

380 of the June 25 Order requiring the CAISO to work with stakeholders to submit MRTU Tariff language regarding backstop procurement of local capacity area resources. As explained below, this request will allow for a more extensive stakeholder process on the CAISO's capacity procurement mechanisms under MRTU now slated for Board consideration in December.

In support of its motion, CAISO states the following.

I. MOTION FOR EXTENSION OF TIME

A. Concurrent Filing of Reply Comments on the August 3 Filing and Post-Technical Conference Comments

In its August 22, 2007, Notice of Extension of Time, the Commission granted the Indicated Parties' unopposed request for an extension of time to file comments on the CAISO's August 3 Filing by September 7, 2007.² In the same notice, the Commission ordered that reply comments on the August 3 Filing would be due on or before September 26, 2007. Less than a month later, the Commission issued a Notice of Technical Conference,³ to be held on September 26, 2007 (and continuing to September 27 if necessary), to discuss which practices or details of the CAISO's Business Practice Manuals ("BPMs") might appropriately belong in the MRTU Tariff. The Commission directed interested parties that plan to participate at this technical conference to submit a list of BPM provisions they wish to discuss by the close of business on Tuesday, September 18, 2007, but did not set a date when post-technical conference comments would be due.

² *California Independent System Operator Corp.*, Notice of Extension of Time, Docket Nos. ER06-615-012; ER07-1257-000 (August 22, 2007).

³ *California Independent System Operator Corp.*, Notice of Technical Conference, Docket Nos. ER06-615-012; ER07-1257-000 (September 11, 2007).

The CAISO respectfully requests that the Commission establish a single date – October 5, 2007 – for the CAISO to submit reply comments on the August 3 Filing and to submit post-technical conference comments. Allowing both sets of comments to be filed on the same day makes sense from an efficiency standpoint, particularly in light of the fact that many of comments in response to the August 3 Filing address the very issues slated for discussion at the Technical Conference, namely details in the BPMs that parties believe should be in the tariff. It is more efficient for the CAISO to spend its resources preparing for the Technical Conference, at which time the issues will be discussed further, than to file its reply comments on September 26, the very day of the Technical Conference. The interaction of parties, along with Commission Staff, will allow for a more complete and well considered single response, that will be more useful to the Commission and parties. No party will be prejudiced by granting this extension, and the additional time for responding to the August 3 Filing will only benefit the process underway of considering whether additional details in the BPMs might more appropriately be included in the MRTU Tariff, consistent with the Commission’s “rule of reason.”

B. Extension of Time For Submission of Resource Adequacy Provisions Related to ICPM Proposal

In Paragraph 380 of the June 25 Order, the Commission accepted the CAISO’s commitment to work with stakeholders to explore potential opportunities to cure a collective shortfall in local capacity area resource requirements and to file any proposed modifications to the MRTU Tariff in conjunction with the August 3, 2007 compliance filing. However, as the Commission recognized in the June 25 Order, resolution of the issue of curing a collective resource adequacy deficiency requires the involvement of

the CAISO, Load-Serving Entities (“LSEs”), and the California Public Utilities Commission (“CPUC”) and other Local Regulatory Authorities in addressing complex questions concerning the allocation of procurement and cost responsibilities. The CAISO has concluded that these determinations can, and should, only be made in the context of the CAISO’s development of its Interim Capacity Procurement Mechanism (“ICPM”), which was then scheduled for presentation to the CAISO Board of Governors in mid-October. As a result, in its August 3, 2007 Motion for Extension of Time, the CAISO stated its intention to file its ICPM proposal in late October 2007, and therefore requested an extension of time to October 31, 2007 to comply with Paragraph 380 of the June 25 Order. On August 8, 2007, the Commission issued a notice granting that extension of time.

The CAISO now believes, based on recent events, that a further extension of this timeframe would benefit all parties involved. As the Commission is aware, the CAISO Board of Governors recently extended the date of MRTU implementation to March 31, 2008. Under the original MRTU implementation timeframe, the CAISO had planned to present the ICPM proposal to the Board of Governors in October 2007. The modified MRTU implementation date now allows the CAISO to conduct a more extensive and robust stakeholder process on the ICPM proposal before presentation to the CAISO Board of Governors. The rationale behind the CAISO’s original request for an extension of time is equally valid in this instance, as any provisions relating to curing collective deficiencies will be able to be more fully vetted through a comprehensive stakeholder process.

The CAISO will submit the ICPM proposal and the related resolution of how to cure resource adequacy deficiencies to the CAISO Board of Governors for review and approval at its December 2007 meeting. Taking into consideration the intervening holidays, and in order to compile all relevant supporting documentation and to allow the proposal to be fully vetted within the organization, the CAISO respectfully requests that the Commission grant an extension of time until no later than January 18, 2008, to comply with Paragraph 380 of the June 25 Order. No party will be prejudiced by granting this extension. To the contrary, the time gained by virtue of the new date for MRTU implementation will constructively be used to produce a more complete and well-vetted proposal.

II. CONCLUSION

For the reasons set forth above, the CAISO respectfully requests that the Commission grant this motion for further extension of the time permitted to submit reply comments to the August 3 Filing and establish a single date for submitting such reply comments and for submitting post-Technical Conference comments on BPM issues of October 5, 2007. The CAISO also respectfully requests that the Commission grant this motion for further extension of the time permitted to submit Tariff revisions to comply with Paragraph 380 of the June 25 Order until January 18, 2008.

Respectfully submitted,

/s/ Sidney M. Davies
Sidney M. Davies
Assistant General Counsel
Mike Dozier
Counsel
Anna McKenna
Counsel
Grant Rosenblum
Senior Counsel
California Independent System
Operator Corporation
151 Blue Ravine Road
Folsom, CA 95630
Tel: (916) 351-4400

Sean A. Atkins
Michael Kunselman
Petra A. Holden
Alston & Bird LLP
The Atlantic Building
950 F Street NW
Washington, DC 20004
Tel: (202) 756-3300

Dated: September 19, 2007

Certificate of Service

I hereby certify that I have this day served a copy of this document upon all parties listed on the official service list compiled by the Secretary in the above-captioned proceedings, in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.2010).

Dated this 19th day of September, 2007 at Folsom in the State of California.

/s/ Sidney M. Davies

Sidney M. Davies
(916) 608-7144