UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

California Independent System Operator Corporation	)	**Docket No. ER04-835-___**
Pacific Gas and Electric Company	)	
v.	)	
California Independent System Operator Corporation	)	**Docket No. EL04-103-___ (consolidated)**
The Alliance for Retail Energy Markets	)	
Shell Energy North America (US), L.P.	)	**Docket No. EL14-67-____**
v.	)	
California Independent System Operator Corporation	)	

REQUEST FOR CLARIFICATION OR, IN THE ALTERNATIVE, REHEARING OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION

The California Independent System Operator Corporation ("CAISO") respectfully submits this request for clarification, or in the alternative, rehearing of the Commission's October 20, 2016 order in this proceeding.[1] In the October 20

[1] *Cal. Indep. Sys. Operator Corp.*, 157 FERC ¶ 61,033 (2016) ("October 20 Order"). The CAISO submits this request pursuant to Section 313(a) of the Federal Power Act, 16 U.S.C. § 825*l*(a) and Rules 212 and 713 of the Commission's Rules of Practice and Procedure, 18 C.F.R. §§ 835.212, 385.713.

Order, the Commission rejected the informational refund report that the CAISO filed on December 20, 2013, in these dockets ("Refund Report") on the basis that the Commission had not ordered refunds or a refund report. This conclusion overlooks that portion of the Commission's November 2007 order on rehearing in Docket Nos. ER04-835 and EL04-103 in which the Commission expressly ordered refunds in this proceeding effective July 17, 2004.[2] The CAISO requests that the Commission clarify that it did not intend in the October 20 Order to negate the refund directive in the Rehearing Order. If the Commission does not so clarify, the CAISO requests that the Commission grant rehearing to reverse its statement that it did not order refunds in Docket Nos. ER04-835 and EL04-103.

I. Background

In Amendment No. 60 to the CAISO tariff, the CAISO proposed three separate cost allocation methodologies for must-offer minimum load cost compensation, depending on whether the CAISO had committed the must-offer generation in response to a system, zonal, or local reliability need. When a unit committed for a local need also served a system need, Amendment No. 60 charged only the net incremental costs (*i.e*., the amount by which the minimum load cost of the unit exceeded the minimum load cost of the unit that would have been committed to serve the system need) to the local "bucket."

On July 8, 2004, the Commission approved Amendment No. 60, subject to hearing and refund, effective ten days after the CAISO provided market notice

[2] *Cal. Indep. Sys. Operator Corp.*, 121 FERC ¶ 61,193 (2007) at P 82 ("Rehearing Order").

that it was implementing a previously announced set of new market software enhancements.[3] Amendment No. 60 became effective on October 1, 2004. In the same order, however, the Commission set for hearing a Pacific Gas and Electric Company complaint regarding the allocation of must-offer costs and established a refund effective date of July 17, 2004.[4]

In Opinion No. 492, issued in December 27, 2006, the Commission approved the Amendment No. 60 methodology, with modifications, effective on the July 17, 2004, *i.e.,* the refund effective date established for the complaint.[5] In addition to establishing the revised effective date for the Amendment No. 60 methodology, the Commission directed the following modifications: (1) exempting wheel-through transactions from system must-offer charges; (2) applying the Amendment No. 60 cost allocation methodology to start-up costs and emissions costs; and (3) a classifying must-offer waiver denials (*i.e*. commitments) to address the Miguel constraint as zonal rather than local.[6]

In its November 20, 2007 order on rehearing, the Commission concluded that must-offer waiver denials (*i.e*. commitments) to address the South-of-Lugo constraint should also be classified as zonal rather than local.[7] The Commission further stated, "[w]e continue to find that refunds for the proposed allocation of must-offer related charges under Amendment No. 60 should be ordered

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3 Cal. Indep. Sys. Operator Corp., 108 FERC ¶ 61,022 (2004).

4 *Id*. at n.32.

5 *Cal. Indep. Sys. Operator Corp.*, Opinion No. 492, 117 FERC ¶ 61,348 (2006), *on reh'g* 121 FERC ¶ 61,193 (2007).

