

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

California Independent System Operator Corporation	)	Docket Nos.
	)	ER09-1048-002
	)	ER06-615-059

**MOTION FOR EXTENSION OF TIME OF THE  
CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION  
TO SUBMIT COMPLIANCE FILING**

**I. Introduction**

Pursuant to Rules 212 and 2008(a) of the Commission's Rules of Practice,<sup>1</sup> the California Independent System Operator Corporation (the ISO) respectfully submits this motion for an extension of time, until April 20, 2011, to file the further compliance filing required by the Commission's *Order on Compliance Filing* issued on January 20, 2011.<sup>2</sup> This extension would afford the ISO a 90-day reply period, rather than the 30-day reply period specified in the *Compliance Order*.

The Commission's Order No. 719<sup>3</sup> required independent system operators (ISOs) and regional transmission organizations (RTOs) to reform their operations and amend their tariffs or otherwise demonstrate their compliance with the Order in several areas, including: (1) demand response; (2) long-term power contracting; (3) market monitoring; and (4) responsiveness to customers and stakeholders. On April 28, 2009, the ISO submitted its initial compliance filing

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<sup>1</sup> 18 C.F.R. §§ 385.212, 385.2008(a).

<sup>2</sup> *Cal. Indep. Sys. Operator Corp.*, 134 FERC ¶ 61,050 (2011) (Compliance Order).

<sup>3</sup> *Wholesale Competition in Regions with Organized Electric Markets*, 125 FERC ¶ 61,071 (2008).

required under Order 719. On November 19, 2009, the Commission issued an *Order on Compliance Filing*, in which it largely accepted the ISO's initial compliance filing but ordered the ISO to submit an additional compliance filing addressing several market monitoring matters.<sup>4</sup> One issue the Commission ordered the ISO to address was to revise Section 37 of the ISO's FERC Electric Tariff (which comprises the ISO's Rules of Conduct for Market Participants), to make sure that the Rules of Conduct only impose ISO-administered Sanctions<sup>5</sup> for objectively identifiable conduct. On February 18, 2010, the ISO made a compliance filing in response to the November 19 Order. The Commission issued the Compliance Order in response to the ISO's February 18, 2010 filing. The Compliance Order, *inter alia*, calls for the ISO to perform a comprehensive additional review of its Rules of Conduct to remove elements of the Rules of Conduct that the Commission believes still call for the ISO to make subjective determinations in imposing Sanctions.

## **II. There is Good Cause for Granting the ISO an Extension of Time**

The ISO believes that the nature of its compliance obligations justifies an extension of time to make the required compliance filing. The Compliance Order found that several long-standing elements of the Rules of Conduct are unjust and unreasonable. Some of these elements have been part of the Rules of Conduct from their inception and are fundamental to the ISO's vision of what conduct the Rules of Conduct should proscribe. The ISO respectfully submits that thirty days does not provide sufficient time for the ISO to address in a thoughtful and

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<sup>4</sup> *Cal. Indep. Sys. Operator Corp.*, 129 FERC ¶ 61,157 (2009) (November 19 Order).

<sup>5</sup> In the Commission's parlance, this type of violation is referred to as a traffic ticket violation.

comprehensive manner how it must address this fundamental shift in the Rules of Conduct.

### **III. The Proposed Term of the Requested Extension**

On the same day the Commission issued the Compliance Order, the Commission issued a similar order to PJM Interconnection, LLC.<sup>6</sup> Like the ISO, PJM has been directed to review its traffic ticket violation tariff provisions to ensure that they are fully compliant with Order 719 and other Commission regulations. Unlike the ISO, however, the Commission granted PJM 90 days to make a compliance filing.<sup>7</sup> The ISO's compliance obligations are at least as significant as PJM's obligations and will require an extensive review of the ISO's entire Rules of Conduct and all tariff provisions that could be construed as imposing Sanctions. The ISO requires more than 30 days to complete this effort. The ISO believes that granting the ISO 90 days to make its compliance filing, consistent with the amount of time the Commission granted PJM to submit its compliance filing, is justified.

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<sup>6</sup> PJM Interconnection, LLC, 134 FERC ¶ 61,040 (2011).

<sup>7</sup> *Id.* at P 1.

#### **IV. Conclusion**

For the reasons stated above, the ISO requests that the Commission grant the ISO a 90-day period to make the further compliance filing called for in the Compliance Order. Granting such an extension would permit more complete consideration of the issues posed by the Compliance Order and would harmonize the ISO's compliance timeframe with that of PJM.

Respectfully submitted,

**By: /s/ David S. Zlotlow**

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Dated: February 4, 2011

## 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 captioned proceeding, 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 4th day of February 2011.

**/s/ Charity N. Wilson**  
Charity N. Wilson