UNITED STATES OF AMERICA BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

California Independent System)	Docket Nos. ER08-1178-003
Operator Corporation)	and EL08-88-004

ANSWER TO COMMENTS, MOTION FOR LEAVE TO ANSWER AND ANSWER TO PROTESTS, AND REQUEST FOR CLARIFICATION OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION

Pursuant to Rules 212 and 213 of the Commission's Rules of Practice and Procedure, the California Independent System Operator Corporation ("ISO") hereby moves for leave to answer protests and provides its answer to comments and protests regarding the ISO's March 23, 2009, filing in compliance with the Commission's February 20, 2009, Order¹ in this proceeding. The ISO also seeks clarification regarding one aspect of the February 20 Order.

The ISO requests that the Commission direct the ISO to make the following tariff modifications in response to comments and protests. First, the ISO agrees to treat Exceptional Dispatch Interim Capacity Procurement Mechanism ("ICPM") designations for reporting purposes like other ICPM designations, subject to two modifications discussed in detail below concerning the timing of the issuance of Market Notices and the detailed ICPM reports. Second, as discussed in detail below, the ISO agrees to a 30 day reporting requirement with filings to occur on the 15th of each month. The ISO further requests that the Commission clarify that a resource receiving a 30-day Exceptional Dispatch designation where the 30 days term spans two calendar months

¹ Order on Section 206 Investigation, Technical Conference, Accepting in Part and Rejecting In Part Tariff Provisions, and Implementing Transitional Measures, *Cal. Indep. Sys. Operator Corp.*, 126 FERC ¶ 61,150 (2009) ("February 20 Order").

should be paid for the first calendar month included in the designation based on the highest quantity specified in an Exceptional Dispatch during that calendar month and for the second calendar month based on the highest quantity specified in an Exceptional Dispatch during the 30-day term of the designation (even when the highest quantity occurred during the first month).

I. BACKGROUND

Under Section 34.9 of the ISO's tariff, the ISO can issue Exceptional Dispatch instructions – *i.e.*, dispatches outside the ISO's markets – for specified purposes. On June 27, 2008, the ISO filed a tariff amendment in these proceedings under which the ISO would mitigate bids submitted on behalf of resources that are issued Exceptional Dispatch instructions for certain purposes and that proposed to clarify a number of the existing tariff provisions regarding Exceptional Dispatch. After a technical conference and comments by various parties, the Commission issued the February 20 Order.

In the February 20 Order, the Commission accepted in part and rejected in part a revised Exceptional Dispatch proposal that the ISO filed after the technical conference, effective upon the implementation of the ISO's Market Redesign and Technology Upgrade ("MRTU"), which the ISO implemented on March 31, 2009, for the Day-Ahead Market for the April 1, 2009, Trading Day. Among other matters, the Commission –

 directed that the ISO, except in those cases in which the Scheduling Coordinator has opted for supplemental revenues, offer ICPM designations for all Exceptional Dispatches except for instructions to decrement energy or to decommit and other instances where the ISO is not using the resource's capacity, such as testing and other reasons;²

² *Id.* at PP 161-62.

- approved the ISO's proposal to limit such designations to the amount of capacity actually included in the Exceptional Dispatch (less any resource adequacy or ICPM capacity);³
- directed the implementation of temporary measures regarding Exceptional Dispatch mitigation for the first four months after MRTU start-up; ⁴ and
- required the ISO to file a report, every sixty days, that details the frequency, volume, costs, causes, and degree of mitigation of Exceptional Dispatches.⁵

On March 23, 2009, the ISO filed revised tariff language in compliance with the

Commission's directives ("Compliance Filing"). On April 13, 2009, four parties filed

protests or comments: California Department of Water Resources-State Water Project

("SWP"); Pacific Gas and Electric Company ("PG&E"); Southern California Edison

Company ("SCE"); and Western Power Trading Forum ("WPTF").⁶

II. MOTION FOR LEAVE TO ANSWER

The filings of SCE and WPTF were protests. The ISO recognizes that, unless

authorized by the Commission, the Commission's Rules of Practice and Procedure

preclude an answer to protests. The Commission has, however, accepted answers that

are otherwise prohibited if such answers clarify the issues in dispute⁷ or assist the

Commission.⁸

In this instance, the issues raised by SCE in its protest are also raised in the comments of PG&E. There is, thus, no need for specific Commission authorization for the ISO's response on theses issues.