6 Opinion No. 492 at PP 31, 90, 96.

7 Rehearing Order, P 25.

beginning July 17, 2004, except for the net incremental cost of local methodology"[8] and ordered that the date should also apply to refunds of the net incremental cost of local charges.[9] In addition, the Commission authorized the use of the CAISO's "proxy" methodology to calculate the incremental-cost-of-local for the period in which the security constrained unit commitment procedures was unavailable.[10]

The CAISO made two compliance filings, one after Opinion No. 492 in February 2007, and one after the Rehearing Order in December 2007. Both compliance filings reflected the modifications the Commission prescribed in Opinion No. 492, effective as of the Commission-ordered refund effective date of July 17, 2004. On September 16, 2011, the Commission issued two orders: a compliance order[11] and an order denying rehearing.[12] The U.S. Court of Appeals affirmed the two rehearing orders on November 5, 2013.[13]

On December 20, 2013, as amended on May 12, 2014, the CAISO submitted the Refund Report regarding market resettlements it intended to administer as a result of the Commission's final orders on Amendment No. 60. In the October 20 Order, the Commission rejected the CAISO's refund report on the

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8 *Id.* P 80.

9 *Id.* P 82.

10 *Id.*

11 *Cal. Indep. Sys. Operator Corp*., 136 FERC ¶ 61,198 (2011) ("Compliance Order"). The order accepted the CAISO's compliance tariff revisions effective July 17, 2004, further supporting the conclusion that the Commission ordered refunds in Opinion No. 492 and the Rehearing Order. If the Commission had not intended refunds, it would have ordered prospective application.

12 Cal. Indep. Sys. Operator Corp., 136 FERC ¶ 61,197 (2011).

13 *City of Anaheim v. FERC*, 540 Fed. Appx. 13 (Mem.) (D.C. Cir. 2013).

basis that it had not ordered refunds or a refund report.[14] The Commission also stated that refunds would be inconsistent with its policy, recently set forth in *Louisiana Public Service Commission v. Entergy Corp*., 155 FERC ¶ 61,120 (2016) ("*Entergy Remand Order*"), not to direct refunds in cost allocation and rate design cases.[15]

II. Statement of Issues and Specification of Error

1. Whether the Commission erred in its statement in the October 20 Order that it had not ordered refunds. That statement is incorrect because it is inconsistent with the Commission's statements in the Rehearing Order explicitly ordering refunds and referring to its intention to order refunds in Opinion No. 492.[16]

2. Whether the Commission, having previously order refunds, has the authority to modify the Rehearing Order and Opinion No. 492 in the October 20 Order. The Commission cannot modify these orders because they were appealed to the U.S. Court of Appeals for the D.C. Circuit and affirmed. There was no remand. 16 U.S.C. §825*l.*

3. Whether the denial of refunds in the October 20 Order if otherwise authorized, would be arbitrary and capricious. The October 20 Order was arbitrary and capricious because it did not explain the decision other than by referring to the policy of the *Entergy Remand Order*, which by its terms requires

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[14] October 20 Order at P 27.

[15] October 20 Order at PP 28-30.

[16] Rehearing Order at PP 80, 82.

consideration of the particular circumstances of a proceeding. In this instance, the Commission failed to employ the analysis set forth in *Public Service Commission of Wisconsin v. Midcontinent Independent System Operator, Inc.,* 156 FERC ¶ 61,205 (2016) ("MISO").

III. Request for Rehearing

A. The Commission Ordered Refunds in Previous Proceedings.

In the October 20 Order, the Commission stated that at no point did the Commission direct the CAISO to make refunds or file a refund report. It noted that in Opinion No. 492, the Commission did not order the CAISO to pay refunds or to file a refund report for the period in which Amendment No. 60 had already taken effect. If further stated that when it ordered further modification of the methodology in the Rehearing Order, it did not order the CAISO to file a refund report. The Commission also pointed out that in its 2011 compliance order accepting the final tariff language for Amendment No. 60, it acknowledged that prospective application of the final methodology was no longer available and that the tariff revisions that it was accepting were only in effect for a discrete period of time because the must-offer regime had been superseded and it did not order refunds or a refund report.[17]

[17] October 20 Order P 27. On compliance, the CAISO submitted and the Commission accepted, the tariff provisions effective July 17, 2004. Prior to the October 20 Order, in no order issued in these proceedings did the Commission explicitly state, or even imply, that it was accepting the re-categorization of certain must-offer unit commitments as zonal instead of local, and the resulting cost allocation, only on a prospective basis. If the Commission did not intend refunds, there would have been no purpose to make the revisions retroactively effective.

