



May 23, 2007

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  
Compliance Filing  
Docket No. ER07-569-\_\_\_\_  
Load Scheduling Amendment to the ISO Tariff**

Dear Secretary Bose:

The California Independent System Operator Corporation ("CAISO")<sup>1</sup> hereby submits an original and five copies of a filing in compliance with the Federal Energy Regulatory Commission's ("Commission") April 24, 2007 "Order Accepting Tariff Amendment, With Modifications," 119 FERC ¶ 61,082 (2007) ("April 24 Order"). Two extra copies of this filing are also enclosed. Please stamp these copies with the date and time filed and return them to the messenger.

## **I. BACKGROUND**

On February 23, 2007, the CAISO proposed amendments to its tariff to modify certain aspects of its scheduling and forecast submission requirements ("Load Scheduling Amendments"). The Load Scheduling Amendments, among other things, sought to reduce the minimum scheduling requirement during off-peak hours to 75 percent of each Scheduling Coordinator's Demand forecast and to establish specific exemptions to account for small or infrequent scheduling deviations below the scheduling requirements. In this regard, the Load Scheduling Amendments refined the 95 percent scheduling and Demand forecast reporting requirements set forth in ISO Tariff Amendment No. 72.<sup>2</sup>

On April 24, 2007, the Commission issued the April 24 Order accepting the Load Scheduling Amendments for filing, subject to modification. The April 24

<sup>1</sup> Capitalized terms not otherwise defined herein have the meanings set forth in the Master Definitions Supplement, Appendix A to the ISO Tariff.

<sup>2</sup> *California Independent System Operator Corp.*, FERC Docket No. ER05-1502-000.

Order required the CAISO to submit a compliance filing within 30 days to incorporate specific modifications, which are discussed below.

## **II. CONTENTS OF FILING**

This filing consists of the following:

- This transmittal letter,
- Attachment A – Clean ISO Tariff Sheets for the Load Scheduling Amendment Compliance Filing, and
- Attachment B – Blacklines for the Load Scheduling Amendment Compliance Filing.

## **III. COMMUNICATIONS**

Communications regarding this filing should be addressed to the following individuals, whose names should be placed on the official service list established by the Secretary with respect to this submittal:

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## **IV. DESCRIPTION OF MODIFICATIONS**

The April 24 Order directed the CAISO to make three general modifications to the originally filed Load Scheduling Amendments.

### **1. Monthly Allowance for Minor Scheduling Deviations**

The Load Scheduling Amendments proposed an exemption from the forward scheduling requirement for twelve Minor Scheduling Deviations each

calendar month.<sup>3</sup> The April 24 Order rejected the proposed establishment of Minor Scheduling Deviations.<sup>4</sup> The CAISO reflects this determination by the Commission by deleting proposed ISO Tariff Section 4.5.4.2.1.3,<sup>5</sup> references to that section, and the definition of Minor Scheduling Deviations included in the Master Definitions Supplement, Appendix A to the ISO Tariff.

## **2. Monthly Exemption from \$500 Penalty for Failure to Submit Demand Forecast**

The Load Scheduling Amendments proposed to revise ISO Tariff Section 31.1.4.1 to exempt the first failure in each calendar month by a Scheduling Coordinator to submit the required Demand forecast information from constituting a violation of the ISO Tariff. The April 24 Order rejected this aspect of the changes to ISO Tariff Section 31.1.4.1.<sup>6</sup> Accordingly, this compliance filing deletes the exemption language.

## **3. Extension of *De Minimis* Load Exemption to Weekly Reporting Obligation**

The Load Scheduling Amendments exempted LSEs with peak metered Demand of less than 1 MW during the preceding twelve months within a particular UDC area from both the scheduling and Demand forecast submission requirements. The exemptions were included in ISO Tariff Sections 4.5.4.2.1.1 and 31.1.4.1. In response to a recommendation by Williams Company, which was accepted by the CAISO, the April 24 Order directed the CAISO to extend the exemption for *de minimis* Demand to the weekly reporting obligations included in ISO Tariff Section 31.1.4.2.<sup>7</sup> The extension of the *de minimis* Demand exemption has been incorporated in this compliance filing.

