



February 4, 2016

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. ER16-____-000

**Tariff Amendment to Alter Implementation Date of Capacity
Procurement Mechanism Revisions and Request for Waiver of Notice
Requirements**

Dear Secretary Bose:

The California Independent System Operation Corporation (CAISO) respectfully requests that the Commission issue an order approving: (1) the attached amended tariff language extending the duration of the CAISO's otherwise expiring Capacity Procurement Mechanism (CPM) tariff authority from February 28, 2016 to March 31, 2016; (2) the attached amended tariff language altering the planned March 1, 2016, effective date of the CAISO's new CPM pricing to April 1, 2016; and (3) the revised effective date of several tariff amendments that otherwise would become effective March 1, 2016.¹

On October 1, 2015, the Commission issued an order in docket no. ER15-1783 approving tariff amendments necessary for the CAISO to extend the effectiveness of its expiring CPM from February 16, 2016 through February 28, 2016, as well as the tariff amendments necessary to implement the successor CPM that would apply to CPM designations effective on or after March 1, 2016.² The CAISO has determined that it cannot timely effectuate the tariff provisions

¹ The CAISO submits this filing pursuant to Section 205 of the Federal Power Act, 16 USC § 824d, Part 35 of the Commission's Regulations, 18 C.F.R. § 35. Capitalized terms not otherwise defined herein have the meanings set forth in the CAISO tariff, and references to specific sections, articles, and appendices are references to sections, articles, and appendices in the current CAISO tariff and revised or proposed in this filing, unless otherwise indicated.

² *California Indep. Sys. Operator Corp.* 153 FERC ¶ 61,001 (2015).

related to its new CPM because of implementation challenges. Accordingly, it proposes these amendments to the CAISO tariff to permit implementation of the new CPM on April 1, 2016, while at the same time not leaving a gap in the CAISO's backstop capacity procurement authority for the month of March.

Because of the limited amount of time before the current planned effective date of March 1, 2016, for the new CPM, the CAISO respectfully requests that the Commission provide for a shortened comment period of no more than 7 calendar days from the date of this filing (*i.e.*, no later than February 11, 2016), that the Commission further waive the 60-day notice requirement set forth in Section 35.3 of the Commission's regulations, and that the Commission issue an order in this proceeding by February 25, 2016.

I. Background

A. Capacity Procurement Mechanism Replacement Tariff Filing

On May 26, 2015 the CAISO filed proposed tariff amendments, and an offer of settlement in support of such tariff amendments, in docket no. ER15-1783 to implement a replacement for its expiring CPM tariff authority. The existing mechanism, which was the product of an earlier Commission-approved settlement, would have expired on February 16, 2016. The proposed tariff amendments would ensure that the CAISO will have the ability to procure backstop capacity to meet reliability needs upon expiration of the current CPM. The CAISO proposed to replace the existing CPM process, whereby the CAISO pays all designated CPM capacity a single administratively-determined price, with a competitive solicitation process, whereby the CAISO would pay resources as bid into the competitive solicitation. Offers to the competitive solicitation process would be subject to a soft offer cap, although resources would be able to cost-justify with the Commission a price higher than the soft offer cap.

B. Reliability Services Phase 1A Tariff Filing

On May 29, 2015, the CAISO filed in Commission Docket No. ER15-1825 proposed tariff modifications to implement phase 1A of the CAISO's two-phase reliability services initiative. Phase 1A focused on enhancing and streamlining the CAISO's rules and processes regarding resource adequacy to meet the needs of an increasingly dynamic power grid. The major components of the filing included proposed tariff provisions to: (1) enhance the existing tariff criteria for determining default qualifying capacity values of specified types of resource adequacy resources; (2) enhance the existing tariff provisions regarding the must-offer obligations of specified types of resource adequacy resources; (3) include a methodology for allocating flexible capacity need to a load-following metered subsystem that is a load-serving entity under the resource adequacy program; and (4) add to the tariff a new resource adequacy availability incentive

mechanism (“RAAIM”) that will replace the existing standard capacity product mechanism.

