

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

OFFICE OF ENERGY MARKET REGULATION

California Independent System
Operator Corporation
Docket Nos. ER02-1656-038 and
ER06-615-061

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

October 21, 2015

Attention: David S. Zlotlow
Counsel

Reference: Compliance Filing

Dear Mr. Zlotlow:

On June 3, 2015, the California Independent System Operator Corporation (CAISO) submitted for filing an updated pricing study and detailed analysis in support of a request to maintain its current number of default load aggregation point (LAP) zones.¹ The filing was submitted in response to orders issued by the Commission on September 21, 2006,² and June 3, 2014, in which the Commission directed CAISO to further

¹ CAISO's current default LAP zones correspond to the service territories of Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Valley Electric Association, Inc.

² The Commission stated that CAISO's proposal to calculate and settle energy charges for load based upon three LAP zones provided "a reasonable and simplified approach for introducing [locational marginal pricing], while minimizing its impact on load." Accordingly, the Commission concluded that CAISO's proposal was "an acceptable starting point. However, consistent with the Commission's prior guidance, [the Commission] direct[ed] CAISO to increase the number of LAP zones...." *Cal. Indep. Sys. Operator Corp.*, 116 FERC ¶ 61,274, at P 611 (2006) (September 2006 Order), *order on reh'g*, 119 FERC ¶ 61,076 (2007).

disaggregate its default LAP zones.³ The information provided by CAISO satisfactorily complies with the June 2014 Order and is, therefore, accepted for filing.⁴

This filing was noticed on June 4, 2015, with comments, protests, or motions to intervene due on or before June 24, 2015. No protests or adverse comments were filed. Notices of intervention and unopposed timely filed motions to intervene are granted pursuant to the operation of Rule 214 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.214). Any opposed or untimely filed motion to intervene is governed by the provisions of Rule 214.

This action does not constitute approval of any service, rate, charge, classification, or any rule, regulation, contract, or practice affecting such rate or service provided for in the filed documents; nor shall such action be deemed as recognition of any claimed contractual right or obligation affecting or relating to such service or rate; and such action is without prejudice to any findings or orders which have been or may hereafter be made by the Commission in any proceeding now pending or hereafter instituted by or against CAISO.

This action is taken pursuant to authority delegated to the Director, Division of Electric Power Regulation - West, under 18 C.F.R. § 375.307. This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order, pursuant to 18 C.F.R. § 385.713.

Sincerely,

Steve P. Rodgers, Director
Division of Electric Power
Regulation – West

³ The Commission stated that, “should CAISO seek further relief from the disaggregation requirement, any such request must include an analysis with sufficient detail to allow the Commission to reasonably evaluate the effects of implementing a greater level of disaggregation.” *Cal. Indep. Sys. Operator Corp.*, 147 FERC ¶ 61,181, at P 20 (2014) (June 2014 Order); *Cal. Indep. Sys. Operator Corp.*, 136 FERC ¶ 61,055 (2011).

⁴ Because CAISO has complied with the Commission’s prior directives, CAISO may maintain its current default LAP zones without further disaggregation.