

130 FERC ¶ 61,048
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Jon Wellinghoff, Chairman;
Marc Spitzer, Philip D. Moeller,
and John R. Norris.

California Independent System Operator
Operator Corporation

Docket No. OA08-62-005

ORDER CONDITIONALLY ACCEPTING COMPLIANCE FILING AND
REQUIRING FURTHER COMPLIANCE FILING

(Issued January 21, 2010)

1. On July 20, 2009, the California Independent System Operator Corporation (CAISO) submitted revisions to its transmission planning process as revisions to its existing Open Access Transmission Tariff (OATT or tariff), as required by Order No. 890¹ and a Commission order issued on May 21, 2009 in this proceeding.² In this order, we conditionally accept the CAISO's compliance filing, subject to a further compliance filing.

I. Background

2. In Order No. 890, the Commission reformed the *pro forma* OATT to clarify and expand the obligations of transmission providers to ensure that transmission service is provided on a non-discriminatory basis. One of the Commission's primary reforms was designed to address the lack of specificity regarding how customers and other stakeholders should be treated in the transmission planning process. To remedy the potential for undue discrimination in planning activities, the Commission directed all transmission providers to develop a transmission planning process that satisfies nine principles and to describe that process clearly in a new attachment to their OATTs.

¹ *Preventing Undue Discrimination and Preference in Transmission Service*, Order No. 890, FERC Stats. & Regs. ¶ 31,241, *order on reh'g*, Order No. 890-A, FERC Stats. & Regs. ¶ 31,261 (2007), *order on reh'g*, Order No. 890-B, 123 FERC ¶ 61,299 (2008), *order on reh'g*, Order No. 890-C, 126 FERC ¶ 61,228 (2009).

² *Cal. Indep. Sys. Operator Corp.*, 127 FERC ¶ 61,172 (2009) (May 2009 Order).

3. The CAISO submitted its initial transmission planning process compliance filing on December 21, 2007 (December 2007 Filing). In an order dated June 19, 2008, the Commission accepted the CAISO's December 2007 Filing subject to a further compliance filing. The Commission found that the CAISO had adequately addressed the information exchange principle and the cost allocation principle; however, the Commission found that a further compliance filing was necessary to address the remaining principles, as well as the interaction of local planning activities with the CAISO's transmission planning process.³

4. In response to the June 2008 Order, the California State Water Project and the Imperial Irrigation District filed requests for rehearing of the June 2008 Order, while the CAISO submitted revisions to its transmission planning process on October 31, 2008, as amended on November 3, 2008 (November 2008 Filing). The Commission's May 2009 Order addressed both the rehearing requests, which it denied, the November 2008 Filing, which it accepted subject to the CAISO submitting an additional compliance filing to address the following discrete issues: (1) revise the tariff to specify the *minimum* amount of time that will elapse between major milestones;⁴ (2) replace the phrase "may be disclosed" with "shall be disclosed" in section 20.2(e) of the tariff;⁵ (3) add a reference to participating transmission owners in section 24.2.3 of the tariff to clarify that all projects must go through the request window; and (4) make certain typographical corrections to the tariff and the business practice manual.⁶

5. On July 20, 2009, the CAISO submitted revisions to its transmission planning process (July 2009 Filing) pursuant to the May 2009 Order. The CAISO indicated that it has revised its tariff to provide the minimum amount of time that will elapse between major milestones, corrected certain typographical errors, and revised sections 20.2(e) and 24.2.3 of the tariff, as discussed below.⁷

³ *Cal. Indep. Sys. Operator Corp.*, 123 FERC ¶ 61,283 (2008) (June 2008 Order).

⁴ May 2009 Order, 127 FERC ¶ 61,172 at P 59.

⁵ *Id.* P 49.

⁶ *Id.* P 63-65.

⁷ The CAISO notes that the tariff changes in the November 2008 Filing were submitted both as changes to the then-current Simplified & Reorganized (S&R) tariff and as changes to the then-prospective market redesign and technology upgrade tariff, which went into effect March 31, 2009 and is now the CAISO's current tariff. The May 2009 Order accepted the November 3 filing as modified with an effective date of

(continued...)