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<sup>3</sup> Minor Scheduling Deviations were defined as the difference between a Day-Ahead Schedule submitted by any Scheduling Coordinator, pursuant to Section 4.5.4.2.1.1, and its Demand Forecast, pursuant to Section 31.1.4.1, within any UDC or MSS Service Area that is (a) greater than the lesser of (i) three (3) MW or (ii) five percent (5%) of that Scheduling Coordinator's Demand Forecast for the relevant UDC or MSS Service Area as set forth in Section 4.5.4.2.1.2, but (b) less than the greater of (i) twenty-five (25) MW or (ii) two percent (2%) of that Scheduling Coordinator's Demand Forecast for the relevant UDC or MSS Service Area.

<sup>4</sup> April 24 Order at P 31.

<sup>5</sup> The CAISO inadvertently designated a rollover sheet as Original Sheet No. 20A in the Load Scheduling Amendments, although that designation had already been used to designate a rollover sheet in the June 12, 2006 compliance filing in Docket No. ER05-1502. The corrected sheet is included in this compliance filing as Original Sheet No. 20.00, which incorporates the deletion of language as directed in the April 24 Order.

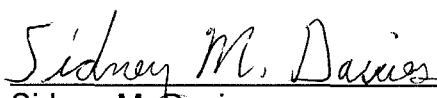
<sup>6</sup> April 24 Order at P 36.

<sup>7</sup> *Id.* at P 41.

**V. CONCLUSION**

For the reasons set forth above, the CAISO respectfully requests that the Commission accept the ISO Tariff provisions as revised in compliance with the Commission's April 24 Order.

Respectfully submitted,

 <sup>BRM</sup>  
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**Attachment A – Clean ISO Tariff Sheets for Load Scheduling Amendment Compliance Filing**

**4.5.4.2.1 Submission of Schedules Sufficient to Meet Forecasted Demand**

**4.5.4.2.1.1** Subject to Sections 4.5.4.2.1.2, each Scheduling Coordinator shall submit to the ISO a Day-Ahead Schedule (1) for each hour ending 7 through 22 of each Trading Day that includes at least ninety-five percent (95%) of that Scheduling Coordinator's Demand Forecast, pursuant to Section 31.1.4.1, for each hour, for each UDC or MSS Service Area, with respect to all entities for which the Scheduling Coordinator schedules in the applicable UDC or MSS Service Areas and (2) for each hour ending 1 through 6, 23 and 24 of each Trading Day that includes at least seventy-five percent (75%) of that Scheduling Coordinator's Demand Forecast for each hour, for each UDC or MSS Service Area, with respect to all entities for which the Scheduling Coordinator schedules in the applicable UDC or MSS Service Areas. For purposes of Section 4.5.4.2.1, the Day-Ahead Schedule shall be either a Revised Schedule pursuant to Section 30.3.4 if one is submitted by the Scheduling Coordinator, or, if the Scheduling Coordinator does not submit a revised Schedule, a Preferred Day-Ahead Schedule pursuant to Section 30.3.1.

The requirements of this section do not apply to (a) the portion of a Scheduling Coordinator's Demand associated with Station Power and (b) the Scheduling Coordinator's Demand within a UDC or MSS Service Area if the Scheduling Coordinator's maximum Demand within that UDC or MSS Service Area during the preceding twelve (12) months was less than one (1) megawatt, provided that this exemption shall not apply to any Scheduling Coordinator that did not submit Schedules for any metered Demand within a UDC or MSS Service Area over the preceding twelve (12) month period.