³ *Id.* at PP 187-91.

⁴ *Id.* at PP 84-87.

⁵ *Id.* at P 263.

⁶ The ISO notes that Southern California Edison Company requested rehearing regarding the duration of the temporary mitigation measures regarding all Exceptional Dispatches. The ISO does not take a position on that issue at this time, but will ask the Commission to extend the mitigation measures if circumstances develop during the four months that would warrant an extension.

⁷ Southwest Power Pool, Inc., 89 FERC ¶61,284, at 61,888 (2000); Eagan Hub Partners, L.P., 73 FERC ¶ 61,334, at 61,929 (1995).

El Paso Electric Co., 72 FERC ¶ 61,292, at 62,256 (1995).

WPTF's protest raises issues regarding a statement of policy included in the ISO's transmittal letter for the Compliance Filing concerning whether the ISO would be required to purchase non-resource adequacy capacity when that capacity was necessary in order to access resource adequacy capacity that had already been purchased. WPTF misstates the ISO's position and erroneously argues that it is inconsistent with the Commission's directive. The ISO's answer will clarify the nature of the issues and further explain the reasoning for the adoption of the policy. The ISO submits that this information will assist the Commission in its resolution of the issues presented and asks the Commission to accept the answer.

III. ANSWER

A. Reporting Frequency

1. Comments and Protest

PG&E's and SCE's filings address the ISO's reporting timetable. In the February 20 Order, the Commission directed the ISO to establish a 60-day reporting process that details the frequency, volume, costs, causes, and degree of mitigation of Exceptional Dispatches. The Compliance Filing provided for reports at 60-day intervals, with each report addressing the 60-day period that ended 30 days before the filing of the report.⁹ Both PG&E and SCE assert that this is contrary to the Commission's requirement that the ISO establish "a 60-day reporting process."¹⁰

PG&E describes the ISO's proposal as a 90-day reporting process. It recommends that the reporting requirement match that for ICPM reporting: a

 ⁹ The only exception is the first report, which the ISO proposed to file within 45 days of MRTU implementation and report on the first fifteen days of data.
¹⁰ February 20 Order at P 263 (2009).

market notice within two business days and a report within the shorter of 30 days or 10 days after the end of the month. It requests that, at a minimum, the Commission require a market notice within two business days and a report within the shorter of 60 days or 10 days after the end of the month.¹¹

SCE complains that the ISO's proposal does not provide sufficient transparency and does not serve the purpose of the reporting requirement because 85 to 90 days could elapse between an Exceptional Dispatch and the ISO's report. SCE's only specific recommendation is that the Commission require a market notice similar to that required for ICPM designations.¹²

2. ISO Response

The ISO does not agree that the Compliance Filing language on the reporting interval is inconsistent with the February 20 Order. Moreover, the recommendations of PG&E and SCE's go beyond what the Commission required in the February 20 Order.

First, the Commission's directive that the ISO establish a 60 day reporting process made no mention of a market notice following each Exceptional Dispatch. If PG&E and SCE believed that such a market notice is necessary, they should have sought rehearing on this issue. They did not. Moreover, a Market Notice for each Exceptional Dispatch would be extraordinarily burdensome.

Second, the Commission established the 60-day period as a compromise between the 30-day period initially proposed by the ISO and the quarterly reporting that the ISO proposed later.¹³ The recommendations of SCE and PG&E are inconsistent with either of these proposals. In the February 20 Order, the Commission noted that the

¹¹ PG&E Comments at 4.

¹² SCE Protest at 4-5.

¹³ February 20 Order at P 263.

ISO first proposed to post monthly reports on its website, 30 days after the end of each *month*, indicating the reasons for any Exceptional Dispatches.¹⁴ The Commission explained that the ISO subsequently proposed to include information on the reasons for validated Exceptional Dispatches in its guarterly reports, and that the ISO explained that in the guarter after an Exceptional Dispatch occurred, it might still be in the process of analyzing and validating the data, in which case the information concerning the most recent 30 days of Exceptional Dispatches would be reported in the next quarterly report.¹⁵ Thus, a requirement that the ISO file the report without a reasonable period in which to collect, analyze, and validate the data was never on the table. Even in the most stringent proposal, the ISO had 30 days after the period covered by the report in which to prepare the report. Regarding the ISO's latter proposal, the Commission stated, "The Commission acknowledges that the ISO's need to rely on manual processes to validate Exceptional Dispatches, including documenting the reasons for the Exceptional Dispatches, may make the currently-accepted monthly reporting schedule difficult."¹⁶ It is unreasonable to conclude that the Commission intended to provide the ISO even less time than under the original 30-day reporting proposal. PG&E's proposal, for example, would amount to a 10 to 30 day reporting obligation, depending on the timing of the Exceptional Dispatch.

