

California Independent System Operator Corporation

March 19, 2009

Via Overnight Delivery

The Honorable Kimberly D. Bose Secretary Federal Energy Regulatory Commission 888 First Street, N.E. Washington, D.C. 20426

Re: California Independent System Operator Corporation Docket No. ER06-629-____

Compliance Filing

Dear Secretary Bose:

The California Independent System Operator Corporation ("CAISO") hereby submits an original and five copies of revisions to its Small Generator Interconnection Procedures ("SGIP") in compliance with the Commission's "Order on Rehearing and Compliance Filings," 126 FERC ¶ 61,191, issued in the captioned proceeding on March 3, 2009 ("March 3 Order").¹ Concurrently with this filing, the CAISO is jointly filing with the affected Participating Transmission Owners in Docket No. ER06-630 revisions to their *pro forma* Small Generator Interconnection Agreement in compliance with the March 3 Order.

The March 3 Order directed the CAISO to make a single revision to the SGIP, requiring the restoration of SGIP Section 4.11 as proposed in the CAISO's original SGIP filing on February 10, 2006.² The revisions to the SGIP in compliance with the March 3 Order are set forth in Attachments A and C.

In addition to this transmittal letter, the instant compliance filing includes Attachments A, B, C, and D. Attachment A contains clean tariff sheets for the current version of the CAISO Tariff incorporating the revisions shown in Attachment B. Attachment B shows the revisions to the SGIP in black-line format showing the changes to the current version of the CAISO Tariff to implement the March 3 Order. Attachment C contains clean tariff sheets for the version of the CAISO Tariff to be implemented for the CAISO's Market Redesign and Technology Upgrade ("MRTU") incorporating the

¹ Capitalized terms not otherwise defined herein have the meanings set forth in the Master Definitions Supplement, Appendix A to the CAISO Tariff.

² March 3 Order at P 28.

The Honorable Kimberly D. Bose March 19, 2009 Page 2

revisions shown in Attachment D. Attachment D shows the revisions to the SGIP in black-line format showing the changes to the MRTU version of the CAISO Tariff to implement the March 3 Order.

The ISO respectfully requests that the Commission accept the instant filing as complying with the directives of the March 3 Order.

An additional copy of this filing is enclosed to be date-stamped and returned in the enclosed prepaid Federal Express envelope. If there are any questions concerning this filing, please contact the undersigned.

Respectfully submitted,

Nancy Saracino, General Counsel Michael D. Dozier, Senior Counsel California Independent System Operator Corporation 151 Blue Ravine Road Folsom, CA 95630 Tel: (916) 608-7048 Fax: (916) 608-7222 mdozier@caiso.com

Counsel for the California Independent System Operator Corporation

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of this document upon all parties listed on the official service list compiled by the Secretary in the abovecaptioned 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 this 19th day of March, 2009, at Folsom, California.

Attachment A – Clean Sheets Small Generator Interconnection Procedures (SGIP) Compliance Filing ER06-629-___ Currently Effective CAISO Tariff March 20, 2009 interconnection agreement is signed by the Parties, the interconnection of the Small Generating Facility shall proceed under the provisions of the interconnection agreement.

4.9 Coordination with Affected Systems

The ISO shall coordinate the conduct of any studies required to determine the impact of the Interconnection Request on Affected Systems with Affected System operators and, if possible, include those results (if available) in its applicable interconnection study within the time frame specified in these procedures. The ISO will include such Affected System operators in all meetings held with the Interconnection Customer as required by these procedures. The Interconnection Customer will cooperate with the ISO in all matters related to the conduct of studies and the determination of modifications to Affected Systems. A transmission provider, which may be an Affected System, shall cooperate with the ISO in all matters related to the conduct of studies and the determination of modifications to Affected Systems.