**4.5.4.2.1.2** Exempt Scheduling Deviations by a Scheduling Coordinator in each UDC or MSS Service Area below the ninety-five percent (95%) and seventy-five percent (75%) scheduling levels specified in Section 4.5.4.2.1.1 shall not be deemed violations of Section 4.5.4.2.1.1.

**4.5.4.3 Dynamic Scheduling.**

Scheduling Coordinators may dynamically schedule imports of Energy, Supplemental Energy, and Ancillary Services (other than Regulation) for which associated Energy is delivered dynamically from System Resources located outside of the ISO Control Area, provided that (a) such dynamic scheduling is technically feasible and consistent with all applicable NERC and WECC criteria and policies, (b) all operating, technical, and business requirements for dynamic scheduling functionality, as posted in standards on the ISO Home Page, are satisfied, (c) the Scheduling Coordinator for the dynamically scheduled System Resource executes an agreement with the ISO for the operation of dynamic scheduling functionality, and (d) all affected host and intermediary Control Areas each execute with the ISO an Interconnected Control Area Operating Agreement ("ICAOA") or special operating agreement related to the operation of dynamic functionality. See the forms of agreement in Attachment A to Appendix X.

**4.5.4.4 Termination of Service Agreement.**

(a) A Scheduling Coordinator's Scheduling Coordinator Agreement may be terminated by the ISO on written notice to the Scheduling Coordinator:

- (i) if the Scheduling Coordinator no longer meets the requirements for eligibility set out in Section 4.5 and fails to remedy the default within a period of seven (7) days after the ISO has given written notice of the default;

purpose of balancing the RMR Contract Energy not otherwise Scheduled to forecast Demand or through an Inter-Scheduling Coordinator Energy Trade. The price for the RMR Contract Energy Scheduled to the RMR Contract Energy Load Point shall be the price paid to Demand deviations from Final Hour-Ahead Schedules.

**31.1.3.5 [Not Used]**

**31.1.4 Demand Information.**

**31.1.4.1 Daily Information.** By 10:00 a.m. on the day preceding the Trading Day, each Scheduling Coordinator shall provide to the ISO a Demand Forecast specified by UDC or MSS Service Area for which it will schedule deliveries for each of the Settlement Periods of the following Trading Day; however, the requirements of this Section shall not apply to (a) the portion of a Scheduling Coordinator's Demand associated with Station Power and (b) the Scheduling Coordinator's Demand within a UDC or MSS Service Area if the Scheduling Coordinator's maximum Demand within that UDC or MSS Service Area during the preceding twelve (12) months was less than one (1) megawatt, provided that this exemption shall not apply to any Scheduling Coordinator that did not submit Schedules for any metered Demand within a UDC or MSS Service Area over the preceding twelve (12) month period. The ISO shall aggregate the Demand information by UDC or MSS Service Area and transmit the aggregate Demand information to each UDC or MSS serving such aggregate Demand.

**31.1.4.2 Preliminary Weekly Information.** Each Scheduling Coordinator shall provide to the ISO, no later than seven (7) days after the end of each week, which shall end at Sunday HE 24, data for the previous week (Monday through Sunday), in electronic format, comparing, for each hour of that week: (1) the Scheduling Coordinator's total Day-Ahead scheduled Demand by UDC Service Area, as submitted pursuant to Section 4.5.4.2, (2) the Scheduling Coordinator's total Day-Ahead Demand Forecast by UDC Service Area, as submitted pursuant to Section 31.1.4.1, and (3) an estimate of the Scheduling Coordinator's actual Demand by UDC Service Area. The requirements of this section do not apply to (a) the portion of a Scheduling Coordinator's Demand associated with Station Power and (b) the Scheduling Coordinator's Demand within a UDC or MSS Service Area if the Scheduling Coordinator's Maximum



Demand within the UDC or MSS Service Area during the preceding twelve (12) months was less than one (1) megawatt, provided that this exemption shall not apply to any Scheduling Coordinator that did not submit Schedules for any metered Demand within a UDC or MSS Service Area over the preceding twelve (12) month period.

