

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

OFFICE OF ENERGY MARKET REGULATION

California Independent System
Operator Corporation
Docket No. ER13-471-000
January 29, 2013

Alston & Bird LLP
The Atlantic Building
950 F Street, NW
Washington, DC 20004

Attention: Bradley R. Miliauskas, Esq.
Counsel for California Independent System Operator Corporation

Reference: Tariff Amendment to Revise Financial and Credit Policy Provisions

Dear Mr. Miliauskas:

On November 29, 2012, the California Independent System Operator Corporation (CAISO) submitted revisions to the financial and credit policy provisions in its tariff.¹ CAISO states the propose revisions resulted from a stakeholder process (except for the addition of the ACH payment option), and that most stakeholders expressed support for the revisions during the process; none opposed them. With respect to the elimination of unsecured credit limits for market participants with speculative-grade credit and the elimination of certain forms of financial security, the proposed provisions appear to be comparable to similar credit policy provisions in other ISO/RTO regions. CAISO's tariff revisions are accepted for filing, effective February 1, 2013, as requested.

¹ CAISO proposes to amend several sections of its tariff to implement the following changes to: (1) modify the progressive discipline for late invoice payments to reflect CAISO's move from semi-monthly to weekly invoicing; (2) clarify terminology associated with receipt and remittance of payments; (3) eliminate unsecured credit limits for market participants with speculative-grade credit ratings; (4) eliminate certain forms of financial security that encumber CAISO's ability to call on credit support expeditiously in the event of a non-payment; and (5) add a new option for payments to and from CAISO – the Automated Clearing House (ACH) payment service.

This filing was noticed on November 29, 2012, with comments, protests, or motions to intervene due on or before December 20, 2012. No protests or adverse comments were filed. Notices of intervention and unopposed timely filed motions to intervene are granted pursuant to the operation of Rule 214 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.214). Any opposed or untimely filed motion to intervene is governed by the provisions of Rule 214.

This action does not constitute approval of any service, rate, charge, classification, or any rule, regulation, contract, or practice affecting such rate or service provided for in the filed documents; nor shall such action be deemed as recognition of any claimed contractual right or obligation affecting or relating to such service or rate; and such action is without prejudice to any findings or orders which have been or may hereafter be made by the Commission in any proceeding now pending or hereafter instituted by or against CAISO.

This action is taken pursuant to authority delegated to the Director, Division of Electric Power Regulation - West, under 18 C.F.R. § 375.307. This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order, pursuant to 18 C.F.R. § 385.713.

Sincerely,

Steve P. Rodgers, Director
Division of Electric Power
Regulation – West

cc: All Parties