C. Requested Effective Dates of Reliability Services Phase 1A and Capacity Procurement Mechanism Replacement

The May 26 CPM filing and the May 29 reliability services filing are conceptually related because they both address capacity procurement policies needed to meet CAISO grid reliability. The most concrete example is that the RAAIM penalty price would be set as a fixed percentage of the CPM soft offer cap. Additionally, implementation of both initiatives requires significant enhancements to many of the same CAISO computer systems related to resource adequacy. Because of the degree of interrelationship, the CAISO concluded that both initiatives should be implemented simultaneously.

As noted, the prior CPM tariff authority would have expired on February 16, 2016. However, the resource adequacy process occurs on a monthly basis and it is generally quite difficult to implement changes to resource adequacy tariff provisions mid-month. For that reason, it would have been unworkable to implement phase 1A of the reliability services initiative on the date that the CPM authority otherwise would have expired. The CAISO, along with its stakeholders, concluded that the best solution was to implement both initiatives on March 1, 2016, and request a modest extension of the existing CPM authority to cover the February 16 through March 1 period.

Working backwards from a March 1 implementation date, the CAISO requested a range of effective dates for the tariff provisions in the reliability services and CPM tariff filings. The CPM revisions largely pertained to procedures that the CAISO would conduct in advance of a given resource adequacy month. To eliminate any ambiguity about the CAISO's authority to conduct such activities prior to March 1 (when any CPM designations granted as a result of those procedures would become effective) the CAISO requested an effective date of January 16, 2016 for most of the tariff provisions addressed in the CPM tariff filing.

In contrast, for nearly all of the reliability services initiative tariff provisions, the CAISO only needed to request an effective date of March 1, 2016. Several of the provisions in the reliability services initiative pertaining to metered subsystems did have an earlier requested effective date. Those provisions, however, are not affected by this filing.

Regardless of specific requested effective date, all of the provisions covered in the two tariff filings were submitted for the Commission's consideration more than 120 days in advance and thus the CAISO requested waiver of Section 35.3 of the Commission's regulations. This was to provide as

much advance certainty as feasible to market participants about resource adequacy procurement heading into the 2016 summer peak months. Additionally, the CAISO was fully aware that implementing these two initiatives simultaneously would require substantial systems and process changes. The CAISO knew that it would need adequate time to design, develop, implement, and test these systems and processes. Further, the CAISO recognized that its market participants would also need time to adapt to the new systems and the new capacity procurement paradigms they represented.

D. Commission Approval of Reliability Services Phase 1A and Capacity Procurement Mechanism Replacement

On October 1, 2015, the Commission issued an order accepting the CAISO's May 26 CPM filing. On that same day the Commission also issued an order conditionally accepting the CAISO's May 29 reliability services initiative filing subject to an additional compliance filing.³ The CAISO made that compliance filing in this docket on November 2, 2015, and awaits further Commission action on that filing.

II. Challenges Resulting in Delayed CPM Implementation

The CAISO was aware from the outset that implementing these two initiatives would be challenging, stating in the May 26 filing:

Implementation of a competitive solicitation-based CPM mechanism will require substantial systems and process changes. The CAISO needs adequate time to design, develop, implement, and test these systems and processes. Also, market participants will need time to adopt to a new CPM paradigm.⁴

Recognizing the challenges that lay ahead, the CAISO began planning for implementation long before the Commission even approved the tariff provisions. For example, the CAISO posted a business requirements specification document for stakeholders on March 31, 2016, which was before the tariff filing even was made with the Commission. The CAISO's implementation efforts accelerate upon issuance of the October 1 order. An important element of the CAISO's standard pre-release planning is to hold market simulations prior to major market enhancements. The simulations provide participants an opportunity to explore new market functionalities, test how well participant systems have integrated with

³ *California Indep. Sys. Operator Corp.* 153 FERC ¶ 61,002 (2015) ("October 1 Order"). On October 30, 2015, the NRG Companies filed a request for rehearing on a single issue approved in the October 1 order. The CAISO filed an answer to that request on November 16, 2015. The Commission has yet to issue a dispositive ruling on the rehearing request.

⁴ May 26 filing, at 31.

CAISO systems, and provide feedback to the CAISO about how the functionalities performed in a simulated environment. Market simulation is also an important step to help reduce the number of settlement disputes that otherwise would occur upon implementation of market enhancements.