**31.1.5** The Preferred Schedule of each Scheduling Coordinator for the following Trading Day shall be submitted at or prior to 10:00 a.m. on the day preceding the Trading Day together with any Adjustment Bids and Ancillary Services bids.

**31.1.6** In submitting its Preferred Schedule, each Scheduling Coordinator shall notify the ISO of any Dispatchable Loads which are not scheduled but have submitted Adjustment Bids and are available for Dispatch at those same Adjustment Bids to assist in relieving Congestion.

under terms approved by a Local Regulatory Authority or FERC, as applicable, or the customer's Load can be curtailed concurrently with an outage of the Generating Unit.

**Meter Data Exchange**

**Format**

The format for submitting Meter Data to the ISO which will be published by the ISO on the ISO Home Page or available on request to the Meter and Data Acquisition Manager, ISO Client Service Department.

**Meter Data Request**

**Format**

The format for requesting Settlement Quality Meter Data from the ISO which will be published by the ISO on the ISO Home Page or available on request to the Meter and Data Acquisition Manager, ISO Client Service Department.

**Metered Quantities**

For each Direct Access End-User, the actual metered amount of MWh and MW; for each Participating Generator the actual metered amounts of MWh, MW, MVar and MVarh.

**Metering Facilities**

Revenue quality meters, instrument transformers, secondary circuitry, secondary devices, meter data servers, related communication facilities and other related local equipment.

**Minimum Load Costs**

The costs a Generating Unit incurs operating at minimum load.

**Month-Ahead System**

**Resource Adequacy**

**Requirements**

The amount of Qualifying Capacity that a RA Entity must reflect in its monthly Resource Adequacy Plan submitted pursuant to Section 40.2.2 in compliance with Resource Adequacy Rules adopted by the CPUC or a Local Regulatory Authority, as applicable.

**Attachment B – Blacklines for Load Scheduling Amendment Compliance Filing**

#### **4.5.4.2.1 Submission of Schedules Sufficient to Meet Forecasted Demand**

**4.5.4.2.1.1** Subject to Sections 4.5.4.2.1.2 and 4.5.4.2.1.3, each Scheduling Coordinator shall submit to the ISO a Day-Ahead Schedule (1) for each hour ending 7 through 22 of each Trading Day that includes at least ninety-five percent (95%) of that Scheduling Coordinator's Demand Forecast, pursuant to Section 31.1.4.1, for each hour, for each UDC or MSS Service Area, with respect to all entities for which the Scheduling Coordinator schedules in the applicable UDC or MSS Service Areas and (2) for each hour ending 1 through 6, 23 and 24 of each Trading Day that includes at least seventy-five percent (75%) of that Scheduling Coordinator's Demand Forecast for each hour, for each UDC or MSS Service Area, with respect to all entities for which the Scheduling Coordinator schedules in the applicable UDC or MSS Service Areas. For purposes of Section 4.5.4.2.1, the Day-Ahead Schedule shall be either a Revised Schedule pursuant to Section 30.3.4 if one is submitted by the Scheduling Coordinator, or, if the Scheduling Coordinator does not submit a revised Schedule, a Preferred Day-Ahead Schedule pursuant to Section 30.3.1.

The requirements of this section do not apply to (a) the portion of a Scheduling Coordinator's Demand associated with Station Power and (b) the Scheduling Coordinator's Demand within a UDC or MSS Service Area if the Scheduling Coordinator's maximum Demand within that UDC or MSS Service Area during the preceding twelve (12) months was less than one (1) megawatt, provided that this exemption shall not apply to any Scheduling Coordinator that did not submit Schedules for any metered Demand within a UDC or MSS Service Area over the preceding twelve (12) month period.