II. Notice, Intervention and Responsive Pleadings

6. Notice of the CAISO's July 2009 filing was published in the *Federal Register*, 74 Fed. Reg. 37997 (2009), with interventions and protests due on or before August 10, 2009. A protest was filed by the City of Santa Clara, California; the City of Palo Alto, California; and the City of Alameda (collectively, the Bay Area Municipal Group). The CAISO filed a Motion for Leave to Answer and Answer to Protest of the Bay Area Municipal Group. The Bay Area Municipal Group filed a Motion for leave to Answer and Answer.

III. Discussion

A. Procedural Matters

7. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2009), the notices of intervention and timely, unopposed motions to intervene serve to make the entities that filed them parties to this proceeding.

8. Rule 213(a)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.213(a)(2) (2009), prohibits an answer to a protest unless otherwise ordered by the decisional authority. We will accept the CAISO's answer and the Bay Area Municipal Group's answer because they have provided information that assisted us in our decision-making process.

B. Overview of the CAISO Transmission Planning Process and Timeline

9. As set forth in the May 2009 Order, the specifics of the transmission planning process timeline and steps are as follows:

1) by the second week of December, the CAISO sends a letter to neighboring balancing authorities and sub-regional and regional planning groups, requesting planning data and other related information to be included in the transmission plan;

2) by the second week of January, participating transmission owners, neighboring balancing authorities, sub-regional and regional planning groups, and other transmission

September 29, 2008. Thus, the CAISO states that the July 2009 Filing includes clean sheets and blacklines based on the S&R tariff with an effective date of September 29, 2008, and clean sheets and blacklines based on the current tariff with an effective date of March 31, 2009. The CAISO also notes that one of the clean sheets for the current tariff, Sheet No. 469, incorporates changes made to Section 20.2(f) in a compliance filing in Docket No. ER09-1048-000, effective April 28, 2009, and thus has that effective date.

planning process participants provide the CAISO with planning data;

3) by the end of January, the CAISO planning standards committee meets to discuss any changes that may be required to the CAISO planning standards;

4) by the second week of February, the CAISO develops a draft study plan and posts it on the CAISO website;

5) in March, the CAISO hosts a stakeholder meeting to discuss the draft study plan;

6) in early April, the CAISO finalizes the study plan and posts the base cases and other planning data on the secure portion of its website;

7) by the end of July, the CAISO hosts additional meetings at the local locations, if needed;

8) on August 15, the request window opens for transmission planning process participants to submit projects, study requests, and other data for possible inclusion in the transmission plan; those projects where the study is completed will be included in the transmission plan for the current year, study requests and those projects that require further studies are included in the following year's plan;

9) by September 15, the CAISO posts preliminary technical study results on a secure portion of its website;

10) by October 15, the participating transmission owners submit reliability project proposals through the request window along with their study reports;

11) by the end of October, the CAISO hosts a stakeholder meeting to discuss the study results;

12) on November 30, the request window closes;

13) by the December – January time period, projects with capital costs less than \$50M will be submitted to the CAISO's executive leadership team for approval;

14) by the end of January, the CAISO posts the draft transmission plan on its website;

15) in February, the CAISO hosts an additional stakeholder meeting to discuss the draft plan; and

16) in February or March, the CAISO presents the transmission plan to the CAISO Board of Governors (Board of Governors).

The transmission plan contains the results of the technical studies; the determinations, recommendations, and justifications for the need for the identified transmission upgrades or additions; and updates on the status of projects previously approved by the CAISO, including potential delays in the anticipated completion dates, among other things.⁸

⁸ May 2009 Order, 127 FERC ¶ 61,172 at P 32.

