

June 8, 2011

The Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

**Re: California Independent System Operator Corporation
Docket No. ER11-_____ -000**

**eTariff Submittal of Already-Effective Service Agreement No.
784, Non-Conforming Scheduling Coordinator Agreement**

Dear Secretary Bose:

The California Independent System Operator Corporation submits for acceptance into the Commission's eTariff system the scheduling coordinator agreement between the ISO and the Western Area Power Administration – Desert Southwest Region ("Western-DSR").¹ The ISO provides this submittal in conjunction with its separate filing today of an amendment to the scheduling coordinator agreement as approved by the Commission. Due to limitations in the ISO's eTariff software, the ISO must submit the currently effective scheduling coordinator agreement into the eTariff system separately from its filing of the amendment to the scheduling coordinator agreement.

I. eTariff Submittal of the Scheduling Coordinator Agreement

The Western-DSR scheduling coordinator agreement is designated as non-conforming ISO Service Agreement No. 784.² The scheduling coordinator agreement sets forth the terms and conditions on which Western-DSR, as a scheduling coordinator, conducts business with the ISO under the ISO tariff.

¹ The ISO submits this filing pursuant to Section 205 of the Federal Power Act, 16 U.S.C. § 824d and Part 35 of the Commission's regulations, 18 C.F.R. Part 35, and in compliance with Order No. 714, *Electronic Tariff Filings*, FERC Stats. & Regs. ¶ 31,276 (2009). The ISO is also sometimes referred to as the CAISO. Capitalized terms not otherwise defined herein have the meanings set forth in the Master Definitions Supplement, Appendix A to the ISO tariff.

² The ISO filed the original scheduling coordinator agreement with Western-DSR through an Electric Quarterly Report filing effective May 1, 2007 as conformed ISO Service Agreement No. 784. Thereafter, the CAISO and Western-DSR agreed to changes through an amendment which was submitted in FERC Docket No. ER08-812-000 as non-conforming, and accepted in a letter order issued by the Commission on June 3, 2008.

II. Effective Date and Request for Waiver

As noted above, the ISO originally filed this scheduling coordinator agreement with Western-DSR through an Electronic Quarterly Report filing effective as of May 1, 2007. The ISO requests that the Commission specify this same effective date for the ISO's eTariff submittal today of this same scheduling coordinator agreement, including all Commission approved amendments.

As the ISO established its "Tariff Identifier" for all of its filings of non-conforming service agreements on July 28, 2010, the metadata for this submittal into the eTariff system reflects an effective date of July 28, 2010, the earliest effective date that the eTariff system will accept given the date of the relevant Tariff Identifier. However, the ISO wishes to make it clear that the actual effective date for the scheduling coordinator agreement is the May 1, 2007 date already established by the Commission's rules.

To accommodate the foregoing requested effective date, the ISO respectfully requests waiver, pursuant to Section 35.11 of the Commission's regulations (18 C.F.R. § 35.11), of the 60-day notice requirement contained in Section 35.3 of the Commission's regulations (18 C.F.R. § 35.3), in order to permit the ISO's eTariff submittal of the scheduling coordinator agreement to become effective as of the requested effective date, and, to the extent necessary, the ISO respectfully requests that the Commission grant any other waivers of Part 35 of its regulations that may be required in connection with the requested effective date. Good cause exists in that such waiver will permit the scheduling coordinator agreement to be effective on the date already established by the Commission's rules. Granting the waiver will be consistent with Commission rules and the implementation by all parties to the scheduling coordinator agreement pursuant to those rules. No harm will result to any entity from the specified effective date for the scheduling coordinator agreement. Granting the requested waiver, therefore, is appropriate.

III. Expenses

No expense or cost associated with this filing has been alleged or judged in any judicial or administrative proceeding to be illegal, duplicative, unnecessary, or demonstratively the product of discriminatory employment practices.

IV. Service

The ISO has served copies of this filing upon Western-DSR, the California Public Utilities Commission, the California Energy Commission, and all parties on the official service list in FERC Docket No. ER08-812-000. In addition, the ISO has posted the filing on the ISO website.

The Honorable Kimberly D. Bose

June 8, 2011

Page 3

The ISO encloses the following for filing:

- (1) this letter of transmittal; and
- (2) the scheduling coordinator agreement (Attachment A).

V. Correspondence

The ISO requests that all correspondence, pleadings, and other communications concerning this filing be served upon the following:

John C. Anders*
Senior Counsel
California Independent System
Operator Corporation
250 Outcropping Way
Folsom, CA 95630
Tel: (916) 608-7287
Fax: (916) 608-7222
E-mail: janders@caiso.com

* Individual designated for service pursuant to Rule 203(b)(3),
18 C.F.R. § 203(b)(3).

