

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

California Independent System
Operator Corporation

Docket No. ER02-1656-017

NOTICE OF EXTENSION OF TIME

(December 24, 2003)

On December 19, 2003, the California Independent System Operator Corporation (the CAISO) filed a motion for an extension of time within which to file data pursuant to two requests issued by the Commission on December 16, 2003, relating to the CAISO's Revised MD02 Proposal and the Commission's October 28 Order.¹ The Commission's requests were contained in a Notice of Technical Conference and a letter from Jamie Simler, Director, Division of Tariffs and Market Development – West (the Letter) to the CAISO, respectively. The Notice of Technical Conference directed the CAISO to file information to clarify:

- the CAISO's proposed approach to allocation of marginal losses;
- the revised pricing mechanism for setting prices for constrained output generators in the forward market;
- a statement made by the CAISO in relation to sales of energy from capacity committed in the day-ahead residual unit commitment process; and
- the CAISO's concern that the purchase of only capacity may undermine incentives to imports in the residual unit commitment process.

The Letter directed the CAISO to file specific responses to clarify and provide a further explanation of the methodologies and approaches proposed to be adopted by the CAISO to determine which resources are subject to local market power mitigation, and to provide three specific examples employing the proposed methodologies.

The responses and information were directed to be filed by no later than January 7, 2004.

The CAISO's motion states that due to the holiday season, key personnel within the CAISO will be unavailable and that the CAISO is therefore unable to meet this deadline. The CAISO therefore requests an extension of time for filing the

¹ California Independent System Operator Corporation, 105 FERC ¶ 61,140 (2003) (October 28 Order).

information in response to the Notice of Technical Conference until January 14, 2004, and an extension of time for filing the responses pursuant to the Letter until January 23, 2004.

Upon consideration, notice is hereby given that an extension of time for the CAISO to comply with the Commission's request in the Notice of Technical Conference is granted to January 14, 2004, and an extension of time for the CAISO to comply with the request in the Letter is granted to January 16, 2004.

As previously advised, interested parties are invited to file comments by January 14, 2004 in relation to the October 28 Order and in relation to issues arising from the November 6 Technical Conference. Interested parties are also invited to file reply comments by January 20, 2004 in response to the additional information provided by the CAISO on January 14, 2004.

Summary of Deadlines

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| Deadline for CAISO clarification pursuant to December 16, 2003 Notice of Technical Conference, and Deadline for Interested Parties' Comments on October 28 Order and November 6, 2003 Technical Conference | January 14 |
| Deadline for CAISO additional information on local market power mitigation pursuant to December 16 Letter | January 16 |
| Deadline for Interested Parties responses to CAISO January 14, 2004 clarification | January 20 |

Linda Mitry
Acting Secretary