C. The Compliance Filing

10. According to the CAISO, the major milestones of the transmission planning process are the following: (1) developing and posting the unified study assumptions and study plan; (2) posting the CAISO's technical study results; and (3) posting the draft annual transmission plan. Thus, the CAISO indicates that tariff section 24.2.2.1 has been revised to provide a minimum of 120 days between the posting of the unified planning assumptions and study plan and the posting of the technical study results. Also, tariff section 24.2.4 has been modified to provide a minimum of 120 days between the posting of the technical study results by the CAISO and the posting of the draft transmission plan.

11. The CAISO also indicates that to ensure that the time period between these milestones does not become compressed, it has added subparagraphs (f) and (g) to tariff section 24.2, which provide that: (1) interested parties will have a minimum of one week to review the draft unified assumptions and study plan, the CAISO technical study results and the draft transmission plan prior to each public meeting at which the documents will be reviewed; and (2) interested parties will have a minimum of two weeks to provide comments on these posted documents after discussing them at a public meeting.

1. The First Major Milestone

12. The CAISO indicates that the first major milestone of the transmission planning process should be developing and posting the unified study assumptions and study plan.

13. The Bay Area Municipal Group counters that the first major milestone should be the posting of the unified study assumptions, the final study plan, and all the underlying base cases. The Bay Area Municipal Group states that without ensuring it is the final study plan and without ensuring that the transmission planning participants have access to the base cases, the transmission planning participants will not have sufficient time or information to participate meaningfully in the transmission planning process.

14. In its answer, the CAISO states that it identified the major milestones and the approximate time periods between these milestones based upon the transmission planning process business practice manual and with specific reference to the general calendar in section 2.1.3 of the business practice manual.⁹ The CAISO also explains that, while the general calendar indicates that the base cases will be published at approximately the same time as the final study plan, this date may slip by a couple of weeks because the base case development relies upon inputs from other parties and is not entirely under the control of the CAISO.

⁹ See November 2008 Filing, Attachment F at 23.

15. We accept the CAISO's proposed first milestone. The tariff language in section 24.2.2.1 indicates that the second milestone occurs "not less than 120 days after the final Unified Planning Assumptions and Study Plan are published." Thus, it is clear that the tariff contemplates that the milestone will be related to the final study plan. In addition, the CAISO has explained that base cases are dependent on inputs from other parties and may not be available for publication at the same time as the final Study Plan. According to the CAISO, the time periods required to post base cases are likely to be inconsistent from cycle to cycle. We agree with the CAISO that it is reasonable to identify the first major milestone by reference to the final unified planning assumptions and study plan and not require that base cases be concluded as a part of the first major milestone. The CAISO should continue to post base cases as soon as possible after it publishes the final study plan. Our acceptance of the CAISO's proposed first milestone is conditioned upon the CAISO submitting a compliance filing specifying in its tariff that base cases will be published as soon as possible after the CAISO publishes the final study plan.

2. The Second Major Milestone

16. The CAISO indicates that the second major milestone of the transmission planning process should be the posting of the CAISO's technical study results.

17. The Bay Area Municipal Group disagrees, asserting that this milestone should be expanded to include third parties' study results to ensure sufficient time to analyze all data upon which the CAISO has based its transmission planning. The Bay Area Municipal Group indicates that pursuant to tariff section 24.2.2.1(a), the CAISO may base its draft transmission plan on assessments it conducts and those prepared by third parties, including the participating transmission owners. According to the Bay Area Municipal Group, proposed tariff section 24.2.4(a) obligates the CAISO to post a draft transmission plan "not less than 120 days after the results of the CAISO's technical assessments are posted," but it is silent on third-party technical assessments. Thus, the Bay Area Municipal Group argues that there is ambiguity in the proposed revision to tariff section 24.2.4(a) as to whether "the CAISO's technical assessments" include third-party technical assessments. According to the Bay Area Municipal Group, in other sections of the CAISO tariff, the CAISO technical assessments and third-party technical assessments are treated differently. For example, the tariff language of section 24.2.2.1(a) states those third-party technical assessments must be provided to the CAISO for posting one month after the posting of CAISO technical assessments. Therefore, the Bay Area Municipal Group states that it appears that the CAISO proposes disparate posting deadlines for the CAISO technical assessments and third-party technical assessments.