Nonetheless, in light of its experience following its implementation of MRTU on April 1 2009, the ISO is prepared to make two accommodations that should substantially address SCE's and PG&E's concerns. First, the ISO is willing to follow the same reporting requirements for Exceptional Dispatch ICPMs that apply to other ICPMs,

¹⁴ *Id.* at P 257.

¹⁵ *Id.* at P. 262.

¹⁶ *Id.* at P. 263.

as set forth in Section 43.5, subject to two modifications that would apply to all ICPMs. The first modification relates to the requirement in Section 43.5.1 that the ISO issue a Market Notice within two Business Days. The ISO may not always be able to issue a Market Notice within two Business Days for Exceptional Dispatch ICPMs. Unlike must offer waiver denials that occur in the day-ahead time frame, Exceptional Dispatches occur in the real-time as well as in the day-ahead and it may not always be apparent that there has been a real-time Exceptional Dispatch resulting in an ICPM until the Exceptional Dispatches are reviewed after the fact. Accordingly, the ISO proposes to modify Section 43.5.1 to provide that the ISO will issue a Market Notice within two Business Days after the ISO has made a determination that an ICPM designation has occurred.

The second modification relates to Section 43.5.2, which requires the ISO to issue a detailed report "within the earlier of thirty (30) days of procuring the resource ... or ten (10) days after the end of the month." The ISO has a heavy reporting obligation under MRTU.¹⁷ In order to manage these obligations, it is important to have established and consistent dates for filing the reports. Because the same personnel are responsible for preparing many of the reports, it is also important that the various reports not all be due on the same day. Accordingly, the ISO proposes that a single monthly ICPM report be filed 20 days after the end of the month in which any ICPM designation was made.

The second accommodation the ISO is willing to make is to revert to a 30 day reporting obligation for the Exceptional Dispatches that did not result in ICPM

¹⁷ In addition to the ICPM report and the Exceptional Dispatch report, the ISO will be filing a Market Disruption report (proposed to be included in the Exceptional Dispatch report), the quarterly report to be filed 30 days after the end of each quarter and the Negotiated Default Energy Bid report to be filed seven days after the end of the month.

designation, except that the ISO would need a due date that did not coincide with other required reports for the reasons discussed above. The ISO therefore asks the Commission to direct that the ISO file monthly reports on the fifteenth day of each month addressing Exceptional Dispatches that occurred in the month ending on the fifteenth day of the prior month. This will give the ISO 30 days to analyze and validate the data and draft the report. As stated in its April 8, 2009, compliance filing on Market Disruptions in Docket Nos. ER06-615 and ER07-1257, the ISO intends to combine the Exceptional Dispatch report with the Market Disruption report and would, therefore, need to modify the tariff language in both Sections 34.9.4and 7.7.15.4.

B. Reporting Detail

1. Comments

PG&E complains that the reporting requirement is too vague. The Commission required that the report "detail the frequency, volume, costs, causes, and degree of mitigation of Exceptional Dispatches."¹⁸ The Compliance Filing included a requirement that the ISO identify such information precisely as directed by the Commission. PG&E nonetheless argues that "identify" is not equivalent to "detail" and contends that the compliance language does not provide details. It states that the report should include the following:

- the number of resources committed through Exceptional Dispatches, including the dates and durations of Exceptional Dispatch commitments,
- a discussion of why each Exceptional Dispatch occurred,
- the location of the exceptionally dispatched resources at the level of Local Reliability Area,

¹⁸ *Id.* at P 263.

- to the extent that resource adequacy, reliability must run, and existing ICPM resources were not used for the Exceptional Dispatch, the reasons these resources could not be utilized, and
- to the extent exceptionally dispatched resources were eligible for Supplemental Revenues or an ICPM commitment, the cost break down between Exceptional Dispatch Supplemental Revenues costs and ICPM costs, and Supplemental Revenues costs associated with the Exceptional Dispatch.¹⁹

2. ISO Response

The Commission applies a "rule of reason" to determine the amount of detail that

must be identified in a tariff. In its Prior Notice and Filing Requirements Under Part II of

the Federal Power Act,²⁰ the Commission adopted the description offered by the U.S.

