

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to Integrate and Refine Procurement Policies and Consider Long-Term Procurement Plans.

Rulemaking 13-12-010
(Filed December 19, 2013)

**NOTICE OF EX PARTE COMMUNICATION BY
THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION**

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December 8, 2014

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Pursuant to Article 8 of the California Public Utilities Commission (Commission) Rules of Practice and Procedure, the California Independent System Operator Corporation (CAISO) hereby files this notice of the following oral and written ex parte communication with Commission President Michael Peevey, Scott Murtishaw, Advisor to Commission President Michael Peevey, and Brian Stevens, Advisor to Commission President Michael Peevey.

On December 3, 2014, from approximately 3:45 to 4:00 p.m., Karen Edson, CAISO Vice President, Policy & Client Services, Phil Pettingill, CAISO Director, Regulatory Strategy and Thomas Doughty, CAISO Director, Customer Service & Stakeholder Affairs, met with President Peevey, Mr. Murtishaw and Mr. Stevens at the Commission offices at 505 Van Ness Avenue, San Francisco, California 94102. The CAISO initiated the communication related to the current rulemaking regarding long-term procurement plan for investor owned utilities.

During the meeting, the CAISO presented a graphic containing data that is part of CAISO testimony in R.13-12-010 and provided on page 1 of Attachment 1 to this filing. The graphic displays study results showing 822 hours of renewable curtailment, peaking at nearly 13,402 megawatts, that could arise in 2024 under a 40% renewable portfolio standard. The CAISO explained that these curtailments take place only after all other resources that can be curtailed or shut down have been. The CAISO also presented a list of actions to resolve the over-generation

issue, which is provided on page two of Attachment 1 to this filing. The CAISO underscored the importance of developing the policies and programs needed to implement these solutions in order to avoid curtailment of renewable generation.

To request a copy of this notice, please contact Anna Pascuzzo (916-351-2212).

Respectfully submitted,

By: /s/Jordan Pinjuv

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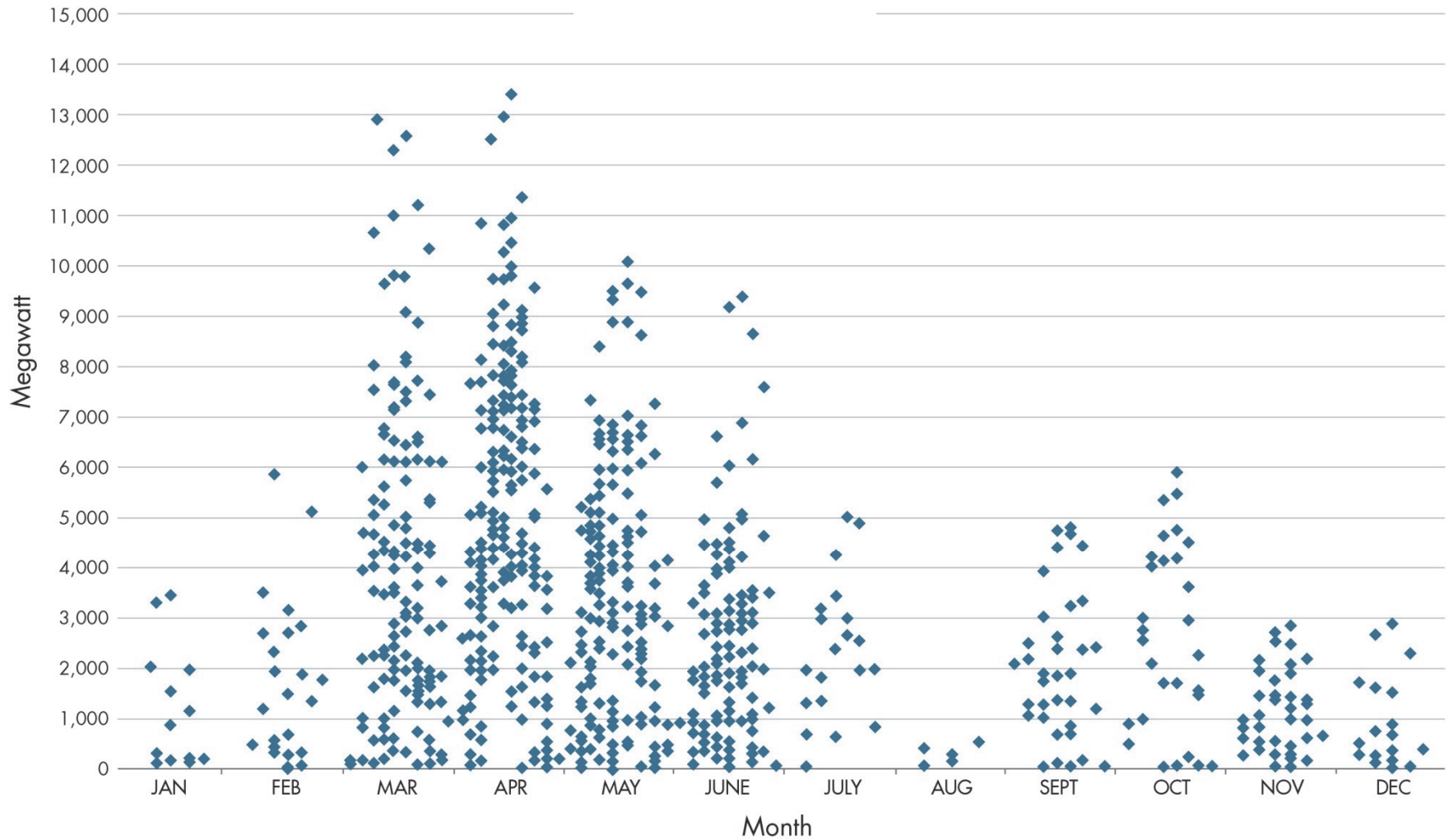
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Dated: December 8, 2014

Attorneys for the California Independent
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ATTACHMENT 1

RPS Curtailment in 2024 – 40% RPS Scenario





A range of options are available for addressing the identified flexibility and curtailment issues.

- Modify curtailment provisions in power purchase agreements to reconcile with RPS priorities
- Increase energy storage, demand response, and energy efficiency
- Achieve time-of-use rates aligned with regional and seasonal system conditions
- Deeper regional coordination with other balancing authorities
- Electrification of transportation and related managed charging
- Reduce fleet minimum load burden by increasing fleet flexibility