



July 29, 2016

The Honorable Kimberly D. Bose  
Secretary  
Federal Energy Regulatory Commission  
888 First Street, NE  
Washington, DC 20426

**Re: California Independent System Operator Corporation  
Docket No. ER16-1518-\_\_\_\_\_**

**Compliance Filing Energy Imbalance Market Year One  
Enhancements – Phase 2**

Dear Secretary Bose:

In this filing, the California Independent System Operator Corporation (CAISO) respectfully submits tariff revisions in compliance with the Commission's June 30, 2016 Order in this docket.<sup>1</sup> On April 28, 2016, the CAISO proposed tariff amendments representing Phase 2 Year One Enhancements to the CAISO's Energy Imbalance Market (EIM). The June 30 Order accepted the CAISO's tariff amendments except for proposed language requiring further development of market rules prior to an EIM Entity implementing economic bidding at EIM external interties. The Commission directed the CAISO to make a compliance filing within 30 days of the June 30 Order revising its tariff to exclude that proposed language. These revisions are included with this filing as Attachment A, with the changes marked in Attachment B.<sup>2</sup>

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<sup>1</sup> *Cal. Indep. Sys. Operator Corp.*, 155 FERC ¶ 61,329 (2016) (June 30 Order).

<sup>2</sup> This filing includes proposed revisions to section 29.34(i). In Docket No. ER16-2023, the CAISO has proposed revisions to another subsection of section 29.34, to be effective October 1, 2016, and those proposed revisions are still pending an order by the

The CAISO respectfully requests that the Commission accept the proposed tariff revisions effective October 1, 2016 as complying with the June 30 Order.

Respectfully submitted,

/s/ John C. Anders

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Commission. The eTariff tariff record for section 29.34 accompanying this filing includes that pending proposed language. Should the Commission not accept that language as proposed by the time this filing is acted upon, the CAISO will submit a compliance filing as necessary to conform the section 29.34 tariff record consistent with the Commission's orders in both proceedings.

## 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 29<sup>th</sup> day of July, 2016.

/s/ Grace Clark  
Grace Clark

**Attachment A – Clean Tariff Records**

**Compliance Filing to Energy Imbalance Market Year One Enhancements Phase 2**

**California Independent System Operator Corporation**

## 29.34 EIM Operations

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(i) **Interchange Schedules with Other Balancing Authorities.**

- (1) **In General.** EIM Entity Scheduling Coordinators must submit Interchange Schedules with other Balancing Authority Areas at the relevant EIM Interties and must update these Interchange Schedules with any adjustments, when applicable, as part of the hourly EIM Resource Plan revision.
- (2) **Economic Bidding of EIM Intertie Transactions.** An EIM Participating Resource Scheduling Coordinator may bid a transaction at an EIM External Intertie into the FMM if the EIM Entity supports economic bidding of EIM External Intertie transactions and the relevant transmission service providers or path operators support 15-minute scheduling at the EIM External Intertie under FERC Order No. 764.

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**Attachment B – Marked Tariff Records**

**Compliance Filing to Energy Imbalance Market Year One Enhancements Phase 2**

**California Independent System Operator Corporation**

## 29.34 EIM Operations

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### (i) Interchange Schedules with Other Balancing Authorities.

- (1) **In General.** EIM Entity Scheduling Coordinators must submit Interchange Schedules with other Balancing Authority Areas at the relevant EIM Interties and must update these Interchange Schedules with any adjustments, when applicable, as part of the hourly EIM Resource Plan revision.
  
- (2) **Economic Bidding of EIM Intertie Transactions.** An EIM Participating Resource Scheduling Coordinator may bid a transaction at an EIM External Intertie into the FMM if the EIM Entity supports economic bidding of EIM External Intertie transactions and the relevant transmission service providers or path operators support 15-minute scheduling at the EIM External Intertie under FERC Order No. 764.~~**Economic Bidding of EIM Intertie Transactions.**—An EIM Participating Resource Scheduling Coordinator may bid a transaction at an EIM External Intertie into the FMM if~~
  - ~~(A) —the EIM Entity supports economic bidding of EIM External Intertie transactions;~~
  - ~~(B) —the relevant transmission service providers or path operators support 15-minute scheduling at the EIM External Intertie under FERC Order No. 764; and~~
  - ~~(C) —the CAISO has identified, developed, and implemented market rules necessary to enable such intertie bidding.~~

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