18. The CAISO states that it is not amenable to modifying the sequence for posting technical study results, because this sequence is critical to the entire planning process. Indeed, CAISO argues that the Bay Area Municipal Group has missed the point that the

participating transmission owner and third-party technical studies, as well as the mitigation solutions that are provided at the same time, are all intended to respond to the CAISO's posted technical study results. Thus, CAISO asserts that posting all of these study results at the same time would defeat the purpose of the one-month lag between the CAISO study results and the responsive study results of the participating transmission owners and third parties. CAISO also argues that this would deprive these parties of the opportunity to review the CAISO results before submitting mitigation solutions. The CAISO states that the tariff and the business practice manual are clear on this point.¹⁰

19. We accept the CAISO's second proposed milestone and find the supporting rationale provided by the CAISO persuasive. Tariff section 24.2.2.1(a) is clear that the participating transmission owner and third party studies conducted at the direction of the CAISO will be posted to the CAISO website within one month of the CAISO posting the results of its studies. We also agree with the CAISO that allowing the participating transmission owners and third parties to submit their study results and mitigation solutions one month after the CAISO posts its study results is beneficial to all parties. As noted by the CAISO, these studies are intended to be responsive to the CAISO's own study results. Participating transmission owners and third party studies could not be responsive to the CAISO's study results if the CAISO's study results and the responsive studies were posted simultaneously. Finally, we note that the substance and timing of this process have been approved already.¹¹

a. **The Minimum Time Between the First and Second Major Milestones**

20. As stated above, the CAISO indicates that tariff section 24.2.2.1 has been revised to provide a minimum of 120 days between the posting of the unified planning assumptions and study plan and the posting of the CAISO's technical study results.

21. The Bay Area Municipal Group believes that a minimum interval of twelve weeks between the first major milestone and the second major milestone is necessary. During this time, the transmission planning participants will: (1) perform studies and identify potential reliability standard and criteria violations, (2) review the base cases and other planning data, and identify the data adequacy as well as data discrepancies, if any, on the modeling of generators, loads, new project additions and transmission network and (3) set up the base case, run the base and sensitivity cases and report data discrepancies to the participating transmission owners and the CAISO to have them corrected. According to

¹⁰ CAISO Answer at 7.

¹¹ May 2009 Order, 127 FERC ¶ 61,172 at PP 53, 54, 106 and 109-118.

the Bay Area Municipal Group, although the CAISO proposes a period of 120 days between the first two major milestones, it believes that only a twelve week interval is necessary, provided that the entire base case package is provided at the first major milestone.

22. The CAISO states that the 120-day period currently proposed by the CAISO allows sufficient flexibility should the base cases be delayed by a few weeks. According to the CAISO, the Bay Area Municipal Group's 12-week minimum elapsed time period between the posting of the final study plan and the posting of the CAISO technical studies is completely out of sync with the transmission planning time frame. The CAISO indicates that, based upon Bay Area's proposed 12-week minimum between the posting of the final study plan in April and the posting of the CAISO technical studies, the CAISO would be required to complete its technical study by the end of July. According to the CAISO, there are no circumstances under which the CAISO would be able to complete its technical studies within that timeframe, and the general calendar provides that these technical study results will be posted on September 15. Thus, the CAISO contends that the Bay Area Municipal Group's 12-week proposal would simply cause confusion and not provide any meaningful information to the planning process participants. Under the circumstances, the CAISO contends that its proposed 120-day minimum elapsed time period between the first and second milestones is reasonable and should not be changed.¹²

23. We accept the CAISO's 120-day minimum time period between the first and second milestones. We note that the CAISO has proposed approximately four months between the first and second milestone, whereas the Bay Area Municipal Group has requested only three months between the two milestones. The four months provided by the CAISO is not significantly different from the Bay Area Municipal Group's three month proposal, but it would allow for possible delays that may occur in releasing the base cases. Thus, we find that CAISO's proposed 120-day minimum time period is a just and reasonable amount of time between the two milestones. Moreover, we find that the Bay Area Municipal Group's concerns are adequately addressed because the four months proposed by the CAISO does not represent a significant difference from the three months proposed by the Bay Area Municipal Group and the CAISO's proposed four-month period will allow for possible delays that might occur in releasing the base cases.

