

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Duke Energy Moss Landing LLC)	
v.)	Docket No. EL04-130-000
)	
California Independent System)	
Operator Corporation)	

MOTION FOR AN EXTENSION OF TIME

I. INTRODUCTION

The California Independent System Operator Corporation (“ISO”),¹ pursuant to Rule 212 of the Commission’s Rules of Practice and Procedure, 18 C.F.R. § 385.212, hereby respectfully moves for an extension of time to make its ordered compliance filing in the above captioned proceeding. Specifically, the ISO seeks an extension of 30 days to April 18, 2005, to make the required compliance filing ordered by the Commission in its November 19, 2004 Order² in the above named matter.

In support of the Motion, the ISO states the following:

II. BACKGROUND

On September 1, 2004, Duke Energy Moss Landing LLC (“Duke”) filed a complaint under Section 206 of the FPA against the ISO asking that the Commission order that certain of the ISO Tariff provisions covering the netting of generation and station power loads be modified such that a generator could “self

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

² 109 FERC ¶ 61,170 (2004).

supply” all, or some part of their station power requirements from their own generation and that the netting interval be 30 days. The ISO responded to the complaint with a timely answer³ that recognized the ISO Tariff was not in accord with the Commission’s station power decisions in recent orders⁴, but stated that the ISO would need time to work with stakeholders to develop an appropriate proposal with respect to the self-supply of station power for the ISO Market.

In the November 19 Order, the Commission generally granted the Duke complaint and required that the ISO file an amendment to the ISO Tariff within 120 days of the date of the order to conform with the Commission’s current self provision policies on station power following the conclusion of an appropriate stakeholder process.

III. THE STAKE HOLDER PROCESS TO DATE

In accordance with the November 19th Order,⁵ the ISO initiated a significant stakeholder process to enable all parties to contribute to the ISO’s station power proposal and to make certain that any California-specific issues were considered. The first step in this process was the drafting and distribution of a Discussion Paper by ISO staff on the topic of the self-supply of station power. This paper was distributed to Market Participants on December 27, 2004.

³ The ISO’s answer was filed on September 22, 2004.

⁴ Three of the most recent orders covering the self-supply of station power are: Midwest Independent Transmission System Operator, Inc. 106 FERC ¶ 61,073 (2004), KeySpan-Ravenswood, Inc. v. New York Independent System Operator Inc. 101 FERC ¶ 61,230 (2002), rehearing denied, 107 FERC ¶ 61,142 (2004), later clarified, 108 FERC ¶ 61,164, (2004) and PJM Interconnection, LLC, 95 FERC ¶ 61,470, the latest in a series of three orders on the self supply of station power in the PJM market. The most recent order issued by the Commission on this subject was Niagara Mohawk Power Corporation v. Huntley Power et al. 109 FERC ¶ 61,169 (2004). This decision was issued the same day as the Commission’s Order in the above captioned proceeding.

⁵ 109 FERC ¶ 61,170 P 119.

The paper served as the basis for the discussion of the topic during a teleconference on January 5, 2005. Many of the significant Market Participants who buy and sell energy in the ISO Market participated in the call including Duke Energy Company, Southern California Edison Company, and Calpine. In addition, regulatory authorities including the California Public Utilities Commission (“CPUC”) and the California Electricity Oversight Board (“CEOB”) also participated. The ISO asked that written comments and proposals as to the most appropriate methodology for instituting the self-supply of station power be provided to it on, or before, January 12, 2005. Written comments on the discussion paper were offered by eight Market Participants. All of the above materials were posted by the ISO to its website. Using the written comments from the stakeholder/Market Participants as well as the verbal comments provided at the January 5th teleconference, the ISO issued its draft proposal for the self-supply of station power on January 21, 2005.

On February 3, 2005, the ISO held another conference call with Market Participants during which several entities expressed significant interest in additional information, including one-line diagrams and numeric examples, to better illustrate how the ISO’s proposal would work. Additionally, the ISO corrected certain principles that were contained in the January 21 proposal.

On February 4, 2005, the ISO issued a revised proposal, modifying and supplementing the January 21 document. With the issuance of the revised proposal the ISO called for further stakeholder comments to be due on February 11, 2005. Four Market Participants provided additional comments on the revised

proposal. These comments were posted on the ISO website as customary so that all interested parties could review them. The commenters identified significant outstanding questions regarding the ISO's station power proposal. On February 15, 2005, the ISO issued a Market Notice indicating that it would not be taking the station power proposal to its Board of Governors for approval in February and would seek a 30-day extension from the Commission for the final compliance filing. The ISO then considered this next round of written comments and issued a revised status report on February 25, 2005, that provided substantial additional details on the ISO's station power proposal, and proposed a conference call on February 28th to discuss the procedural issues with a second call scheduled for later in the week of February 28th to further discuss the substance of the station power proposal. Even the original complaining party, Duke Energy Moss Landing, has agreed that a 30-day extension of the date for the compliance filing is acceptable.

IV. DISCUSSION

While the ISO has made considerable progress in the development of its final proposal for the self-supply of station power service to bring its tariff provisions into accord with those of recent FERC decisions in the area as outlined above, there are still a series of steps that remain to be taken. These include development of the detailed methodology for metering and settlement of the self-supplied station power, Market Participant comment on this additional detail, development of final tariff language, stakeholder comment on the proposed tariff provisions, a presentation and consideration of the matter by the

ISO Board of Governors, and final filing with the Commission. The ISO also believes that, consistent with the November 19, 2004 Order of the Commission on this matter, it is extremely important that all of its Market Participants have the opportunity to fully comment at each step in the development of the proposal, including the tariff language. In order to see that this requirement is properly implemented the ISO believes that it will need the requested limited extension of time to complete the needed work with its Market Participant/stakeholders and provide the ordered compliance filing to the Commission.

The ISO, accordingly, requests a 30- day extension of time from March 19, 2005 until April 18, 2005, to complete the needed work on the stakeholder process, complete the final proposal, obtain the approval of its Board of Governors and file the final tariff language with the Commission.

WHEREFORE, in the view of the foregoing, the ISO respectfully requests that the Commission grant the instant Motion for and Extension of Time.

Respectfully submitted,

/s/ Gene L. Waas
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General Counsel
Gene L. Waas
Regulatory Counsel

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March 1, 2005



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BY ELECTRONIC TRANSMISSION

The Honorable Magalie Roman Salas
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

**Re: Duke Energy Moss Landing, LLC v. California ISO
Docket No. EL04-130-000**

Dear Secretary Salas:

Enclosed for electronic filing please find a Motion for Extension of Time of the California Independent System Operator Corporation in the above-referenced docket.

Thank you for your assistance in this matter.

Very truly yours,

/s/ Gene L. Waas
Gene L. Waas

Counsel for the California Independent
System Operator Corporation

Enclosures

cc: All parties of record

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in the above proceeding.

Dated at Folsom, CA, this 1st day of March, 2005.

/s/ Gene L. Waas
Gene L. Waas