

149 FERC ¶ 61,041
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

October 15, 2014

In Reply Refer to:
California Independent System
Operator Corporation
Docket No. ER14-2017-002

Alston & Bird, LLP
The Atlantic Building
950 F Street, NW
Washington, DC 20004

Attn: Bradley R. Miliauskas, Esq.

Reference: Motion to Modify Implementation Date of Tariff Revisions

Dear Mr. Miliauskas:

1. In its initial proposal in this docket, the California Independent System Operator Corporation (CAISO) filed tariff revisions to implement modeling enhancements that would allow its Full Network Model to model unscheduled flows in CAISO's day-ahead market, enforce power flow limits on CAISO interties in the day-ahead market, and use information on resources, loads, and interchange schedules in other balancing authority areas in the Full Network Model. CAISO requested a September 8, 2014 effective date for its proposed tariff revisions to reflect improvements to its base market model, and requested the October 1, 2014 effective date for the balance of its tariff revisions. On July 31, 2014, the Commission conditionally accepted CAISO's tariff revisions with the effective dates requested by CAISO.¹

¹ *Cal. Indep. Sys. Operator Corp.*, 148 FERC ¶ 61,089 (2014). CAISO's compliance filing in Docket No. ER14-2017-001 is pending.

2. On September 26, 2014, CAISO filed a motion (September 26 Motion) to request waiver from having to enforce the modeling enhancements that were set to take effect on October 1, 2014. CAISO states that its Full Network Model enhancements need further testing before being implemented. CAISO states that the delay in implementation of the Energy Imbalance Market (EIM) to November 1, 2014 created a greater need to test the software issues presented by the expanded Full Network Model apart from those presented by the EIM, because the two provisions are no longer being implemented simultaneously.

3. CAISO states that good cause exists for a limited waiver to permit the tariff provisions that are effective on October 1, 2014 to be implemented on a date between October 15, 2014 and November 1, 2014. CAISO states that it will evaluate the impact of the Full Network Model enhancements and determine the appropriate date for the implementation of these enhancements. CAISO commits to submitting an informational filing to the Commission seven days in advance of the implementation date of the tariff provisions.

4. CAISO notes that the Commission has previously granted requests for tariff waivers in situations where (1) the waiver was limited in scope; (2) a concrete problem needed to be remedied; and (3) the waiver did not have undesirable consequences, such as harming third parties.² CAISO argues that its request for waiver meets these three conditions. First, CAISO asserts that the waiver is of limited scope because it only delays the implementation of these tariff provisions by less than one month. Next, CAISO states that the waiver also addresses the concrete problem of its inability to implement the tariff revisions by October 1, 2014. Finally, CAISO states that the waiver will not have undesirable effects because the existing CAISO tariff provisions will remain in effect until the modeling enhancements are implemented.

5. Notice of CAISO's filing was published in the *Federal Register*, 79 Fed. Reg. 60,150 (2014), with protests and interventions due on or before October 3, 2014. No protests or interventions were filed.

6. We will grant CAISO's request for limited waiver so that it may refrain from enforcing the modeling enhancement provisions that took effect on October 1, 2014 for a period up to November 1, 2014. We hereby direct CAISO to submit an informational filing seven days in advance of the actual date it intends to begin enforcement of the relevant tariff provisions. We agree with CAISO that the extended implementation date

² CAISO September 26, 2014 Filing at 5 (citing *Cal. Indep. Sys. Operator Corp.*, 147 FERC ¶ 61,029, at P 5 (2014); *New York Indep. Sys. Operator, Inc.*, 146 FERC ¶ 61,061, at P 19 (2014); *PJM Interconnection, L.L.C.*, 141 FERC ¶ 61,103, at P 8 (2012); *ISO New England Inc.*, 134 FERC ¶ 61,182, at P 8 (2011)).

of the EIM to November 1, 2014 could impede the effectiveness of the modeling enhancements associated with the Full Network Model initiative.³ A short delay in the full implementation of the modeling enhancements will allow CAISO to complete its testing and allow for a smooth transition to the new tariff provisions. In making this determination, we note that no party has objected to CAISO's waiver request.⁴ For these reasons, we grant CAISO's request as discussed herein.

By direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.

³ We note that the Commission recently granted CAISO's request for an extension of the effective date of the EIM tariff revisions. *See Cal. Indep. Sys. Operator Corp.*, 149 FERC ¶ 61,005 (2014).

⁴ *See, e.g., New York Indep. Sys. Operator, Inc.*, 136 FERC ¶ 61,156, at PP 5, 7 (2011); *Southwest Power Pool, Inc.*, 135 FERC ¶ 61,032, at P 12 (2011); *Southwest Power Pool, Inc.*, 138 FERC ¶ 61,200, at P 5 (2012).