The first session of market simulation for both the CPM and reliability services phase 1a initiatives began on October 21, 2015. The second session of market simulation for both initiatives initially was planned to start on January 12, 2016. The session was planned to last for three weeks and cover three separate structured simulation scenarios. In early January, however, the CAISO concluded that it had not met its internal quality metrics for moving a new market function to market simulation. Specifically, the software code failed to pass the applicable standards. Meeting these metrics helps ensure the CAISO provides participants with a robust simulation environment against which to test and minimizes the likelihood that market participants serve as de facto testers of the CAISO software. In the case of the market simulation session that the CAISO planned to start on January 12, the outstanding software defects would have prevented participants from successfully running any of the three structured scenarios.

The CAISO briefly explored postponing the market simulation by one week to preserve the March 1 implementation date but concluded that doing so would increase the risk of an unsuccessful deployment by unduly compressing the simulation. As discussed, the CPM and reliability services phase 1a initiatives need to be implemented on the first day of a month. Because the March 1 date is no longer viable, the next viable date is April 1. This additional month will give the CAISO the time necessary to resolve any identified defects and retest to ensure pre-production quality metrics are met. This in turn will allow the CAISO to deliver a quality product to production and do its best to avoid the type of problems that lead to settlement disputes.

III. Description of Proposed Tariff Revisions

The Commission's October 1 order approving the CAISO's CPM replacement proposal covered two tariff provisions – sections 43.1 and 43A.1 – that define when the new CPM applies. Per the October 1 order, both provisions became effective on January 16, 2016.

The relevant portion of section 43.1 states: "This Section 43 shall apply to all designations of Eligible Capacity to provide CPM Capacity services under the CPM that commence prior to **March 1, 2016**. Designations of CPM Capacity and Flexible Capacity CPM not made through a CSP and in existence as of **February 28, 2016** shall continue in effect and remain subject to the tariff provisions applicable at the time the designation of CPM Capacity or Flexible Capacity CPM was made" (emphasis added). Section 43A.1 states: "This Section 43A

shall apply to all designations of Eligible Capacity to provide CPM Capacity services under the CPM that commence on or after **March 1, 2016.**" (emphasis added).

To reflect the proposed one-month shift in implementation of the new CPM, along with the extension of the current CPM to cover the month of March, the three specific dates in these two provisions would be amended to be April 1, 2016, March 31, 2016, and April 1, 2016, respectively.

The October 1 order also approved amendments to sections 34.11, 39.10.3, 39.10.4, and 40.4.6, with an effective date of March 1, 2016. The CAISO does not propose any substantive alterations to the already-approved amendments to these sections. Instead, to accommodate the shift in implementation, the CAISO resubmits this language with a revised effective date of April 1, 2016.⁵

IV. Effective Date and Request for Waiver

The CAISO respectfully requests that the amendments to sections 43.1 and 43A.1 have an effective date of February 25, 2016, which represents a one-month shift of their prior effective date. Having these amendments in place well before April 1, 2016, would eliminate any ambiguity as to the CAISO's authority to administer the new CPM process before April 1, 2016, for CPM designations that would not be effective until April 1 and recognizes that the CAISO must be able to conduct competitive solicitations in advance of any CPM designations that would become effective April 1, 2016. As detailed above, the CAISO requests that the resubmitted sections 34.11, 39.10.3, 39.10.4, and 40.4.6.2, have a new effective date of April 1, 2016.

The CAISO requests waiver, pursuant to Section 35.11 of the Commission's regulations (18 C.F.R. § 35.11), of the 60-day notice requirement set forth in Section 35.3 of the Commission's regulations (18 C.F.R. § 35.3), and to the extent necessary, the CAISO 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.

⁵ To incorporate language that is pending before the Commission in docket no. ER16-350 and to prevent a conflict in the eTariff system, the CAISO presents several minor amendments to section 40.4.6 as compared to what the Commission approved in docket no. ER15-1783. Specifically, in ER16-350 the CAISO proposed amendments to effectuate eTariff reconciliation in sections 40.4.6.3.1.1 and 40.4.6.3.2.2, whereas in ER15-1783, the CAISO proposed and the Commission accepted amendments to section 40.4.6.2. Any edits to the language of section 40.4.6 presented in this filing are not, strictly speaking, necessary to effectuate the requested delay, but rather are requested to accommodate other tariff administration concerns.