Although the Commission correctly notes that the Rehearing Order did not direct the CAISO to file a refund report, its statement in the October 20 Order that it did not "direct the CAISO to make refunds" overlooks the explicit statements in the Rehearing Order ordering refunds. The Commission described its previous decision in Opinion No. 492 regarding refunds other than for the net incremental cost of local methodology, stating that it "continue[d] to find that *refunds for the proposed allocation of must-offer related charges under Amendment No. 60 should be ordered beginning July 17, 2004*, except for the net incremental cost of local methodology."[18] Then it expanded the refunds to include all charges; it "*order[ed] refunds from July 17, 2004*, for the net incremental cost of local methodology."[19] The October 20 Order also overlooked the fact that Opinion No. 492 devoted considerable discussion to the calculation of refunds, which would have been unnecessary if the Commission had not intended refunds.

The October 20 Order thus leaves the CAISO in a dilemma. The Rehearing Order obligated the CAISO to make refunds, which it did more than two years ago, except for invoicing interest. Yet in the October 20 Order, the Commission ruled that that no refunds were due and expressed its expectation any invoices that CAISO issued in accordance with the Refund Report be

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[18] Rehearing Order at P 80 (emphasis added).

[19] *Id.* at P 82 (emphasis added). In filing the Refund Report, the CAISO acknowledged that the Commission had not ordered a refund report, but that the CAISO was filing one in order to give affected parties the opportunity to challenge the CAISO's determination regarding the payment of interest on the refunds. Refund Report at 1. The CAISO has still not invoiced interest and is waiting for the Commission's resolution of this issue, which is still pending and which the Commission did not address in the orders.

addressed and remedied, in the first instance, under CAISO's billing dispute processes.[20] Thus, in the October 20 Order, the Commission reversed its rulings directing refunds in Opinion No. 492 and the Rehearing Order.

The Commission also stated in the October 20 Order that granting refunds would be inconsistent with Commission policy set forth in the *Entergy Remand Order*. Even if refunds would be inconsistent with this policy—which, as discussed below, they are not—the policy cannot justify the reversal of the previous final orders directing refunds.

B. Reversing Opinion No. 492 and the Rehearing Order Is Beyond the Commission's Authority.

The Commission's reversal of its order directing refunds is beyond the Commission's authority; it cannot now undo the refunds it expressly approved in the Rehearing Order. Under Section 313(b) of the FPA, "[u]pon the filing of [a petition for review in a court of appeals] such court shall have jurisdiction, which *upon the filing of the record with it shall be exclusive* to affirm, modify, or set aside such order in whole or in part." Once the record has been filed with the court, or the time for a petition for review has expired, FERC may no longer modify its orders.[21] Thus, Opinion No. 492 and the Rehearing Orders are final and not subject to modification, having been appealed to and affirmed by the U.S. Court of Appeals several years ago.[22] The Commission has thus exceeded

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[20] October 20 Order at P 33, n. 60. This remedy is, in fact, unavailable. The time for disputing the settlements under the CAISO Tariff has expired.

[21] 16 U.S.C. § 825*l*(b) (2012) (emphasis added).

[22] *Hirschey v. FERC,* 701 F. 2d 215 (D.C. Cir. 1983).

its authority under Section 313 by reversing its refund directives in previous orders.

C. Refunds are Not Inconsistent with Commission Policy.

Even if the Commission had the authority to reconsider the refunds it previously ordered, the refunds are not inconsistent with the policy set forth in the *Entergy Remand Order*. The Commission's policy on refunds in cost allocation and rate design cases is not black and white and does not preclude refunds in these proceedings. In the *Entergy Remand Order*, the Commission recognized that refunds are "discretionary" and explained that its "approach to refunds has . . . been shaped by the way certain equitable considerations are typically associated with certain specific fact patterns.[23] The Commission explained that the primary grounds for denying refunds in cost allocation and rate design cases are "the potential for under-recovery and the unfairness that results from retroactive implementation of a new rate."[24] As discussed below, in this case, those two primary considerations are absent in this proceeding.

The Commission has recently reiterated and elaborated on these considerations in *MISO*.[25] *MISO* concerned the allocation of the costs of System Support Resource ("SSR") units that MISO designated for reliability purposes. In *MISO,* the Commission explained that it had cited "two primary grounds for its general 'no refund' policy in cost allocation cases: (1) the unfairness that results from retroactive implementation of a new rate for both utilities and customers

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23 *Entergy Remand Order* at P 20.