The Honorable Kimberly D. Bose

June 8, 2011

Page 4

VI. Conclusion

The ISO respectfully requests that the Commission accept this filing and permit the ISO's eTariff submittal of the scheduling coordinator agreement between the ISO and Western-DSR to be effective as of the date requested. If there are any questions concerning this filing, please contact the undersigned.

Respectfully submitted,

By: /s/ John C. Anders

Nancy Saracino

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Attorneys for the California Independent
System Operator Corporation

**Attachment A –
eTariff Submittal of Already-Effective Service Agreement No. 784, Non-Conforming
Scheduling Coordinator Agreement**

**SCHEDULING COORDINATOR AGREEMENT WITH
WESTERN AREA POWER ADMINISTRATION
DESERT SOUTHWEST REGION**

Issued by: Anjali Sheffrin, Ph.D, Chief Economist
Issued on: April 9, 2008

Effective: June 9, 2008

**CALIFORNIA INDEPENDENT SYSTEM
OPERATOR**

AND

**WESTERN AREA POWER ADMINISTRATION
DESERT SOUTHWEST REGION**

**SCHEDULING COORDINATOR
AGREEMENT**

Scheduling Coordinator Agreement

THIS AGREEMENT is made this 25TH day of April, 2007 and is entered into, by and between:

- (1) **Western Area Power Administration – Desert Southwest Region** having a registered or principal executive office at 615 South 43rd Avenue, Phoenix, Arizona 85009 (the “Scheduling Coordinator”)

and

- (2) **CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION**, a California nonprofit public benefit Corporation having a principal executive office located at such place in the State of California as the ISO Governing Board may from time to time designate (the “ISO”).

Whereas:

- A. The Scheduling Coordinator has applied for certification by the ISO under the certification procedure referred to in Section 4.5.1 of the ISO Tariff.
- B. The Scheduling Coordinator wishes to schedule Energy and Ancillary Services on the ISO Controlled Grid under the terms and conditions set forth in the ISO Tariff.

NOW IT IS HEREBY AGREED as follows:

1. Definitions

- A. Terms and expressions used in this Agreement shall have the same meanings as those contained in the Master Definitions Supplement to the ISO Tariff.
- B. The “ISO Tariff” shall mean the ISO Operating Agreement and Tariff as amended from time to time, together with any Appendices or attachments thereto.

2. Covenant of the Scheduling Coordinator

The Scheduling Coordinator agrees that:

- A. the ISO Tariff governs all aspects of scheduling of Energy and Ancillary Services on the ISO Controlled Grid, including (without limitation), the financial and technical criteria for Scheduling Coordinators, bidding, settlement, information reporting requirements and confidentiality restrictions;

- B. it will abide by, and will perform all of the obligations under the ISO Tariff placed on Scheduling Coordinators in respect of all matters set forth therein including, without limitation, all matters relating to the scheduling of Energy and Ancillary Services on the ISO Controlled Grid, ongoing obligations in respect of scheduling, Settlement, system security policy and procedures to be developed by the ISO from time to time, billing and payments, confidentiality and dispute resolution;
- C. it shall ensure that each UDC, over whose Distribution System Energy or Ancillary Services are to be transmitted in accordance with Schedules, Adjustment Bids or bids for Ancillary Services submitted to the ISO by the Scheduling Coordinator, enters into a UDC operating agreement in accordance with Section 4.4 of the ISO Tariff;
- D. it shall ensure that each Generator for which it schedules Energy or on whose behalf it submits to the ISO Adjustment Bids or bids for Ancillary Services enters into a Generator agreement in accordance with Section 4.6 of the ISO Tariff;
- E. it shall have the primary responsibility to the ISO, as principal, for all Scheduling Coordinator payment obligations under the ISO Tariff;
- F. its status as a Scheduling Coordinator is at all times subject to the ISO Tariff.

3. Term and Termination

- 3.1 This Agreement shall commence on the date the Scheduling Coordinator is certified by the ISO as a Scheduling Coordinator.
- 3.2 This Agreement shall terminate upon acceptance by FERC of a notice of termination. The ISO shall timely file any notice of termination with FERC.

4. Assignment

Either party may assign its obligations under this Agreement with the other party's consent; such consent shall not to be unreasonably withheld.

5. Partial Invalidity

If any provision of this Agreement, or the application of such provision to any persons, circumstance or transaction, shall be held invalid, the remainder of this Agreement, or the application of such provision to other persons or circumstances or transactions, shall not be affected thereby.