Because of the limited amount of time before the current effective date of March 1, 2016, the CAISO respectfully requests that the Commission provide for a shortened comment period regarding this petition for limited tariff waiver of no more than 7 calendar days from the date of this filing, *i.e.*, no later than February 11, 2016.

V. Communications

Correspondence and other communications regarding this filing should be directed to:

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VI. Service

The CAISO has served copies of this filing on the California Public Utilities Commission, the California Energy Commission, and all parties with Scheduling Coordinator Agreements under the CAISO tariff. In addition, the CAISO has posted a copy of the filing on the CAISO website.

VII. Contents of Filing

In addition to this transmittal letter, this filing includes the following attachments:

- Attachment A – Clean CAISO tariff sheets incorporating this tariff amendment.
- Attachment B – Red-lined document showing the revisions contained in this tariff amendment.

VIII. Conclusion

For the reasons set forth in this filing, the CAISO respectfully requests that the Commission issue an order by February 25, 2016, accepting the tariff changes contained in this filing.

Respectfully submitted,

By: /s/ David S. Zlotlow

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Date: February 4, 2016

CERTIFICATE OF SERVICE

I certify that I have served the foregoing document upon the parties listed on the official service list in the 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 at Folsom, California this 4th day of February, 2016.

/s/ Martha Sedgley
Martha Sedgley

Attachment A – Clean Tariff Records

**Tariff Amendment to Alter Implementation Date of
Capacity Procurement Mechanism Revisions**

California Independent System Operator Corporation

34.11 Exceptional Dispatch

The CAISO may issue Exceptional Dispatches for the circumstances described in this Section 34.11, which may require the issuance of forced Shut-Downs, forced Start-Ups, or forced MSG Transitions and shall be consistent with Good Utility Practice. Dispatch Instructions issued pursuant to Exceptional Dispatches shall be entered manually by the CAISO Operator into the Day-Ahead or RTM optimization software so that they will be accounted for and included in the communication of Day-Ahead Schedules and Dispatch Instructions to Scheduling Coordinators. Exceptional Dispatches are not used to establish the LMP at the applicable PNode. The CAISO will record the circumstances that have led to the Exceptional Dispatch. When considering the issuance of an Exceptional Dispatch to RA Capacity, the CAISO shall consider the effectiveness of the resource from which the capacity is being provided, along with Start-Up Costs, Transition Costs, and Minimum Load Costs when issuing Exceptional Dispatches to commit a resource to operate at Minimum Load. When the CAISO issues Exceptional Dispatches for Energy to RA Capacity, the CAISO shall also consider Energy Bids, if available and as appropriate. Additionally, where the Exceptional Dispatch results in a CPM designation, the CAISO shall make CPM designations of Eligible Capacity for an Exceptional Dispatch by applying the criteria and procedures specified in Section 43A.4.

39.10.3 Eligibility For Supplemental Revenues

Except as provided in Section 39.10.4, a resource that is committed or dispatched under Exceptional Dispatch shall be eligible for supplemental revenues only during such times that the capacity from the resource dispatched under Exceptional Dispatch is Eligible Capacity, the Eligible Capacity does not have an offer into the applicable CSP, and has declined an Exceptional Dispatch CPM designation offered under Section 43A.2.5.

39.10.4 Limitation On Supplemental Revenues

Supplemental revenues authorized under this Section 39.10 shall not exceed within a 30-day period (this 30-day period begins on the day of the first Exceptional Dispatch of the resource and re-starts on the day

of the first Exceptional Dispatch of the resource following the end of any prior 30-day period) the CPM Soft Offer Cap, for which the resource would be eligible pursuant to Section 43A.7 had its Eligible Capacity been designated as CPM Capacity.

40.4.6.2.1 Available Import Capability Assignment Process

For Resource Adequacy Plans covering any period after December 31, 2007, total Available Import Capability will be assigned on an annual basis for a one-year term to Scheduling Coordinators representing Load Serving Entities serving Load in the CAISO Balancing Authority Area and, in limited circumstances, to Scheduling Coordinators representing Participating Generators or System Resources, as described by the following sequence of steps. However, should the CPUC modify by decision its compliance period from January to December of the calendar year to May through April of the calendar year, the CAISO shall extend the effectiveness of the assignment for Resource Adequacy Compliance Year 2008 through April 2009.