24 *Id.* at P 30.

25 156 FERC ¶ 61,205 (2016)

who cannot alter their past actions in light of that new rate, and (2) the potential for under-recovery."[26]

Regarding the first consideration, the Commission in *MISO* noted that there was no evidence of any particular decisions made in reliance on the previous cost allocation methodology. The same conclusion applies here. At the time of Amendment No. 60, all generators in the CAISO footprint had a must-offer obligation that required them to offer all available capacity into the CAISO's real-time market, and the CAISO determined which units to commit to minimum load on a daily basis to maintain reliability. If must-offer generators were required to operate at minimum load to ensure they were available for the CAISO to dispatch in real-time, then they received minimum load cost compensation, as well as start-up and emissions costs. The CAISO allocated must-offer costs independently from energy and ancillary services purchases in the market, and committing units to minimum load levels was a distinct action from dispatching such units in the market for energy and ancillary services.

It was the CAISO, and the CAISO alone, that decided which must-offer resources were needed to meet reliability requirements on a given day. The particular allocation of must-offer costs had no effect on the CAISO's decisions to commit must-offer generators. In this respect, the CAISO's situation with Amendment No. 60 is not distinguishable from *MISO*, in which the Commission explained that SSR unit designation and subsequent SSR cost allocation was an out-of-market process. "Because there are no markets involved, there is no

[26] *Id.* at P 44, citing *Entergy Remand Order* at P 30.

undermining of those markets, nor is there previous market conduct that would have been adjusted to account for eventual refunds."[27] In the initial order, the Commission also had noted that "[c]ases declining to order refunds in an FPA section 206 complaint case involving transactions in a regional transmission organization . . . market like MISO's typically have involved a change in market design where refunds would require re-running a market."[28] The Commission found that granting refunds back to the refund effective date would not require any markets to be re-run because there was no need to recreate prices or economic behavior to determine which parties were responsible tor SSR costs. Instead, MISO merely had to identify the discrepancy in cost allocation amounts to LSEs between its previous cost allocation method and the final approved method.[29] The same circumstances apply with respect to Amendment No. 60, and the CAISO will not have to rerun any markets. Rather, the CAISO merely reallocated as zonal must-offer costs for certain commitments originally allocated as local. Unlike the circumstances in the *Entergy Remand Order*, a changed allocation would not have caused different decisions by the CAISO or generators and, thus, refunds do not result in any unfairness to generators.[30]

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[27] *Id.* at P 46.

[28] *Pub. Serv. Comm'n of Wisc. v. Midcontinent Indep. Sys. Operator, Inc*., 150 FERC ¶ 61,104 at P 92 (2015), *order on reh'g, MISO*, 156 FERC ¶ 61,205 (citations omitted).

[29] *Id.*

[30] The CAISO notes that no party sought rehearing of or appealed the Commission's ruling in the Rehearing Order that refunds were due as a result of the revised allocation methodology.

The second primary consideration discussed in the *Entergy Remand Order* and *MISO*—under-recovery—is also not present here. As a nonprofit organization, the CAISO is revenue neutral and Scheduling Coordinators are on-notice of that fact because the tariff provides that any under-recovery is recouped from them.[31] Further, the CAISO has already effectuated the refunds (several years ago), and there was no under-recovery.[32] The CAISO was able to effectuate such refunds by reallocating costs without having to re-run any of the markets, similarly to other instances where the Commission authorized refunds related to changes in cost allocation.[33]

Thus, as in *MISO,* the two principle justifications for the policy described in the *Entergy Remand Order* are absent. Under such circumstances the Commission must, as it did in *MISO*, examine the equitable considerations. The equitable considerations support maintaining the sanctity of the refunds the CAISO previously effectuated in compliance with Commission's orders.

First, in *MISO,* the Commission noted that the case before it was unlike *Black Oak Energy L.L.C. v. PJM Interconnection, L.L.C.*,[34] where the

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[31] *See* CAISO Tariff § 11.14.