6. Settlement Account

The Scheduling Coordinator shall maintain at all times an account with a bank capable of Fed-Wire transfer to which credits or debits shall be made in accordance with the

billing and Settlement provisions of Section 11 of the ISO Tariff. Such account shall be the account referred to in Clause 7 hereof or as notified by the Scheduling Coordinator to the ISO from time to time by giving at least 7 days written notice before the new account becomes operational.

7. Notices

Any notice, demand or request made to or by either party regarding this Agreement shall be made in accordance with the ISO Tariff and unless otherwise stated or agreed shall be made to the representative of the other party indicated below.

California Independent System Operator Corporation:

Name of Primary

Representative: Roni L. Reese
Title: Sr. Contracts Analyst
Company: California Independent System Operator Corporation
Address: 151 Blue Ravine Road
City/State/Zip Code: Folsom, CA 95630
Email Address: rreese@caiso.com
Phone: (916) 608-7027
Fax No: (916) 608-7292

Scheduling Coordinator:

Name of Primary

Representative: Penny Casey
Title: Manager, Energy Management and Marketing Office
Company: Western Area Power Administration – Desert Southwest Region
Address: 615 South 43rd Avenue
City/State/Zip Code: Phoenix, AZ 85009
Email Address: casey@wapa.gov
Phone: (602) 605-2585
Fax No: (602) 605-2831



Settlement Account No:

Title: U.S. Treasury
Sort Code: 051036706
Bank: Federal Reserve Richmond

8. Agreement to be bound by ISO Tariff

The ISO Tariff is incorporated herein and made a part hereof. In the event of a conflict between the terms and conditions of this Agreement and any other terms and conditions set forth in the ISO Tariff, the terms and conditions of the ISO Tariff shall prevail.

9. Electronic Contracting

All submitted applications, schedules, bids, confirmations, changes to information on file with the ISO and other communications conducted via electronic transfer (e.g. direct computer link, FTP file transfer, bulletin board, e-mail, facsimile or any other means established by the ISO) shall have the same legal rights, responsibilities, obligations and other implications as set forth in the terms and conditions of the ISO Tariff as if executed in written format.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed on behalf of each by and through their authorized representatives as of the date hereinabove written.

California Independent System Operator Corporation

By: *Karen Edson*
Name: Karen Edson
Title: Vice President
External Affairs
Date: 4-25-07

Western Area Power Administration – Desert Southwest Region

By: *Penny D. Casey*
Name: Penny D. Casey
Title: Energy management + Marketing Office, mgr
Date: 4/24/07

ATTACHMENT 1

1. **Contingent upon Appropriations.** Where activities provided for in the contract extend beyond the current fiscal year, continued expenditures by the United States are contingent upon Congress making the necessary appropriations required for the continued performance of the United States' obligations under the contract. In case such appropriation is not made, the CAISO hereby releases the United States from its contractual obligations and from all liability due to the failure of Congress to make such appropriation.
2. **Covenant against Contingent Fees.** The CAISO warrants that no person or selling agency has been employed or retained to solicit or secure the contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the CAISO for the purpose of securing business. For breach or violation of this warranty, Western shall have the right to annul the contract without liability or in its discretion to deduct from the contract price or consideration the full amount of such commission, percentage, brokerage, or contingent fee.
3. **Contract Work Hours and Safety Standards.** The contract, to the extent that it is of a character specified in Section 103 of the Contract Work Hours and Safety Standards Act (Act), 40 U.S.C. § 329, as amended or supplemented, is subject to the provisions of the Act, 40 U.S.C. §§ 327-334, as amended or supplemented, and to regulations promulgated by the Secretary of Labor pursuant to the Act.
4. **Equal Opportunity Employment Practices.** Section 202 of Executive Order No. 11246, 30 Fed. Reg. 12319 (1965), as amended by Executive Order No. 12086, 43 Fed. Reg. 46501 (1978), as amended or supplemented, which provides, among other things, that the CAISO will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin, is incorporated herein by reference the same as if the specific language had been written into the contract, except that Indian Tribes and tribal organizations may apply Indian preference to the extent permitted by Federal law.



5. **Use of Convict Labor.** The CAISO agrees not to employ any person undergoing sentence of imprisonment in performing the contract except as provided by 18 U.S.C. § 3622(c), as amended or supplemented, and Executive Order No. 11755, 39 Fed. Reg. 779 (1973), as amended or supplemented.

6. **Counterparts.** This Amendment may be executed in one or more counterparts at different times, each of which shall be regarded as an original and all of which, taken together, shall constitute one and the same agreement.

7. **Termination.** The provisions of this Amendment including any subsequent amendments shall remain in full force and effect until the termination of the Agreement.