\* \* \*

~~**4.5.4.2.1.3** In addition to the Exempt Scheduling Deviations permitted under Section 4.5.4.2.1.2, the first six (6) Minor Scheduling Deviations during each calendar month by each Scheduling Coordinator in each UDC or MSS Service Area below the ninety-five percent (95%) Day-Ahead scheduling requirement and the first six Minor Scheduling Deviations during each calendar month by each Scheduling Coordinator in each UDC or MSS Service Area below the seventy-five percent (75%) Day-Ahead~~

scheduling requirement, specified in Section 4.5.4.2.1.1, shall not be deemed a violation of Section 4.5.4.2.1.1.

\* \* \*

#### **31.1.4 Demand Information.**

**31.1.4.1 Daily Information.** By 10:00 a.m. on the day preceding the Trading Day, each Scheduling Coordinator shall provide to the ISO a Demand Forecast specified by UDC or MSS Service Area for which it will schedule deliveries for each of the Settlement Periods of the following Trading Day however, the requirements of this Section shall not apply to (a) the portion of a Scheduling Coordinator's Demand associated with Station Power and (b) the Scheduling Coordinator's Demand within a UDC or MSS Service Area if the Scheduling Coordinator's maximum Demand within that UDC or MSS Service Area during the preceding twelve (12) months was less than one (1) megawatt, provided that this exemption shall not apply to any Scheduling Coordinator that did not submit Schedules for any metered Demand within a UDC or MSS Service Area over the preceding twelve (12) month period. The ISO shall aggregate the Demand information by UDC or MSS Service Area and transmit the aggregate Demand information to each UDC or MSS serving such aggregate Demand. ~~The first instance in each calendar month in which a Scheduling Coordinator fails to submit the information required pursuant to this Section shall not be deemed a violation of this Section.~~

**31.1.4.2 Preliminary Weekly Information.** Each Scheduling Coordinator shall provide to the ISO, no later than seven (7) days after the end of each week, which shall end at Sunday HE 24, data for the previous week (Monday through Sunday), in electronic format, comparing, for each hour of that week: (1) the Scheduling Coordinator's total Day-Ahead scheduled Demand by UDC Service Area, as submitted pursuant to Section 4.5.4.2, (2) the Scheduling Coordinator's total Day-Ahead Demand Forecast by UDC Service Area, as submitted pursuant to Section 31.1.4.1, and (3) an estimate of the Scheduling Coordinator's actual Demand by UDC Service Area. The requirements of this section do not apply to (a) the portion of a Scheduling Coordinator's Demand associated with Station Power and (b) the Scheduling Coordinator's Demand within a UDC or MSS Service Area if the Scheduling Coordinator's Maximum Demand within the UDC or MSS Service Area during the preceding twelve (12) months was less than one

(1) megawatt, provided that this exemption shall not apply to any Scheduling Coordinator that did not submit Schedules for any metered Demand within a UDC or MSS Service Area over the preceding twelve (12) month period.

\* \* \*

**Minor Scheduling Deviation**

~~The difference between a Day Ahead Schedule submitted by any Scheduling Coordinator, pursuant to Section 4.5.4.2.1.1, and its Demand Forecast, pursuant to Section 31.1.4.1, within any UDC or MSS Service Area that is (a) greater than the lesser of (i) three (3) MW or (ii) five percent (5%) of that Scheduling Coordinator's Demand Forecast for the relevant UDC or MSS Service Area as set forth in Section 4.5.4.2.1.2, but (b) less than the greater of (i) twenty five (25) MW or (ii) two percent (2%) of that Scheduling Coordinator's Demand Forecast for the relevant UDC or MSS Service Area.~~

\* \* \*

**CERTIFICATE OF SERVICE**

I hereby certify that I have served the foregoing document upon all parties on the official service list compiled by the Secretary in the above-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 23<sup>rd</sup> day of May 2007.

 <sup>BRM</sup>  
Grant Rosenblum  
Grant Rosenblum