

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

California Independent System Operator Corporation)	
)	Docket No. ER98-997-003
)	ER98-1309-002
)	
California Independent System Operator Corporation)	
)	Docket No. ER02-2297-002
)	ER02-2298-002

**REQUEST FOR CLARIFICATION AND, IN THE ALTERNATIVE, REHEARING OF
THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION**

I. INTRODUCTION

Pursuant to Section 313(a) of the Federal Power Act, 16 U.S.C. § 825l (a), and Rule 713 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (Commission) 18 C.F.R. § 385.713, the California Independent System Operator Corporation (CAISO)¹ hereby requests that the Commission clarify or grant rehearing of its “Order on Compliance Filing” issued on September 21, 2004 in the above-captioned proceeding (September 21 Order).

In the September 21 Order, the Commission conditionally accepted the CAISO’s compliance filing made in response to Opinion No. 464, which directed the CAISO to file a *pro forma* Participating Generator Agreement (PGA) designed specifically for Qualifying Facilities (QFs). The September 21 Order directed the CAISO to submit a further compliance filing to reflect specific changes to the QF PGA in response to the

¹ Capitalized terms not otherwise defined herein are defined in the Master Definitions Supplement, ISO Tariff Appendix A, as filed on August 15, 1997, and subsequently revised.

protest filed by the Cogeneration Association of California and the Energy Producers and Users Coalition. The CAISO does not seek clarification or rehearing of any of these issues. Rather, the CAISO seeks clarification or rehearing of the Commission's directive in Paragraph 27, which requires the CAISO to designate the QF-PGA as part of the CAISO's Open Access Transmission Tariff (OATT).

II. DISCUSSION AND ARGUMENT

In Paragraph 27, the Commission found that the CAISO's "proposed QF PGA does not comply with the requirements of section 35.9 of the Commission's regulations" because the QF PGA was not "designated as sheet numbers" under the CAISO's OATT. In addition to directing the CAISO to incorporate the specific substantive modifications to the QF-PGA, the Commission directed the CAISO to resubmit the entire QF-PGA "with the appropriate tariff sheet designations under its OATT."

The CAISO believes that the Commission may have overlooked prior, well-established practice of the Commission with respect to designation of the CAISO's *pro forma* service agreements. The CAISO's *pro forma* service agreements, including the standard *pro forma* PGA on which the QF PGA is modeled, have not been designated as sheet numbers under the CAISO's tariff. Instead, they have been designated with single service agreement numbers with the required information set forth only on the cover sheet with the service agreement designation pursuant to the provisions of Section 35.9 of the Commission's regulations applicable to service agreements (see, e.g., Sections 35.9(b)(4) and (b)(5)). In addition to the standard *pro forma* PGA, the CAISO's service agreements include: (1) the Utility Distribution Company Operating Agreement; (2) the Meter Service Agreement for Scheduling Coordinators; (3) the Meter

Service Agreement for ISO Metered Entities; (4) the Participating Load Agreement, (5) the Dynamic Scheduling Agreement for Scheduling Coordinators, and (6) the Dynamic Scheduling Host Control Area Operating Agreement. The Commission has accepted each of these *pro forma* service agreements² and the CAISO believes the same treatment is appropriate for the QF PGA.

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² See *California Independent System Operator Corporation*, 87 FERC ¶ 61,232 (1999) (accepting *pro forma* Utility Distribution Company Operating Agreement); *California Independent System Operator Corporation*, 90 FERC ¶ 61,186 (2000) (accepting *pro forma* Meter Service Agreement for Scheduling Coordinators and Meter Service Agreement for ISO Metered Entities); *California Independent System Operator Corporation*, 88 FERC ¶ 61,182 (1999) (accepting *pro forma* Participating Load Agreement); *California Independent System Operator Corporation*, 107 FERC ¶ 61,239 (2004) (accepting *pro forma* Dynamic Scheduling Agreement for Scheduling Coordinators and Dynamic Scheduling Host Control Area Operating Agreement).

III. CONCLUSION

WHEREFORE, for the foregoing reasons, the CAISO respectfully requests that the Commission grant clarification or, in the alternative, rehearing as requested to allow the CAISO to treat the QF PGA like the other Commission-approved CAISO *pro forma* service agreements.

October 21, 2004

Respectfully Submitted,

Charles F. Robinson
General Counsel
Sidney L. Mannheim
Regulatory Counsel
California Independent System
Operator Corporation
151 Blue Ravine Road
Folsom, CA 95630
Tel: (916) 608-7144
Fax: (916) 608-7222

Counsel for the California Independent
System Operator Corporation



October 21, 2004

The Honorable Magalie Roman Salas
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

**Re: California Independent System Operator Corporation
Docket No. ER98-997-003, ER98-1309-002, ER02-2297-002 and
ER02-2298-002**

Dear Secretary Salas:

Enclosed for electronic filing please find a Request for Clarification and, in the Alternative, Rehearing of the California Independent System Operator Corporation in the above-referenced dockets.

Thank you for your assistance in this matter.

Respectfully submitted,

/s Sidney L. Mannheim

Sidney L. Mannheim
Counsel for The California Independent
System Operator Corporation

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in the above-captioned docket.

Dated at Folsom, California, on this 21st day of October, 2004.

/s Sidney L. Mannheim

Sidney L. Mannheim