4.10 Capacity of the Small Generating Facility

- 4.10.1 If the Interconnection Request is for an increase in capacity for an existing Small Generating Facility, the Interconnection Request shall be evaluated on the basis of the new total capacity of the Small Generating Facility.
- 4.10.2 If the Interconnection Request is for a Small Generating Facility that includes multiple energy production devices at a site for which the Interconnection Customer seeks a single Point of Interconnection, the Interconnection Request shall be evaluated on the basis of the aggregate capacity of the multiple devices.
- 4.10.3 The Interconnection Request shall be evaluated using the maximum rated capacity of the Small Generating Facility.

4.11 Interconnection Handbook Requirements

Interconnection Customer is required to meet the requirements of the applicable Participating TO's Interconnection Handbook. The Interconnection Customer's Interconnection Facilities shall be designed, constructed, operated and maintained in accordance with the Participating TO's Interconnection Handbook. In the event of a conflict between the terms of the SGIP and the terms of the Participating TO's Interconnection Handbook, the terms in the SGIP shall govern.

Attachment B – Blacklines Small Generator Interconnection Procedures (SGIP) Compliance Filing ER06-629-___ Currently Effective CAISO Tariff March 20, 2009 * * *

ISO TARIFF APPENDIX AA

SMALL GENERATOR INTERCONNECTION PROCEDURES (SGIP)

* * *

SECTION 4. PROVISIONS THAT APPLY TO ALL INTERCONNECTION REQUESTS

* * *

4.11 Interconnection Handbook Requirements

Interconnection Customer is required to meet the requirements of the applicable Participating TO's Interconnection Handbook. The Interconnection Customer's Interconnection Facilities shall be designed, constructed, operated and maintained in accordance with the Participating TO's Interconnection Handbook. In the event of a conflict between the terms of the SGIP and the terms of the Participating TO's Interconnection Handbook, the terms in the SGIP shall govern.

* * *

Attachment C – Clean Sheets Small Generator Interconnection Procedures (SGIP) Compliance Filing ER06-629-____ 4th Replacement CAISO Tariff (MRTU) March 20, 2009 Interconnection Customer will cooperate with the CAISO in all matters related to the conduct of studies and the determination of modifications to Affected Systems. A transmission provider, which may be an Affected System, shall cooperate with the CAISO in all matters related to the conduct of studies and the determination of modifications to Affected Systems.

4.10 Capacity of the Small Generating Facility

- 4.10.1 If the Interconnection Request is for an increase in capacity for an existing Small Generating Facility, the Interconnection Request shall be evaluated on the basis of the new total capacity of the Small Generating Facility.
- 4.10.2 If the Interconnection Request is for a Small Generating Facility that includes multiple energy production devices at a site for which the Interconnection Customer seeks a single Point of Interconnection, the Interconnection Request shall be evaluated on the basis of the aggregate capacity of the multiple devices.
- 4.10.3 The Interconnection Request shall be evaluated using the maximum rated capacity of the Small Generating Facility.

4.11 Interconnection Handbook Requirements

Interconnection Customer is required to meet the requirements of the applicable Participating TO's Interconnection Handbook. The Interconnection Customer's Interconnection Facilities shall be designed, constructed, operated and maintained in accordance with the Participating TO's Interconnection Handbook. In the event of a conflict between the terms of the SGIP and the terms of the Participating TO's Interconnection Handbook, the terms in the SGIP shall govern.

Attachment D – Blacklines Small Generator Interconnection Procedures (SGIP) Compliance Filing ER06-629-____ 4th Replacement CAISO Tariff (MRTU) March 20, 2009

* * *

CAISO TARIFF APPENDIX S

SMALL GENERATOR INTERCONNECTION PROCEDURES (SGIP)

* * *

4.11 Interconnection Handbook Requirements

Interconnection Customer is required to meet the requirements of the applicable Participating TO's Interconnection Handbook. The Interconnection Customer's Interconnection Facilities shall be designed, constructed, operated and maintained in accordance with the Participating TO's Interconnection Handbook. In the event of a conflict between the terms of the SGIP and the terms of the Participating TO's Interconnection Handbook, the terms in the SGIP shall govern.

* * *