Court of Appeals for the District of Columbia Circuit in City of Cleveland v. FERC:

[T]here is an infinitude of practices affecting rates and service. The statutory directive must reasonably be read to require the recitation of only those practices that affect rates and service *significantly*, that are realistically susceptible of specification, and that are not so generally understood in any contractual arrangement as to make recitation superfluous. It is obviously left to the Commission, within broad bounds of discretion, to give concrete application to this amorphous directive.²¹

The ISO submits that the detail specified by PG&E is beyond that which must be

included in a tariff.

The detail that the ISO intends to include in the monthly reports strikes a balance

between the need for transparency and the imposition of an excessive burden on the

ISO. The ISO proposes to identify the following:

- The frequency of Exceptional Dispatches (*i.e.*, the ISO will identify each Exceptional Dispatch and the date or dates on which it occurred);
- The gross volume in MW of the Exceptional Dispatch

¹⁹ PG&E Comments at 2-4.

²⁰ 64 FERC ¶ 61,139 (1993).

²¹ 773 F.2d 1368, 1376 (D.C. Cir. 1985) (emphasis added).

- The cause of the Exceptional Dispatch (*e.g.*, transmission outages on a particular line) and the reason that an Exceptional Dispatch was necessary;
- The cost of the Exceptional Dispatch, which would include Exceptional Dispatch Energy, Excess Cost Payments for Exceptional Dispatches, Exceptional Dispatch ICPM payments, and supplemental revenues;²²
- The degree of mitigation achieved by the Exceptional Dispatch, *i.e.* whether any Exceptional Dispatch Bids are mitigated;
- The location of the exceptionally dispatched resources at the level of Local Reliability Area if relevant and applicable and to the extend such information is readily determinable; and
- The market in which the Exceptional Dispatch occurred.

PG&E's requested explanation of he reasons why resource adequacy, reliability

must run, and existing ICPM resources were not used is not appropriate. The

Exceptional Dispatch mechanism accepted by the Commission does not specify a

hierarchy, but rather adopts a least-cost principal based on the information available to

operators at the time of the Exceptional Dispatch, recognizing that operators may have

to act quickly.²³ Nevertheless, assuming the Commission accepts the ISO's proposal

as discussed above, the ISO will be providing an explanation in its ICPM report for the

Exceptional Dispatch ICPM designation.

C. WPTF Protest Regarding Forbidden Operating Regions

1. Protest

The ISO stated in its transmittal letter for the Compliance Filing that if the ISO issued an Exceptional Dispatch to a partial resource adequacy unit whose resource adequacy capacity was within the resource's forbidden operating region, the ISO would

The ISO notes that, until payment acceleration, settlement quality data for the Exceptional Dispatches discussed in the report will not be available in time to include it in the report. When settlement quality data is available, the ISO will include the details in the next available report. Once payment acceleration is in place, the cost data for the Exceptional Dispatches—based on estimated meter data—should be available in time to include it in the same report.

³ See ISO Tariff § 34.9e

not be obligated to include in an ICPM designation the amount of capacity between the resource adequacy capacity and the upper level of the forbidden operating region. The ISO also stated that if it issued an Exceptional Dispatch to a resource adequacy unit that requires a non-resource adequacy unit in the same portfolio to operate concurrently, the ISO would not provide an ICPM designation to the non-resource adequacy unit. In both instances, the ISO's position is that the resource must make its resource adequacy capacity available to the ISO.

WPTF protests these policies. WPTF contends that these policies are inconsistent with the Commission's requirement that the ISO compensate capacity used "to accommodate resource constraints, including ramping and forbidden operating region limitations."²⁴ It contends that the Commission's directive explicitly includes capacity associated with forbidden operating region constraints and reasonably includes capacity needed to start a unit that receives an Exceptional Dispatch. It asks the Commission to so find.²⁵

2. ISO Response

WPTF mischaracterizes the ISO's proposed policy on forbidden operating regions in stating that the ISO does not believe that it should be compelled to pay for capacity between the resource adequacy contractual level and the upper level of the forbidden operating region. In reality, the ISO's policy only applies when the resource adequacy capacity—that has already been contracted and paid forfalls within the forbidden operating region.²⁶ The ISO understands and accepts the Commission's directive in its February 20 Order that the ISO must pay for ICPM capacity in the event

²⁴ 126 FERC ¶ 61,150 at P 164.

