

157 FERC ¶ 61,048
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

October 20, 2016

In Reply Refer To:
California Independent System
Operator Corporation
Docket No. ER16-2023-001

California Independent System
Operator Corporation
250 Outcropping Way
Folsom, CA 95630

Attention: Anna M. McKenna

Dear Ms. McKenna:

1. On September 28, 2016, the California Independent System Operator Corporation (CAISO) filed a petition for limited tariff waiver (Petition) to modify the effective date of certain tariff provisions implementing the new flexible ramping product that were accepted in the Commission's September 26, 2016 order.¹ Specifically, CAISO seeks to delay the effectiveness of these tariff provisions from October 1, 2016, until November 1, 2016.

2. In the Petition, CAISO states that on September 26, 2016, prior to issuance of the September 26 Order, CAISO informed market participants during its regularly scheduled market simulation call that it would be rescheduling the flexible ramping product deployment to November 1, 2016. CAISO states that this announcement was necessary to allay market participants' concerns about whether the originally intended October 1, 2016 deployment date would be possible. CAISO states that it considered reverting back to the October 1, 2016 date after the Commission issued the September 26 Order, but concluded that an additional date change would create more confusion. In addition, CAISO states that it must deploy configuration changes to its market and settlement systems a full five business days prior to implementing the flexible ramping product. CAISO states that November 1, 2016 is the next feasible implementation date and,

¹ *Cal. Indep. Sys. Operator Corp.*, 156 FERC ¶ 61,226 (2016) (September 26 Order).

therefore, requests that the Commission issue an order on its Petition by October 24, 2016, so that it has five full business days to make the necessary software modifications.²

3. CAISO states that good cause exists to grant the Petition because it: (1) will be limited in scope because the limited waiver will only apply from October 1, 2016, through November 1, 2016; (2) will solve the concrete problem that CAISO cannot feasibly implement the tariff revisions by October 1, 2016, due to the required five-day lead time for software changes; and (3) will not have undesirable consequences because it will maintain the status quo of the existing flexible ramping constraint for the month of October 2016.³

4. Notice of CAISO's Petition was published in the *Federal Register*, 81 Fed. Reg. 68,409 (2016), with protests and interventions due on or before October 19, 2016.⁴ Pacific Gas and Electric Company filed comments in support of CAISO's Petition.

5. The Commission has granted waiver of tariff provisions where: (1) the applicant acted in good faith; (2) the waiver is of limited scope; (3) the waiver addresses a concrete problem; and (4) the waiver does not have undesirable consequences, such as harming third parties.⁵ We find that CAISO's unopposed Petition to delay the effective date of its flexible ramping product tariff provisions satisfies the foregoing criteria. First, based on CAISO's representations, we find that CAISO has acted in good faith to prepare for implementing the flexible ramping product on October 1, 2016. Second, we find that CAISO's request is limited in scope, because it will apply only until November 1, 2016, and retains the status quo during this limited period. Third, we find that this waiver addresses the concrete problem that CAISO could not effectively implement the tariff revisions by October 1, 2016, due to the need to deploy software changes a full five business days ahead of implementation. Fourth, we find that CAISO's request for waiver will prevent undesirable consequences by ensuring that CAISO has sufficient time to make the necessary modifications to its market and settlement software systems prior to implementation. For these reasons, we grant CAISO's request for waiver, as discussed herein. We also direct CAISO to submit a compliance filing within 15 days of the date of

² CAISO Petition at 3-5.

³ *Id.* at 4-5.

⁴ On September 29, 2016, the Commission issued an errata notice in this docket establishing a shortened comment period, with comments due on or before October 7, 2016.

⁵ See, e.g., *Midcontinent Indep. Sys. Operator, Inc.*, 154 FERC ¶ 61,059, at P 14 (2016); *Calpine Energy Serv., LP*, 154 FERC ¶ 61,082, at P 12 (2016); *New York Power Auth.*, 152 FERC ¶ 61,058, at P 22 (2015).

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this order to revise the effective date of the flexible ramping product tariff provisions accepted in the September 26 Order to reflect the new November 1, 2016 effective date.

By direction of the Commission.

Kimberly D. Bose,
Secretary.

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