



residual unit commitment (“RUC”) process (see e.g., Paragraph 220) and to take leadership role in establishing a collaborative process with the California Public Utilities Commission, and other stakeholders, to define the standards for Demand Response products and for how demand response products are measured and monitored. (Paragraph 225.)

In its concluding paragraphs of the Demand Response section of the Order, the Commission directed the CAISO to file annual reports evaluating the CAISO’s Demand Response Programs, and including certain informational points, such as the amount of Demand Response those programs had elicited. The Order directed that the CAISO file the first such report by January 15, 2008. (Paragraph 226.)

Current Status of Demand Response Participation at the CAISO. At the current time, the demand response participation in CAISO’s market is essentially limited to the CAISO’s Participating Load Program, which allows loads to participate as price responsive demand in the CAISO Non-Spinning Reserves and Supplemental Energy Markets. Participants sign a participating load agreement with the CAISO; Load is scheduled into the CAISO markets and financially settled through CAISO-qualified Scheduling Coordinators.<sup>1</sup>

Other than participating load, existing Demand Response Programs in California are administered by and dispatched by California’s three IOUs.

CAISO Efforts to Develop Data for an Initial Report on Participating Load. Because of the limited nature of current Demand Response participation, and the fact that the bulk of Demand Response Programs in California are currently administered by

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<sup>1</sup> Further information about the CAISO’s Participating Load Program can be found on the CAISO’s web site at <http://www.caiso.com/docs/2005/10/05/2005100520280423155.html> .

the IOUs, CAISO staff approached FERC staff to discuss the state of information that could be submitted in a first annual report at this time, and the usefulness of such information when compared against the Commission's directive in the Order. In this regard, Paragraph 226 of Order references certain desired components of the annual report, and signals the Commission's intent that the annual reports provide baseline indicators for evaluating progress in building future Demand Response products and integrating them into CAISO markets under the MRTU. FERC staff indicated a desire that the CAISO proceed with a first annual report at this time, providing the more limited information available, rather than wait to a later time and further Demand Response program and product development. In this regard, the CAISO staff indicated that a current report of current Demand Response participation under the Participating Load Program is anticipated to provide information in some detail of load participation from January through November of 2007.

Further, CAISO staff relayed to FERC staff that the CAISO would request the additional ten (10) day period to file the first annual report, as it has experienced some time-delay difficulties in identifying, capturing, and compiling data, given that participation and dispatch by the participants is not seasonal/temperature driven in nature, given it is pumping load, and that CAISO is encountering some issues of first impression in presenting the information for a first annual report.

## **II. CONCLUSION**

For the reasons set forth above, the CAISO respectfully requests that the Commission grant this motion for extension of time.

Respectfully submitted,

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Dated: January 15, 2008

## Certificate of Service

I hereby certify that I have this day served a copy of this document upon all parties listed on the official service list compiled by the Secretary in the above-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 this 15<sup>th</sup> day of January, 2008 at Folsom in the State of California.

/s/ Melissa Hicks

Melissa Hicks