



California ISO  
Your Link to Power

California Independent  
System Operator Corporation

November 1, 2007

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

**Re: California Independent System Operator Corp.  
Statement of Compliance  
Docket No. RM05-05-001**

Dear Ms. Bose:

On June 25, 2007, the Federal Energy Regulatory Commission ("Commission") issued Order No. 698,<sup>1</sup> which incorporated into the Commission's open access regulations certain standards promulgated by the North American Energy Standards Board ("NAESB"). The NAESB standards adopted by Order No. 698 for the Wholesale Electric Quadrant are Gas/Electric Coordination Standards WEQ-011-0.1 through WEQ-011-0.3 and WEQ-001-1.1 through WEQ-011.1.6, and for the Wholesale Gas Quadrant are Additional Standards, Definitions 0.2.1 through 0.2.3 and Standards WGQ-0.3.11 through WGQ-0.3.15. Order No. 698 requires pipelines and public utilities to implement these standards by November 1, 2007 and to file a statement by that date that specifically demonstrates compliance with the two standards requiring that communication standards be established. The communication standards are WEQ-011-1.2 and WEQ-011-1.6, and WGQ-03.12 and WGQ-0.3.15.

The California Independent System Operator Corporation ("CAISO") is subject to communication standard WEQ-011-1.6. This standard requires Regional Transmission Organizations, Independent System Operators, other independent transmission operators, independent Balancing Authorities, and/or Regional Reliability Coordinators to establish written operation communication procedures with the appropriate gas Transportation Service Providers and/or Power Plant Operators, to be implemented when an extreme condition could occur.

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<sup>1</sup> *Standards for Business Practices for Interstate Natural Gas Pipelines; Standards for Business Practices for Public Utilities*, Order No. 698, 72 Fed. Reg. 38757 (July 16, 2007), FERC Stats. & Regs. ¶ 31,251 (2007) ("Order No. 698").

In compliance with WEQ-011-1.6, the CAISO has revised its Operating Procedure D-51 to document its communication process with gas Transportation Service Providers and/or Power Plant Operators in instances of gas supply problems or gas transportation constraints. The revised Operating Procedure is posted on the CAISO's website at: <http://www.caiso.com/docs/2002/05/02/200205021143294785.pdf>.

Accordingly, the CAISO submits this statement to confirm that it has complied with WEQ-011-1.6.

Respectfully submitted,

 <sup>BRM</sup>

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