

August 4, 2011

**VIA ELECTRONIC FILING**

The Honorable Kimberly D. Bose  
Secretary  
Federal Energy Regulatory Commission  
888 First Street, NE  
Washington, D.C. 20246

**RE: Docket Nos. ER09-1048-002, ER06-615-059, & ER11-3408-000**

**Amendments to the FERC Electric Tariff of the California  
Independent System Operators Corp. in Compliance with the  
Commission's July 5, 2011 *Order on Compliance***

Dear Secretary Bose:

The California Independent System Operator Corporation (ISO)<sup>1</sup> submits this filing in compliance with the Federal Energy Regulatory Commission's July 5, 2011 *Order on Compliance Filing*.<sup>2</sup> In its *July 2011 Compliance Order*, the Commission accepted for filing, subject to further compliance, the ISO's April 20, 2011 compliance filing in the above-referenced dockets.<sup>3</sup> The Commission directed the ISO to submit a compliance filing within 30 days. The ISO hereby submits the instant filing and the accompanying tariff amendments in compliance with the Commission's *July 2011 Compliance Order*.

**I. BACKGROUND**

The *July 2011 Compliance Order* requires the ISO to amend section 37.4.3.1 of its tariff. This tariff provision requires market participants to provide a

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<sup>1</sup> The ISO is sometimes referred to as CAISO. Capitalized terms not otherwise defined herein have the meanings set forth in the Master Definitions Supplement, Appendix A to the currently effective ISO tariff. The ISO is submitting this filing in compliance with Order No. 714, *Electronic Tariff Filings*, FERC Stats. & Regs. ¶ 31,276 (2009).

<sup>2</sup> *Cal. Indep. Sys. Operator Corp.*, 136 FERC ¶ 61,012 (2011) (*July 2011 Compliance Order*).

<sup>3</sup> *Cal. Indep. Sys. Operator Corp.*, Compliance Filing, FERC Docket Nos. ER09-1048-002 & ER06-615-059 (Apr. 20, 2011) (April 2011 Compliance Filing).

detailed explanation of a forced outage within two business days of first notifying the ISO of the outage. As part of its review of the detailed explanation, the ISO is permitted to request additional information regarding the outage. As proposed in the April 2011 Compliance Filing, the market participant would face sanctions if it fails to “provide information requested by the CAISO within the deadline established in the request for additional information.” The *July 2011 Compliance Order* finds that granting the ISO freedom to set such an *ad hoc* deadline in this instance provides the ISO with an unacceptable degree of discretion in levying penalties.<sup>4</sup> The ISO is ordered to revise section 37.4.3.1 to establish “an objective deadline for market participants to respond to requests for additional information.”

## II. TARIFF AMENDMENTS AND DISCUSSION OF COMPLIANCE

In compliance with the Commission’s directive, the ISO proposes to amend section 37.4.3.1 to provide a market participant four business days to comply with a request for additional information. The final sentence of section 37.4.3.1 would now state: “An Operator must provide information requested by the CAISO ~~within the deadline established in the request for additional information~~ four (4) Business Days of the CAISO’s request for the submission of additional information regarding the Forced Outage.” This straightforward tariff amendment addresses the Commission’s concerns and removes any unacceptable level of ISO discretion from the administration of section 37.4.3.1. This timeline strikes an appropriate balance between providing the ISO timely information needed to gain a deeper understanding of an outage and furnishing market participants a reasonable and defined period of time in which to provide that information.

## III. EFFECTIVE DATE

The ISO requests that the amendments included in this filing be made effective on August 4, 2011.

## IV. ATTACHMENTS

The following documents, in addition to this transmittal letter, support this filing:

- |              |  |
|--------------|--|
| Attachment A | Clean sheets of the currently effective tariff showing revisions described in this filing.                   |
| Attachment B | Sheets showing, in black-line format, the changes to the currently effective tariff described in this filing |

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<sup>4</sup> *July 2011 Compliance Order*, at P 14.

**V. CONCLUSION**

The ISO respectfully requests that the Commission accept this filing as complying with the directives of its *July 2011 Compliance Order* and requests that the accompanying tariff provisions be made effective immediately. Please do not hesitate to contact the undersigned if you have any questions.

Respectfully submitted,

**By: /s/ David Zlotlow**

Nancy Saracino

General Counsel

Anna A. McKenna

Senior Counsel

David Zlotlow

Counsel

California Independent System

Operator Corporation

250 Outcropping Way

Folsom, CA 95630

Tel: (916) 608-7007

Fax: (916) 608-7222

[dzlotlow@caiso.com](mailto:dzlotlow@caiso.com)

## CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing document upon all of the parties listed on the official service list for the captioned 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 Folsom, California this 4<sup>th</sup> day of August, 2011.

*Anna Pascuzzo*  
Anna Pascuzzo

**California Independent System Operator Corporation**

**Fifth Replacement FERC Electric Tariff**

**Attachment A – Clean Tariff**

**Filing in compliance with July 5, 2011 order re: Order 719**

**August 4, 2011**

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#### **37.4.3.1 Expected Conduct**

As required by Section 9.3.10.6, a Market Participant must provide a detailed explanation of a Forced Outage within two (2) Business Days after the Operator initially notifies the CAISO pursuant to Section 9.3.10.3.1 of the change in maximum output capability. To enable the CAISO to review the explanation submitted by the Operator and to prepare a report on the Forced Outage, the CAISO may request that the Market Participant submit additional information regarding the Forced Outage. An Operator must provide information requested by the CAISO within four (4) Business Days of the CAISO's request for the submission of additional information regarding the Forced Outage.

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**California Independent System Operator Corporation**

**Fifth Replacement FERC Electric Tariff**

**Attachment B – Marked Tariff**

**Filing in compliance with July 5, 2011 order re: Order 719**

**August 4, 2011**

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#### **37.4.3.1 Expected Conduct**

As required by Section 9.3.10.6, a Market Participant must provide a detailed explanation of a Forced Outage within two (2) Business Days after the Operator initially notifies the CAISO pursuant to Section 9.3.10.3.1 of the change in maximum output capability. To enable the CAISO to review the explanation submitted by the Operator and to prepare a report on the Forced Outage, the CAISO may request that the Market Participant submit additional information regarding the Forced Outage. An Operator must provide information requested by the CAISO within four (4) Business Days of the CAISO's deadline established in the request for the submission of additional information regarding the Forced Outage.

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