40.4.6.3.1.1 Developing the Assessment Model

To develop the base case model for the DG Deliverability Assessment, the CAISO will include:

- (i) The most recent GIP or GIDAP Queue Cluster Phase II Interconnection Study deliverability power flow base case, which includes Distributed Generation Facilities of interconnection customers with active interconnection requests who have requested Full Capacity or Partial Capacity Deliverability Status;
- (ii) Those Generating Facilities that have obtained Deliverability using the annual full capacity deliverability option under either Section 8.2 of the GIP, Section 9.2 of the GIDAP, or equivalent process(es) under the applicable Utility Distribution Company tariffs;
- (iii) Transmission additions and upgrades approved in the final comprehensive Transmission Plan for the most recent Transmission Planning Process cycle;
- (iv) Any Generating Facilities in the most recent GIDAP Phase I Interconnection Study that have been determined to be deliverable in accordance with their requested Deliverability

Status (including Distributed Generation Facilities of interconnection customers with active interconnection requests who have requested Full Capacity or Partial Capacity Deliverability Status) and were not assigned any Delivery Network Upgrade costs in the Phase I Interconnection Study;

- (v) Delivery Network Upgrades that have received governmental approvals or for which Construction Activities have commenced;
- (vi) The MW amounts of resources interconnected to the Distribution System below specific Nodes of the CAISO Controlled Grid contained in the most recent Transmission Planning Process base portfolio, except that the CAISO will remove each Node (by using a zero MW value) located within electrical areas for which the most recently completed GIP or GIDAP Phase I or Phase II Interconnection Study has identified a need for a Delivery Network Upgrade or for which the most recent Phase II Interconnection Study identified and then removed a Delivery Network Upgrade to support Deliverability for MW amounts in the Interconnection queue;
- (vii) Actual distributed generation development based on the MW amount of distributed generation in applicable Utility Distribution Company and Metered Subsystem interconnection queues including non-net-energy-metering resources requesting interconnection through state-jurisdictional interconnection processes;
- (viii) Any additional information provided by each Utility Distribution Company and Metered Subsystem regarding anticipated distributed generation development on its Distribution System; and
- (ix) Other information that the CAISO, in its reasonable discretion, determines is necessary.

40.4.6.3.2.2.1 Eligibility to Obtain Deliverability Status Assignment from IOU Participating Transmission Owners

Distributed Generation Facilities interconnected, or seeking interconnection, to the Distribution System of an IOU Participating Transmission Owner may apply to the applicable IOU Participating Transmission

Owner to be eligible to receive a Deliverability Status assignment in the current DG Deliverability Assessment cycle as follows:

- (i) Distributed Generation Facilities that are already in Commercial Operation and interconnected to the Distribution System of an IOU Participating Transmission Owner that do not have Deliverability Status may submit an application to be eligible for Full or Partial Capacity Deliverability Status, and those that have Partial Capacity Deliverability Status may apply to be eligible for a higher level of Partial Capacity Deliverability Status or Full Capacity Deliverability Status.
- (ii) Distributed Generation Facilities with an active interconnection request in the interconnection queue of an IOU Participating Transmission Owner that have not requested Deliverability Status in the underlying interconnection process but have received their Phase I interconnection study results or the equivalent thereof may submit an application to be eligible to receive Partial Capacity Deliverability Status or Full Capacity Deliverability Status.
- (iii) Distributed Generation Facilities with an active interconnection request in the interconnection queue of an IOU Participating Transmission Owner that have not received their Phase I interconnection study results or the equivalent thereof, irrespective of whether they requested Deliverability Status in their interconnection request, may submit an application to be eligible to receive Partial Capacity Deliverability Status or Full Capacity Deliverability Status.

