b) (i) is an End User, (ii) has been granted authority pursuant to state or local law or regulation to serve its own Load through the purchase of electric energy from an entity that does not qualify as a Load Serving Entity, and (iii) serves its own Load through purchases of electric energy from an entity that does not qualify as a Load Serving Entity with respect to such purchases of electric energy, or (c) is a federal power marketing authority that serves End Users.

Six Cities requests that the Commission direct the CAISO to make a minor revision to the proposed tariff language. The CAISO structured the definition to say that an entity is a Load Serving Entity if it meets part a., part b., or part c. of the definition. Six Cities finds this structure ambiguous because, in its view, the definition could be read to mean that an entity has to meet all three parts of the definition to be a Load Serving Entity. Six Cities asks that FERC order the CAISO to add an additional "or" between part a. and part b. Without this additional clarity, Six Cities is concerned that there could be confusion that impacts Congestion Revenue Rights (CRR) allocations to current Load Serving Entities or excludes from the definition entities that partially serve their load through self-supply.

Six Cities has not identified a legitimate ambiguity in the proposed tariff language and the CAISO sees no reasonable way to read the proposed definition as requiring an entity to meet all three parts of the definition to be considered a Load Serving Entity. The CAISO's proposed revision follows standard grammatical rules regarding serial semicolons and commas, as well as the conventions of the existing tariff definition. The existing definition also includes a three-part definition separated with a single "or" between the second and third parts. In reviewing the proposed tariff language, the CAISO, however, recognizes one minor punctuation issue. The punctuation separating part b. from part c. of the definition inadvertently was included as a comma, whereas it should have been a semicolon. The CAISO is prepared, if so ordered on compliance, to submit revised tariff records containing the proper punctuation.

Respectfully submitted,

<u>/s/ David S. Zlotlow</u> Roger E. Collanton General Counsel Anna A. McKenna Assistant General Counsel David S. Zlotlow Senior Counsel

Counsel for the California Independent System Operator Corporation

CERTIFICATE OF SERVICE

I certify that I have served the foregoing document upon the parties listed on the official service list in the captioned 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, California this 5th day of December, 2016.

<u>/s/ Grace Clark</u> Grace Clark