

**UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION**

California Independent System            )     Docket No. ER15-2204-\_\_\_\_  
Operator Corporation                    )

**PETITION FOR LIMITED TARIFF WAIVER OF THE  
CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION  
TO MODIFY EFFECTIVE DATE**

The California Independent System Operator Corporation (“CAISO”) respectfully requests a temporary suspension of the effectiveness, or limited waiver, of the tariff revisions accepted in the order issued in this proceeding on September 14, 2015.<sup>1</sup> As requested by the CAISO in its July 14, 2015 tariff amendment filing, the September 14 order accepted the tariff revisions that the CAISO originally proposed to become effective September 15, 2015 as part of the CAISO’s 2015 fall software release (“2015 fall release”). Subsequently, the CAISO filed and the Commission accepted a petition for limited tariff waiver to suspend the effectiveness of the tariff revisions until October 27, 2015. The CAISO has determined that it is infeasible to implement the 2015 fall release today, October 27. Therefore, the CAISO now requests that the Commission suspend the effectiveness of the tariff revisions until no later than November 4, 2015.

Good cause exists for the Commission to find that this petition satisfies its waiver criteria. The waiver is of limited scope in that it will apply for no more than

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<sup>1</sup> *Cal. Indep. Sys. Operator Corp.*, 152 FERC ¶ 61,195 (2015) (“September 14 order”). The CAISO submits this petition for limited waiver pursuant to Rule 207 of the Commission’s Rules of Practice and Procedure, 18 C.F.R. § 385.207.

eight days. The waiver will also remedy the concrete problem that the tariff revisions cannot go into effect until the 2015 fall release is implemented, which the CAISO cannot accomplish until October 31, 2015 at the earliest. Further, the waiver will not have undesirable consequences, because it will maintain the status quo. For these reasons, the Commission should grant the petition.

## **I. Background**

On July 14, 2015, the CAISO filed a tariff amendment in this proceeding to revise its validation process for self-schedules supported by existing transmission rights and transmission ownership rights. The CAISO requested that the Commission accept the proposed tariff revisions effective as of September 15, 2015, for implementation as part of the 2015 fall release then planned for September 15.<sup>2</sup>

In the September 14 order, the Commission accepted the tariff revisions effective as of the requested September 15, 2015 date.<sup>3</sup>

The CAISO subsequently moved the the implementation date of the 2015 fall release from September 15 to October 27, 2015. The primary reason for moving the implementation date was to allow the CAISO to address concerns raised by the Commission regarding the CAISO's pending Energy Imbalance Market ("EIM") year one enhancements, which are also included in the 2015 fall

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<sup>2</sup> Transmittal letter for tariff amendment at 7, Docket No. ER15-2204-000 (July 14, 2015).

<sup>3</sup> See September 14 order at P 10.

release and will be implemented pursuant to tariff revisions that the Commission conditionally accepted in Docket No. ER15-1919 on October 26, 2015.<sup>4</sup>

On September 15, the CAISO filed a petition for limited tariff waiver to suspend the effectiveness of the tariff revisions regarding its validation process for self-schedules until October 27. On October 26, the Commission issued an order granting that CAISO petition.<sup>5</sup>

## **II. Need for Further Tariff Waiver to Suspend Effective Date**

As explained in the September 15 waiver petition, the software needed to implement the tariff revisions accepted in this proceeding must be bundled with the other software enhancements to be included in the 2015 fall release, namely the EIM year one enhancements<sup>6</sup> and the amendment to the CAISO's tariff provisions relating to transition costs for multi-stage generating resources.<sup>7</sup> The Commission issued an order conditionally approving the EIM year one enhancements amendment yesterday, October 26. Because of the activities that the CAISO needs to complete to implement the EIM year one enhancements, the CAISO has determined that it is infeasible to implement the 2015 fall release today, October 27.<sup>8</sup> Instead, the CAISO will implement the 2015 fall release on

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<sup>4</sup> See CAISO deficiency letter response, Docket No. ER15-1919-002, at 2 (Aug. 21, 2015); *Cal. Indep. Sys. Operator Corp.*, 153 FERC ¶ 61,087 (2015).

<sup>5</sup> *Cal. Indep. Sys. Operator Corp.*, 153 FERC ¶ 61,088 (2015).

<sup>6</sup> As noted above, on October 26, the Commission issued an order conditionally accepting tariff revisions filed in Docket No. ER15-1919 to implement the EIM year one enhancements.

<sup>7</sup> On September 9, 2015, the Commission issued an order accepting tariff revisions filed in Docket No. ER15-1875 regarding such transition costs. *Cal. Indep. Sys. Operator Corp.*, 152 FERC ¶ 61,185 (2015).

<sup>8</sup> See CAISO market notice, "Fall 2015 Release: Activation Date to be Rescheduled" (issued Oct. 26, 2015). This market notice is available on the CAISO website at <http://www.caiso.com/informed/Pages/Notifications/MarketNotices/Default.aspx>.

either: (1) October 31, 2015, if the Commission issues certain orders referenced below regarding the EIM by 5:00 p.m. Eastern Standard Time (EST) on October 28, 2015; or (2) November 4, 2015, if the Commission does not issue the EIM orders by 5:00 p.m. EST on October 28.