Distributed Generation Facilities with an active interconnection request in the interconnection queue of an IOU Participating Transmission Owner that have requested Deliverability Status in the underlying interconnection process and have already received Phase I interconnection study results or the equivalent thereof are not eligible to be assigned Deliverability Status pursuant to Section 40.4.6.3 because their Deliverability Status is protected in accordance with the provisions of Section 40.4.6.3.1 and will be assigned through the applicable IOU Participating Transmission Owner's interconnection process. Applications from Distributed Generation Facilities in the eligible categories specified above must be submitted by the deadline specified in the schedule for the current DG Deliverability Assessment

cycle in order for the Distributed Generation Facility to be treated as eligible to receive a Deliverability Status assignment in the current cycle. Distributed Generation Facilities that fail to apply in a timely manner will be assumed not to be seeking Deliverability Status in the current cycle. The CAISO will issue a Market Notice announcing the deadline for submitting applications. The deadline will be no earlier than thirty (30) days after the CAISO publishes the results of the DG Deliverability Assessment. The form of the application shall be specified in a Business Practice Manual. The application shall be submitted to the applicable Participating Transmission Owner, which shall provide a copy of the application to the CAISO within five (5) Business Days after the application was submitted.

43.1 Applicability

This Section 43 shall apply to all designations of Eligible Capacity to provide CPM Capacity services under the CPM that commence prior to April 1, 2016. Designations of CPM Capacity and Flexible Capacity CPM not made through a CSP and in existence as of March 31, 2016 shall continue in effect and remain subject to the tariff provisions applicable at the time the designation of CPM Capacity or Flexible Capacity CPM was made, including the provisions concerning compensation, cost allocation and Settlement, until such time as the CPM resources have been finally compensated for their services rendered under the CPM prior to , and the CAISO has finally allocated and recovered the costs associated with such CPM compensation.

43A.1 Applicability

This Section 43A shall apply to all designations of Eligible Capacity to provide CPM Capacity services under the CPM that commence on or after April 1, 2016.

Attachment B – Marked Tariff Records

**Tariff Amendment to Alter Implementation Date of
Capacity Procurement Mechanism Revisions**

California Independent System Operator Corporation

40.4.6.2.1 Available Import Capability Assignment Process

For Resource Adequacy Plans covering any period after December 31, 2007, total Available Import Capability will be assigned on an annual basis for a one-year term to Scheduling Coordinators representing Load Serving Entities serving Load in the CAISO Balancing Authority Area and, in limited circumstances, to Scheduling Coordinators representing Participating Generators or System Resources, as described by the following sequence of steps. However, should the CPUC modify by decision its compliance period from January to December of the calendar year to May through April of the calendar year, the CAISO shall extend the effectiveness of the assignment for Resource Adequacy Compliance Year 2008 through April 2009.

40.4.6.3.1.1 Developing the Assessment Model

To develop the base case model for the DG Deliverability Assessment, the CAISO will include:

- (i) The most recent GIP or GIDAP Queue Cluster Phase II Interconnection Study deliverability power flow base case; which includes Distributed Generation Facilities of interconnection customers with active interconnection requests who have requested Full Capacity or Partial Capacity Deliverability Status;
- (ii) Those Generating Facilities that have obtained Deliverability using the annual full capacity deliverability option under either Section 8.2 of the GIP, ~~or~~ Section 9.2 of the GIDAP, or equivalent process(es) under the applicable Utility Distribution Company tariffs;
- (iii) Transmission additions and upgrades approved in the final comprehensive Transmission Plan for the most recent Transmission Planning Process cycle;
- (iv) Any Generating Facilities in the most recent GIDAP Phase I Interconnection Study that have been determined to be deliverable in accordance with their requested Deliverability Status (including Distributed Generation Facilities of interconnection customers with

active interconnection requests who have requested Full Capacity or Partial Capacity Deliverability Status) and were not assigned any Delivery Network Upgrade costs in the Phase I Interconnection Study;

- (v) Delivery Network Upgrades that have received governmental approvals or for which Construction Activities have commenced;
- (vi) The MW amounts of resources interconnected to the ~~e~~Distribution ~~s~~System below specific Nodes of the CAISO Controlled Grid contained in the most recent Transmission Planning Process base portfolio, except that the CAISO will remove each Node (by using a zero MW value) located within electrical areas for which the most recently completed GIP or GIDAP Phase I or Phase II Interconnection Study has identified a need for a Delivery Network Upgrade or for which the most recent Phase II Interconnection Study identified and then removed a Delivery Network Upgrade to support Deliverability for MW amounts in the Interconnection queue;
- (vii) Actual distributed generation development based on the MW amount of distributed generation in applicable Utility Distribution Company and Metered Subsystem interconnection queues including non-net-energy-metering resources requesting interconnection through state-jurisdictional interconnection processes;
- (viii) Any additional information provided by each Utility Distribution Company and Metered Subsystem regarding anticipated distributed generation development on its Distribution System; and
- (ix) Other information that the CAISO, in its reasonable discretion, determines is necessary.