¹² CAISO Answer at 5 – 6.

3. The Third Major Milestone

24. The CAISO indicates that the third major milestone should be the posting of the CAISO's draft transmission plan.

25. The Bay Area Municipal Group disagrees and indicates that the third major milestone should be the posting of the participating transmission owners' submission of reliability projects and mitigation solutions. According to the Bay Area Municipal Group, this is an important step for the following reasons: (1) it provides the participating transmission owners with the opportunity to propose reliability projects that address the potential violations and needs based on the unified assumptions finalized by the CAISO and to present their analysis to the transmission planning process participants in the stakeholder meeting provided in the business practice manual; (2) it provides the CAISO with sufficient time to assess the mitigation solutions offered by the participating transmission owners and consider them for approval *prior* to the posting of the draft transmission plan; and (3) transmission planning process participants can review this information and verify it based on their own independent studies. To the extent that these studies indicate that there exist more economic and/or reliable transmission solutions to the criteria violations than those submitted by the participating transmission owners during the request window, transmission planning process participants will have sufficient opportunity to suggest the participating transmission owners submit these alternatives.

26. We agree with the Bay Area Municipal Group regarding the third major milestone and find its supporting rationale persuasive. The transmission planning process affects all participants. The opportunity for participating transmission owners to propose reliability projects in advance of the posting of the CAISO's draft transmission plan make the transmission planning process more efficient and robust. The CAISO should have the opportunity to assess the full range of transmission solutions before committing to a specific plan. Including as a major milestone the posting of proposed projects and mitigation solutions by participating transmission owners will give all transmission planning participants additional confidence that the CAISO has appropriately considered all known alternatives prior to finalizing its transmission plan.

27. Tariff section 24.2.2.1 states that "The CAISO's technical study results and mitigation solutions shall be posted not less than 120 days after the final Unified Planning Assumptions and Study Plan are published. Within one month after the posting of these results, Participating T[ransmission] O[wner]s or other third parties will submit results of the technical assessments conducted at the direction of the CAISO to be posted..." It is clear from the tariff that the participating transmission owners' studies must be submitted within one month of the posting of the CAISO studies; however, it is not clear from the tariff that the participating transmission owners' reliability projects must be submitted in conjunction with their study results. The general calendar indicates that the participating

transmission owners' study results and reliability projects are both due within one month of the posting of the CAISO studies, and the tariff needs to reflect the minimum time period between the posting of the CAISO studies and the due date for the participating transmission owner reliability projects.

28. Accordingly, we find that it is just and reasonable for the CAISO to include the posting of the participating transmission owners' submission of reliability projects and mitigation solutions as a major milestone in the transmission planning process. We will accept the CAISO's compliance filing conditioned upon the CAISO submitting revised tariff sheets indicating the minimum time period between the CAISO's posting of its studies and the due date for participating transmission owner reliability projects and mitigation solutions as part of the compliance filing ordered below. The CAISO's proposed third major milestone, posting the draft transmission plan, will be discussed further below.

a. **The Minimum Time Between the Second and Third Major Milestones**

29. As set forth above, the CAISO tariff reflects that the posting of the participating owners' submission of reliability projects and mitigation solutions will occur one month after the posting of the CAISO's technical study results. As described above, this order's acceptance of the CAISO's compliance filing is conditioned upon the CAISO submitting a compliance filing specifying that participating transmission owners' submittal of reliability projects is due within the same one month period already specified for participating transmission owners' submittal of study results. After the CAISO's compliance filing is made, the tariff will accurately reflect the minimum time period between the second and third major milestones (as modified).