²⁵ WPTF Protest at 3-5.

²⁶ WPTF Protest at 2.

the ISO needs *non*-resource adequacy capacity that falls within a forbidden operating region. However, it is the ISO's position that if a resource has already sold resource adequacy capacity within a forbidden operating region, it must make that capacity available to the ISO; the ISO should not be forced to pay for additional capacity in order to have access to the resource adequacy capacity that has already been contracted and paid for. Similarly, if a resource has sold resource adequacy capacity from a resource that requires another resource to be on, then the Scheduling Coordinator for those resources has the obligation to make that resource adequacy capacity available to the ISO even if that means it must self-schedule an additional resource. Again, the ISO should not be compelled to purchase ICPM capacity in order to have access to the resource adequacy that has already been contracted and paid for.

In the Compliance Filing, the ISO explained that a resource with a resource adequacy contract for an amount of capacity within its forbidden operating region or a which cannot operate unless another resource is running is similarly situated to a resource that has an resource adequacy contract for an amount that is less than its PMin. In none of these cases can the resource fulfill its obligation to make the resource adequacy capacity available to the ISO unless the Schedule Coordinators has bid or self-scheduled the resource at level that makes that capacity available to the ISO.²⁷ Accordingly, it is the obligation of the Scheduling Coordinator to make the resource adequacy capacity available to the ISO through any necessary bidding or self-scheduling. The ISO should not be compelled to pay for the capacity between the resource adequacy contractual level and the upper level of the forbidden operating

²⁷ A resource must make its entire PMin available to the ISO in the event it has a resource adequacy contract for less than PMin and the ISO has no obligation to pay for the capacity between PMin and the resource adequacy capacity. *See* ISO Tariff § 40.4.

region or for the capacity of another unit when the Scheduling Coordinator must make that capacity available in order to fulfill its resource adequacy obligation.

Indeed, the payments proposed by WPTF would create perverse incentives. A generator, for example, could in certain circumstances virtually ensure a more lucrative ICPM designation by selling resource adequacy capacity within the forbidden operating region or selling resource adequacy capacity from a resource that requires another of the Scheduling Coordinator's resources to be online. Load-serving entities would have an incentive to cooperate in such arrangements, knowing that the costs from the necessary ICPM designation would be allocated throughout the Transmission Access Charge ("TAC") area. More specifically, consider a situation where there exists a local reliability need for 30 MW of capacity. Two units with capacity costs of \$35/kW-yr are available to address that need, except that one has a forbidden operation region constraint between 28 MW and 35 MW. The generator with the constraint could offer 30 MW of capacity for a little less than its capacity costs, knowing that if called upon it would receive an ICPM designation for 5 MW at \$41/kW-yr. The load-serving entity would prefer the lower cost offer, knowing that it would not bear the full cost of the additional 5 MW. An identical situation would prevail in the absence of the forbidden operating region constraint if one of the units could not operate unless the other was operating. The entire purpose of the resource adequacy program is to make capacity available to the ISO to address reliability issues. The Commission should not allow parties to undermine that purpose by permitting situations where the ISO must pay a premium for access to the resource adequacy capacity.

13

D. Participating Load

1. Comments

The Compliance Filing allocates the costs of Exceptional Dispatch ICPM designations to all Scheduling Coordinators that serve Load in the relevant TAC area. SWP is concerned that this allocation could require Participating Load that is acting as a supply resource to pay capacity costs for itself and for generators providing the same services.²⁸ SWP notes that it and the ISO are working to comply with the Commission's directives that they work together to develop additional assurances concerning compensation to SWP for Exceptional Dispatches concerning its Participating Load.²⁹ SWP asks that the Commission permit SWP to preserve its rights regarding this section while it continues discussions with the ISO.³⁰

2. ISO Comments

The allocation of costs in the Compliance Filing is consistent with the current allocation of Significant Event ICPM designations, which has been approved by the Commission. SWP's issue concerning Exceptional Dispatch ICPM cost allocation would apply equally well to the Significant Event ICPM cost allocation and SWP does not proffer any reason why Exceptional Dispatch ICPM designations should be allocated differently..