[32] *Compare MISO* at P 47 (finding there was no potential for under-recovery because MISO had a record of the SSR costs paid by each LSE under the previous SSR cost allocation methodology and could thus calculate the exact amount of SSR costs that should be assessed each LSE that underpaid in order to refund the LSEs that overpaid, according to the revised just and reasonable methodology approved by the Commission) *with Entergy Remand Order* at P 31 (noting a significant possibility that Entergy could not recover the necessary surcharges to provide refunds to wholesale customers after an unjust and unreasonable calculation of peak load responsibility, because some of the peak load during the refund period was made up of wholesale customers who were no longer Entergy customers).

[33] *See MISO* at P 56.

[34] 155 FERC ¶ 61,013 (2016).

Commission found that PJM may have needed to impose surcharges generally on all members of the RTO, including those who may have had no connection with issue in the proceeding. In *MISO,* there was no such concern because MISO would recover the SSR costs directly from load serving entities that paid too little for SSR service and provide refunds directly to load serving entities that paid too much for the service.[35] That is precisely the cases here. The CAISO recovered refunds directly from scheduling coordinators that paid too little for must-offer costs and gave refunds directly to scheduling coordinators that paid too much.

Second, the Commission noted in *MISO* that parties had been on notice that the SSR cost allocation methodology might change since the complaint was filed, and the revised SSR cost allocation methodology had been challenged on rehearing.[36] Again, that is the situation here. Parties have had notice since the May 18, 2004 Pacific Gas and Electric Company complaint and the May 11, 2004 Amendment 60 tariff amendment filing.

Third, the Commission noted that there was limited recourse for parties allocated SSR costs if those parties dispute the amount they are allocated under a cost allocation provision in MISO's Tariff, which meant that such affected entities must file a complaint under section 206 of the FPA. The Commission stated that

> [a]s such, if relief is granted only on a prospective basis, the customers that had been allocated unjust and unreasonable costs would likely receive no compensation. The compulsory nature of

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35 *MISO* at P 51.

36 *Id*.

> the SSR agreement, whose purpose is to ensure reliability, further justifies the Commission crafting an exception to its general "no refund" policy in these circumstances.[37]

Here, market participants similarly had no control over the CAISO's daily decisions to deny must-offer waivers and commit must-offer units, and the allocation of the resulting costs was built into the tariff.

Fourth, the Commission noted in *MISO* that the SSR compensation was out-of-market, such that prior market participant decisions were not predicted on the allocation of the costs and refunds would not require a market re-run. It noted that subsequent changes to the allocation of such costs would not undermine confidence in the settlements produced by any markets. Similarly, the compensation and allocation of must-offer costs was "out-of-market", and the CAISO did not re-run the markets to effectuate the re-runs.

In the *Entergy Remand Order*, the Commission also noted that the U.S. Court of Appeals for the D.C. Circuit had ruled in *City of Anaheim v. FERC*, 558 F.3d 521 (D.C. Cir. 2009) that retroactive rate increases are not permissible under section 206(b) of the Federal Power Act, which could interfere with cost recovery.[38] These proceedings, however, are distinguishable from *City of Anaheim.*[39] That case involved a rate increase for a seller of regulated services, not a reallocation of costs. Here, the CAISO has not raised any rates, but has simply resettled the cost of the must-offer requirement consistent with tariff

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37 *Id.* at P 53.

38 *Entergy Remand Order* at 31.

39 The refunds in this proceeding are under section 206 only from July 17, 2004, through September 30, 2004 (the remainder arising from section 205), so the impact of *Anaheim* would be minimal, even it were applicable.

changes that the Commission made effective July 17, 2004, so that the settlement is consistent with the filed rate. The CAISO tariff—its filed rate—specifically contemplates the re-run of settlement data consistent with any adjustments made by FERC.[40] As the Commission noted in *MISO, City of Anaheim* involved the direct imposition of retroactive surcharges to implement a rate increase that the parties could not have foreseen. In these proceedings, as in *MISO*, the filing of a complaint under section 206 put the parties on notice that refunds, and therefore also surcharges, may be awarded.[41]

The October 20 Order also ignores the guidance the D.C Circuit provided in *Black Oak Energy, LLC, et al. v. FERC,* 725 F.3d 230 (D.C. Cir. 2013) ("*Black Oak*"). In that proceeding the Commission ordered refunds resulting from a transmission loss surplus allocation decision, but on rehearing—after PJM had already made the refunds—reversed course and ordered recoupment of the refunds because it concluded that ordering refunds was inconsistent with its general policy of not ordering refunds in connection with changes in cost allocation. The Court found that the Commission acted arbitrarily and capriciously in ordering the recoupment of refunds. The Court stated that there is "a significant distinction between *denying* refunds and *recouping* them." *Black Oak* at 243. The Court ruled that where refunds are already out the door the Commission not only must explain why it should have denied the refunds in the first place, it must "explain why *recouping* is warranted." *Id*. at 244. In particular,

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40 *See* ISO Tariff § 11.1(c).