As the CAISO has explained elsewhere, it must complete the following tasks just to implement the EIM year one enhancements:

- Load the Master File with data needed to support the EIM year one enhancements as well as the changes related to the introduction of new energy transfer system resources.
- Conduct pre-day-ahead market procedures to ensure that Master File changes do not negatively impact the production system, and identify and fix any reported issues.
- Deploy the software changes needed for the transmission path, intertie scheduling limits, and interchange constraint limit calculations to support the production changes needed for the EIM year one enhancements.
- Deploy the real-time market software changes needed to support the EIM year one enhancements.<sup>9</sup>

The CAISO has begun this work since the Commission issued its October 26 order on the year one enhancements, but will not commence irreversible actions until after 5:00 p.m. EST on October 28.

Given these prerequisite activities, the earliest that the CAISO can feasibly implement the 2015 fall release is on October 31, which also would permit Nevada Power Company and Sierra Pacific Power Company, d/b/a NV Energy, Inc. (collectively, “NV Energy”) to begin participating in the EIM on November 1, 2015. Deploying the 2015 fall software release on this timeline would require a

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<sup>9</sup> CAISO Response to Deficiency Letter Regarding August 19 Filing in Compliance with July 20, 2015 Order, Docket No. ER15-861-006, at 37-38 (Oct. 21, 2015).

commitment of CAISO personnel outside of normal business hours. Moreover, the CAISO has explained that NV Energy can participate in the EIM on November 1 only after certain Commission actions occur as specified in the CAISO answer in Docket No. ER15-861-005 filed on October 26, 2015.<sup>10</sup>

The Commission would have to issue these EIM orders by 5:00 p.m. EST on October 28 in order to make it reasonable for the CAISO to perform the concentrated work on the 2015 fall release that would be necessary to permit NV Energy to participate in the EIM on November 1, 2015. Depending on Commission action by that time, the CAISO will inform the market through a market notice of the 2015 fall release date.

### **III. Petition for Limited Tariff Waiver**

Good cause exists for the Commission to grant a limited waiver to suspend the effectiveness of the tariff revisions accepted in the September 14 order until no later than November 4, 2015. The Commission has previously granted requests for tariff waivers in situations where (1) the waiver is of limited scope; (2) a concrete problem needs to be remedied; and (3) the waiver did not have undesirable consequences, such as harming third parties.<sup>11</sup> This waiver petition meets all three conditions.

The waiver is of limited scope in that it will apply for no more than eight days, from October 27, 2015 until no later than November 4, 2015. The CAISO

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<sup>10</sup> Motion for Leave to Answer and Answer of the CAISO to Protests and Comments, Docket No. ER15-861-005, at 6-7 (Oct. 26, 2015).

<sup>11</sup> See, e.g., *N.Y. Indep. Sys. Operator, Inc.*, 146 FERC ¶ 61,061, at P 19 (2014); *PJM Interconnection, L.L.C.*, 146 FERC ¶ 61,041, at P 5 (2014); *ISO New England, Inc.*, 134 FERC ¶ 61,182, at P 8 (2011); *Cal. Indep. Sys. Operator Corp.*, 132 FERC ¶ 61,004, at P 10 (2010).

will issue a market notice and make an informational filing with the Commission when it implements the tariff revisions.<sup>12</sup> The waiver will also remedy the concrete problem that the tariff revisions cannot go into effect until the 2015 fall release is implemented, because the software needed to implement the tariff revisions accepted in this proceeding must be bundled with the other software enhancements to be included in the 2015 fall release. Further, the waiver will not have undesirable consequences because the CAISO tariff provisions regarding the validation process for self-schedules supported by existing transmission rights and transmission ownership rights that are in effect today will remain in effect until the tariff revisions can be implemented. This waiver will effectively maintain the status quo for a short period while allowing the CAISO to implement the tariff revisions as expeditiously as possible. Therefore, good cause exists to grant the CAISO's request for limited waiver of the tariff revisions.

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<sup>12</sup> The Commission has authorized such an approach in granting prior tariff waiver requests. See *Cal. Indep. Sys. Operator Corp.*, 149 FERC ¶ 61,285 (2014).

#### IV. Conclusion

For the foregoing reasons, the Commission should find that good cause exists to grant a limited waiver to suspend the effectiveness of the tariff revisions accepted in this proceeding, until no later than November 4, 2015.

Respectfully submitted,

Roger E. Collanton  
General Counsel  
Anna McKenna  
Assistant General Counsel  
California Independent System  
Operator Corporation  
250 Outcropping Way  
Folsom, CA 95630  
Tel: (916) 351-4400  
Fax: (916) 608-7222  
E-mail: [amckenna@caiso.com](mailto:amckenna@caiso.com)

Michael Kunselman  
Bradley R. Miliauskas  
Alston & Bird LLP  
The Atlantic Building  
950 F Street, NW  
Washington, DC 20004  
Tel: (202) 239-3300  
Fax: (202) 239-3333  
E-mail: [michael.kunselman@alston.com](mailto:michael.kunselman@alston.com)  
[bradley.miliauskas@alston.com](mailto:bradley.miliauskas@alston.com)

Counsel for the California Independent System Operator Corporation

Dated: October 27, 2015

## CERTIFICATE OF SERVICE

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

Dated at Washington, DC this 27<sup>th</sup> day of October, 2015.

/s/ Bradley R. Miliauskas  
Bradley R. Miliauskas