4. The Fourth Major Milestone

30. The CAISO did not propose a fourth major milestone. However, the Bay Area Municipal Group argues that the closing of the request window should be considered a major milestone because this is one of the most important milestones of the transmission planning process. The Bay Area Municipal Group explains that this is the deadline for the participating transmission owners and market participants to submit proposed alternative projects or solutions to the CAISO for consideration within the transmission planning process. According to the Bay Area Municipal Group, because of the singular importance of this event, establishing minimum intervals around the date that the request window closes would ensure that the CAISO, participating transmission owners, and all market participants are aware of their opportunity to propose projects for the CAISO's consideration.

31. The CAISO indicates that it sees little value in expanding the number of major milestones and adding more elapsed time periods to its tariff. According to the CAISO,

the date upon which the request window closes is likely to remain constant, but including it as a major milestone would deprive the CAISO of the flexibility that allowed the project submission period to be extended during the 2009 cycle.

32. We agree with the Bay Area Municipal Group that the closing date of the request window should be included in the tariff as a major milestone. Because the closing of the request window represents the last time that participating transmission owners and other market participants would be able to propose projects for the CAISO's consideration, we agree with the Bay Area Municipal Group that establishing that date as a major milestone would act to provide important information to all transmission planning participants. Establishing a minimum time period between the due date for posting participating transmission owners' technical studies and reliability projects (established herein as the third major milestone) and the closing date of the request window, would allow transmission planning participants an opportunity to consider the overall effect of all parties' studies and proposed projects before the opportunity to propose projects concludes for a given planning cycle. We find this to be beneficial to the overall transmission planning process and find that inclusion of the closing date of the request window as a major milestone is a just and reasonable result.

33. We disagree with the CAISO that including this milestone in the tariff removes necessary flexibility that it or its participants may need to extend the date. To the contrary, it allows the date to be extended to allow for more time, but it does not allow the time period between the third and fourth milestone to be shortened. Accordingly, the CAISO's compliance filing is accepted, conditioned upon a further compliance filing to include this event as a major milestone in the tariff.

a. **The Minimum Time Between the Third and Fourth Major Milestones**

34. The CAISO's general calendar indicates that the third major milestone (as modified above) occurs on October 15 and the fourth major milestone (as modified above) occurs on November 30. Thus, the approximate time between these two milestones is six weeks.

35. The Bay Area Municipal Group requests that the minimum time period between the third and fourth major milestones (as modified) be six weeks.

36. Because the time period requested by the Bay Area Municipal Group is consistent with the time period outlined in the general calendar, we condition our acceptance of the CAISO's compliance filing on a further compliance filing to include in the tariff the six week minimum time period between the third and fourth major milestones.

5. The Fifth Major Milestone

37. As set forth above, the CAISO did not propose a fifth major milestone; however, the third major milestone the CAISO proposed was the posting of the draft transmission plan.

38. The Bay Area Municipal Group agrees that this should be the last major milestone.

39. We accept the CAISO's last major milestone as the fifth and final major milestone. With the addition of the two major milestones discussed in this order, we accept the CAISO's compliance filing, conditioned on the CAISO's submittal of a compliance filing to include the posting of the draft transmission plan as a fifth major milestone in the tariff, as discussed above.

a. The Minimum Time Between the Fourth and Fifth Major Milestones

40. The CAISO's general calendar indicates that the fourth major milestone (as modified above) occurs on November 30 and the fifth major milestone (as modified above) occurs at the end of January. Thus, the approximate time between these two milestones is eight weeks.

41. The Bay Area Municipal Group requests that the minimum time period between the fourth and fifth major milestones be six weeks.

42. Notwithstanding the reasonableness of each additional milestone and corresponding minimum time period, identifying additional major milestones with minimum time periods between them creates the potential to reduce flexibility in the overall transmission planning process. We find that including a minimum of six weeks between the fourth and fifth major milestone will satisfy the concerns stated by the Bay Area Municipal Group, without delaying or unduly constraining the CAISO's transmission planning process. It is also consistent with the CAISO's general calendar, as stated above. Accordingly, we will accept the CAISO's compliance filing conditioned upon a compliance filing specifying the minimum time period between the fourth major milestone (as modified above) and the fifth major milestone (as modified above) to be six weeks.