The ISO believes that the cost allocation issues goes beyond the scope of the Commission's directive to discuss SWP's concerns, which were focused on capacity payments for Participating Load, and to file a status report within 120 days.³¹ Therefore, the ISO does not believe SWP had any "rights" to preserve in connection

²⁸ SWP Comments at 2.

²⁹ 126 FERC ¶ 61,150 at P 242,

³⁰ SWP Comments at 3.

³¹ February 20 Order at P 242.

with this issue in this proceeding. Certainly, neither the Commission's regulations nor its policy allow a party to protest a compliance filing after it has been accepted by the Commission. Equally certainly, SWP retains its right at all times to file a complaint under section 206 of the Federal Power Act if it believes that the ISO's treatment of Participating Load is unjust or unreasonable. To the extent that SWP merely seeks Commission affirmation that its failure to protest the Compliance Filing does not, in and of itself, collaterally estop SWP from later challenging the justness and reasonableness of the allocation of the costs of Exceptional Dispatch ICPM designations, the ISO does not object.

IV. REQUEST FOR CLARIFICATION

In its answer to requests for clarification filed on April 7, 2009 in this docket, the

CAISO noted in a footnote:

In the Compliance Filing of March 23, 2009, the ISO included tariff language specifying that the resource will be paid for the highest capacity included in an exceptional dispatch during the 30-day term. This was consistent with the description in the ISO's Answer to Reply Comments filed on January 6, 2009, in this docket. After considering informal comments received and upon further consideration, however, the ISO believes that the February 20 Order is better read as accepting the description of the proposal in the ISO's November 24, 2008, Comments. February 20 Order at PP 190-91. Under that proposal, the ISO would make a monthly ICPM payment based on the highest quantity for which a unit was exceptionally dispatched during the first calendar month within the 30-day period; the ISO would base the monthly ICPM payment in the second calendar month of a single 30-day period on the highest quantity for which a unit was exceptionally dispatched during the 30-day period, even when the highest quantity occurred during the first month. See id. at P 130. The ISO is prepared to correct this error in a Compliance Filing following comments on the March 23, 2009, Compliance Filing.³²

³² For example, if a resource receives an Exceptional Dispatch ICPM and the 30 day term will span two calendar months, and the resource receives a 30 MW designation in the first month and then receives an incremental Exceptional Dispatch 50 MW in the second month, the settlement in month one will prorate the 30 MW Exceptional Dispatch ICPM based on the number of days in the month the resource was subject to the ICPM designation. The settlement in month two will reflect the 50 MW

Contrary to the ISO's expectations, no party has raised this issue in comments. Because the ISO believes that its Compliance Filing was inconsistent with the Commission's intention in this regard, the ISO asks the Commission to clarify the manner in which the ISO is to determine the ICPM capacity designation when the 30 day term spans two calendar months and to order any necessary Compliance Filing. To be consistent with monthly settlement process and the November 24, 2008 comments, the tariff language should be clarified as indicated in the April 7 answer and quoted above. The ISO requests that the Commission so clarify. Such a clarification will allow monthly settlements to flow and require no retroactive adjustment in the event of an incremental ICPM adjustment in the second month of 30-day Exceptional Dispatch ICPM designation.

V. CONCLUSION

For the reasons explained above, the Commission should rejects the comments and protests subject to the accommodations and modifications proposed by the ISO as discussed herein.

designation prorated based on the number of days in the month the resource was subject to the ICPM designation. If a resource receives a 50 MW ICPM designation in month one and receives no incremental designation in month two the resource will be settled based on the 50 MW ICPM designation in both months subject to the double counting prohibition as applicable.

Respectfully submitted,

/s/ Michael E. Ward_

Michael Kunselman Michael E. Ward Bradley M. Miliauskas Alston & Bird LLP The Atlantic Building 950 F Street, N.W. Washington, DC 2004 Tel: (202) 756-3300 Fax: (202) 756-3333

> Counsel for the California Independent System Operator Corporation

Nancy Saracino General Counsel Sidney M. Davies Assistant General Counsel The California Independent System Operator Corporation 151 Blue Ravine Road Folsom, CA 95630

Dated: April 28, 2009

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each party listed on the official service list for these 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 at Washington, D.C. on this 28th day of April, 2009.

<u>_/s/ Michael E. Ward</u>

Michael E. Ward Alston & Bird LLP