



California Independent
System Operator Corporation

March 12, 2014

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

Re: California Independent System Operator Corp.
Docket No. ER14-1216-000

Dear Secretary Bose:

By this letter, the California Independent System Operator Corporation (“ISO”) respectfully requests an effective date for its proposed amendment to the ISO Tariff in connection with price correction that is later than the date requested in the transmittal letter. The ISO requests an effective date of May 1, 2014, in lieu of the previously requested effective date of April 1, 2014. As discussed below, good cause exists for the Commission to grant this request because it is necessary to accommodate recent changes to the schedule for implementing such tariff revisions as part of the ISO’s spring 2014 release of market enhancements, which was originally planned for April 1, but will now go into effect on May 1.

On January 30, 2014, the ISO filed a proposed amendment to the ISO tariff in order better to balance the competing interests of price certainty and price accuracy. The ISO proposed to change the current five-calendar-day limitation on price corrections to three business days after the applicable day-ahead market and five business days after the applicable real-time market. In addition, the ISO proposed to provide greater detail in its tariff regarding (1) the types of price correction processing and publication issues that the ISO may rectify after the proposed price correction deadline and (2) the communications to the market concerning price corrections. Finally, the ISO proposed to adjust the closing time for inter-scheduling coordinator trades to allow more time for processing the day-ahead market results. The ISO requested that the

Commission accept the tariff provisions effective April 1, 2014.¹ Eight parties have intervened in this docket, and one has submitted supportive comments. No party has protested the proposed amendment.

The ISO has recently found that changes are required in the schedule for implementing the spring 2014 release of market enhancements. The implementation of the proposed amendments filed in this docket, in particular the adjusted closing time for inter-scheduling coordinator trades, is dependent upon the implementation of the spring 2014 software release. Implementation of these amendments on a manual basis, if feasible, would impose significant inefficiencies. The ISO recently filed two motions requesting changes to the effective date of two other market enhancements that are also part of the spring release.²

The ISO has two major releases per year for new market functionality. This allows the ISO to manage numerous changes to its processes and software in a streamlined and controlled manner. By scheduling two predictable and staged releases, the ISO can support a larger volume of enhancements while minimizing both technical and financial impacts to the ISO and its market participants. The ISO implements its annual spring release on the first day of the applicable spring month. Because the originally scheduled April 1 implementation date for the spring 2014 release is no longer feasible, the ISO has rescheduled the spring 2014 release for May 1.

Good cause exists for the Commission to grant the ISO's request that the Commission accept the proposed tariff revisions effective May 1, 2014. As explained, due to changes to the schedule for implementing the spring 2014 release, the tariff revisions cannot be implemented on April 1 but will instead be implemented on May 1. Therefore, the Commission should grant the ISO's request to modify the effective date of the tariff revisions.

¹ Due to a clerical error, the transmittal letter also included a contradictory request that one section be effective February 10, 2014. As indicated on page 1 of the transmittal letter, the ISO intended to have all the tariff changes proposed in this tariff amendment effective April 1, 2014, which it now requests the Commission move to May 1, 2014. .

² See Docket Nos. ER14-480, ER14-495, ER13-2452.

Respectfully submitted,

/s/ Anna A. McKenna
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CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each party listed on the official service list for this proceeding, in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.2010 (2013)).

Dated at Washington, D.C., on this 12th day of March, 2014.

/s/ Michael E. Ward
Michael E. Ward