40.4.6.3.2.2.1 Eligibility to Obtain Deliverability Status Assignment from IOU Participating Transmission Owners

Distributed Generation Facilities interconnected, or seeking interconnection, to the Distribution System of an IOU Participating Transmission Owner may apply to the applicable IOU Participating Transmission Owner ~~and the CAISO~~ to be eligible to receive a Deliverability Status assignment in the current DG

Deliverability Assessment cycle as follows:

- (i) Distributed Generation Facilities that are already in Commercial Operation and interconnected to the Distribution System of an IOU Participating Transmission Owner that do not have Deliverability Status may submit an application to be eligible for Full or Partial Capacity Deliverability Status, and those that have Partial Capacity Deliverability Status may apply to be eligible for a higher level of Partial Capacity Deliverability Status or Full Capacity Deliverability Status.
- (ii) Distributed Generation Facilities with an active interconnection request in the interconnection queue of an IOU Participating Transmission Owner that have not requested Deliverability Status in the underlying interconnection process but have received their Phase I ~~interconnection~~ ~~Study~~ results or the equivalent thereof may submit an application to be eligible to receive Partial Capacity Deliverability Status or Full Capacity Deliverability Status.
- (iii) Distributed Generation Facilities with an active interconnection request in the interconnection queue of an IOU Participating Transmission Owner that have not received their Phase I ~~interconnection~~ ~~Study~~ results or the equivalent thereof, irrespective of whether they requested Deliverability Status in their interconnection request, may submit an application to be eligible to receive Partial Capacity Deliverability Status or Full Capacity Deliverability Status.

Distributed Generation Facilities with an active interconnection request in the interconnection queue of an IOU Participating Transmission Owner that have requested Deliverability Status in the underlying interconnection process and have already received Phase I ~~interconnection~~ ~~Study~~ results or the equivalent thereof are not eligible to be assigned Deliverability Status pursuant to Section 40.4.6.3 because their Deliverability Status is protected in accordance with the provisions of Section 40.4.6.3.1 and will be assigned through the applicable IOU Participating Transmission Owner's interconnection process. Applications from Distributed Generation Facilities in the eligible categories specified above must be submitted by the deadline specified in the schedule for the current DG Deliverability Assessment cycle in order for the Distributed Generation Facility to be treated as eligible to receive a Deliverability

Status assignment in the current cycle. Distributed Generation Facilities that fail to apply in a timely manner will be assumed not to be seeking Deliverability Status in the current cycle. The CAISO will issue a Market Notice announcing the deadline for submitting applications. The deadline will be no earlier than thirty (30) days after the CAISO publishes the results of the DG Deliverability Assessment. The form of the application shall be specified in a Business Practice Manual. The application shall be submitted to ~~both~~ the applicable Participating Transmission Owner, which shall provide a copy of the application to and the CAISO within five (5) Business Days after the application was submitted.

43.1 Applicability

This Section 43 shall apply to all designations of Eligible Capacity to provide CPM Capacity services under the CPM that commence prior to ~~March-April~~ 1, 2016. Designations of CPM Capacity and Flexible Capacity CPM not made through a CSP and in existence as of ~~February 28~~ March 31, 2016 -shall continue in effect and remain subject to the tariff provisions applicable at the time the designation of CPM Capacity or Flexible Capacity CPM was made, including the provisions concerning compensation, cost allocation and Settlement, until such time as the CPM resources have been finally compensated for their services rendered under the CPM prior to , and the CAISO has finally allocated and recovered the costs associated with such CPM compensation.

43A.1 Applicability

This Section 43A shall apply to all designations of Eligible Capacity to provide CPM Capacity services under the CPM that commence on or after ~~March 4~~ April 1, 2016.