6. Miscellaneous

a. Terminology

43. The Bay Area Municipal Group suggests that the CAISO should be directed to clarify its use of the terms "Technical Studies" and "Technical Assessments." According to the Bay Area Municipal Group, tariff section 24.2.2.1(a) uses the term "technical study

results” and it appears that only the CAISO will conduct “technical studies” and that third parties will be directed to conduct “assessments.” Tariff section 24.2.2.1(b), however, refers to “technical studies, whether performed by the CAISO, the Participating T[ransmission] O[wner]s or other third parties under the direction of the CAISO.” The proposed revisions in tariff section 24.2.4(a) refer to “the CAISO’s technical assessments.” Thus, it is unclear whether the CAISO is using the two terms interchangeably or whether they are separate and distinct analyses.

44. In its answer, the CAISO disagrees with the Bay Area Municipal Group that the use of the terms “technical studies” and “technical assessments” interchangeably in tariff sections 24.2.2.1 and 24.2.4 is ambiguous or confusing. Nonetheless, the CAISO is willing to substitute “study” for “assessment” in a further compliance filing if the Commission believes this change would provide clarification.

45. The Commission agrees with Bay Area Municipal Group that the use of a single term will improve clarity in the CAISO’s tariff. Accordingly, we accept the CAISO’s compliance filing conditioned upon the CAISO clarifying the tariff as described above in the compliance filing ordered below.

b. Proposed subsections to Tariff Section 24.2

46. As set forth above, the CAISO added subparagraphs (f) and (g) to tariff section 24.2, which provide that: (1) interested parties will have a minimum of one week to review the draft unified assumptions and study plan, the CAISO technical study results and the draft transmission plan prior to each public meeting at which the documents will be reviewed; and (2) interested parties will have a minimum of two weeks to provide comments on these posted documents after discussing them at a public meeting.

47. According to the Bay Area Municipal Group, if the proposed revision to tariff section 24.2.4(a) contemplates that the posting of only CAISO technical assessments would start the 120-day clock, this would result in third-party technical assessments escaping the comment process. For example, pursuant to its proposed tariff revisions, the CAISO could initiate a public meeting one week after posting the CAISO technical assessments. Subsequently, it would then provide two weeks for comments after the public meeting on those CAISO technical assessments. In total, comments would be due three weeks after the CAISO initially posted the CAISO technical assessments. By this time, however, according to the Bay Area Municipal Group, third parties would not be required to submit to the CAISO their third-party technical assessments for still another week. Thus, the Bay Area Municipal Group argues that the third-party technical assessments would entirely escape public comment.

48. In its answer, the CAISO contradicts the Bay Area Municipal Group’s assertion that the CAISO’s proposed time line would result in the CAISO holding a public participation meeting prior to the submission of the participating transmission owner and

third-party study results and mitigation solutions. According to the CAISO, tariff section 24.2.2.1(a) very clearly states that the public conference will be held subsequent to this second posting date, thereby ensuring public comment on transmission owner and third-party technical assessments.

49. We agree with the CAISO's comments related to the Bay Area Municipal Group's theory on the CAISO's public participation tariff revisions. As the CAISO points out, section 2.2.1(a) is explicit that at least one public conference be held subsequent to the submittal of technical assessments performed by the participating transmission owners or other third parties. The timing of the public conference is not dependent on the start of the 120-day clock.

50. In addition, we accept the remainder of the CAISO's compliance filing as in compliance with the May 2009 Order.

The Commission orders:

(A) The CAISO's July compliance filing is hereby conditionally accepted, as modified, effective September 29, 2008, as discussed in the body of this order, subject to a further compliance filing to be made within 60 days of the date of this order, as discussed in the body of this order.

By the Commission. Commissioner Norris voting present.

(S E A L)

Kimberly D. Bose,
Secretary.

Document Content(s)

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