41 *MISO* at P 48.

the Commission must demonstrate why the "policy reasons for effectively ordering recoupment outweigh its negative effects." *Id*. The Commission did not satisfy this requirement in the October 20 Order, nor can it.[42]

Moreover, to the extent, if any, that utilities or customers have relied on a specific cost allocation, fairness argues in favor of upholding the refunds the CAISO effectuated. Utilities and customers have had notice of the revised cost allocation, with the exception of charges related to the South of Lugo constraint, since Opinon No. 492, in 2006. They had notice of the South of Lugo charges since the Rehearing Order in November 2007. They have relied on the *revised* cost allocation approved in a final, unmodifiable order for nine to ten years and the refunds that were distributed three years ago. Unfairness here would arise from reversing the refunds, not from leaving them intact.

Finally, in *MISO*, the Commission noted:

> As the D.C. Circuit has emphasized, the primary aim of the FPA is the protection of consumers from excessive rates and charges. The circumstances in these proceedings are that, as a result of an unjust and unreasonable cost allocation, MISO LSEs paid Presque Isle, Escanaba, and White Pine SSR costs that were not commensurate with the amount they benefitted from operation of those SSR Units. Invoking a Commission policy on refunds does not eliminate the need to consider the fact that an unjust and unreasonable cost allocation caused some consumers to pay too much and other consumers to pay too little; instead, our refund

[42] Ultimately, the Commission reaffirmed its recoupment order on remand. *Black Oak Energy, L.L.C. v. PJM Interconnection, L.L.C.*, 153 FERC ¶ 61,231 (2015), *order on reh'g*, 155 FERC ¶ 61,013 (2016). This proceeding is distinguishable from *Black Oak v. PJM*, however, for all the reasons discussed above. Moreover, *Black Oak v. PJM* was on remand from the Court of Appeals and thus not involving a final order. Here, the October 20 Order has occurred nine years after the Rehearing Order that expressly ordered refunds—an order that was final and not subject to modification.

> authority is discretionary, and refund decisions are to be guided by equitable principles.[43]

Although the Commission's refund authority is discretionary, the Commission cannot exercise that discretion arbitrarily.[44] In the October 20 Order, the Commission failed to explain why the denial of refunds is consistent with the principles is outlined in *MISO.* Those principles require the provision of refunds.

In sum, the Commission should grant clarification, or in the alternative rehearing, and affirm its rulings in the Rehearing Order that refunds were warranted as a result of the changed allocation for must-offer costs because (1) the Commission did not have the authority to undo its final order that approved refunds, (2) the two primary reasons for the Commission's general policy of denying refunds in cost allocation cases are not present here, (3) must-offer costs can be—and were— recovered directly from LSEs that paid too little for must-offer costs and given directly to LSEs that paid too much without requiring the re-running of any markets, (4) parties were on notice that the must-offer cost allocation methodology might change and that refunds (and surcharges) might be applied, and (5) the must-offer obligation was an obligatory, and out-of-market mechanism, and must-offer commitment decisions were made on a daily basis.[45]

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[43] *MISO* at P 55.

[44] *La. Pub. Serv. Comm'n. v. FERC*, 772 F.3d 1297, 1298 (D.C. Cir. 2014), citing *La. Pub. Serv. Comm'n. v. FERC*, 522 F.3d 378, 393 (D.C. Cir. 2008) and *Towns of Concord, Norwood, & Wellesley v. FERC,* 955 F.2d 67, 76 (D.C. Cir. 1992).

[45] *MISO* at P 56.

V. Conclusion

For the reasons discussed herein, the CAISO respectfully requests that the Commission clarify the October 20 Order or, in the alternative, grant rehearing of the October 20 Order as discussed above.

Respectfully submitted,

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Dated: November 21, 2016

CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing document upon the parties listed on the official service lists in the captioned proceeding, in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.2010).

Signed at Washington, D.C., this 21st day of November, 2016.

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