



November 25, 2014

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. ER14-2574-____
Compliance Filing Errata – Flexible RA Capacity Requirements
Amendment**

Dear Secretary Bose:

The California Independent System Operator Corporation (“CAISO”) submits this compliance filing as an errata to its November 17, 2014 filing that was submitted in compliance with the Federal Energy Regulatory Commission’s Order on Tariff Revisions issued on October 16, 2014 in the captioned docket.¹ This compliance filing corrects tariff Sections 40.10.4 and 40.10.5.1(b) to include revisions required by the October 16 Order that the CAISO inadvertently omitted to include in the initial compliance tariff sheets.

The October 16 Order directed the CAISO to revise Section 40.10.4 to remove the requirement that a resource must have submitted at least one economic bid in the real-time market on at least 10 days in the previous calendar year, or in the most recent 12-month period for which data is available, in order to automatically receive an effective flexible capacity value.² The CAISO discussed deleting this provision in the transmittal letter for its compliance filing but did not reflect the change in the compliance tariff sheets due to administrative oversight. The attached tariff sheets delete the prior-bid requirement, as directed by the Commission.

The October 16 Order directed the CAISO to make the ministerial changes proposed by other parties.³ The CAISO’s compliance tariff sheets inadvertently omitted to include a change proposed by Six Cities to add a provision to Section 40.10.5.1(b) to indicate that the load serving entities’ annual flexible capacity plans need not identify the

¹ *California Indep. Sys. Operator Corp.* 149 FERC ¶ 61,042 (2014) (“October 16 Order”).

² *Id.* at P 90.

³ *Id.* at P 109.

flexible resource adequacy categories. The attached tariff sheets add the language Six Cities proposed to Section 40.10.5.1(b)(2).

The CAISO apologizes for any inconvenience caused by these oversights and respectfully requests that the Commission accept the revised the tariff sheets and corresponding blackline sheets as attached. Attachment A contains clean CAISO tariff sheets reflecting the tariff revisions described above. Attachment B shows these revisions in black-line format.

The CAISO also requests that the Commission grant the CAISO an extension of time to submit this compliance filing, to the extent the Commission considers this filing untimely under the October 16 Order that directed the CAISO to submit a compliance filing within 30 days of the date of the order.

Respectfully submitted,

By: /s/ Beth Ann Burns

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Operator Corporation

Dated: November 25, 2014

CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing document upon the parties listed on the official service list in the 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, CA, this 25th day of November, 2014.

/s/ Sarah Garcia

Sarah Garcia

Attachment A – Clean Tariff Records
Errata to Compliance Filing – Flexible RA Capacity Requirements
California Independent System Operator Corporation

40.10.4 Effective Flexible Capacity

The CAISO shall calculate the Effective Flexible Capacity value for each resource. The CAISO shall publish the draft and final lists of the Effective Flexible Capacity values for such resources and the Flexible Capacity Categories for which each resource qualifies to provide Flexible Capacity on the CAISO Website each year in accordance with the schedule for publishing the Net Qualifying Capacity values, as set forth in the BPM, for use in the next calendar year.

* * *

40.10.5.1 LSE Flexible RA Capacity Plans

- (a) **Submission Requirement.** A Scheduling Coordinator must submit annual and monthly LSE Flexible RA Capacity Plans for each Load Serving Entity it represents; except that an annual plan for 2015 is not required. A Load-Following MSS is not required to submit annual or monthly LSE Flexible RA Capacity Plans.
- (b) **Annual Plan.** Each annual LSE Flexible RA Capacity Plan must –
- (1) demonstrate that the Load Serving Entity has procured for each month at least 90 percent of the annual Flexible RA Capacity requirement determined by the CAISO; or the amount of Flexible RA Capacity required by the Load Serving Entity's Local Regulatory Authority, if the Local Regulatory Authority has set such requirement;
 - (2) identify the resources the Load Serving Entity intends to rely on to provide the Flexible RA Capacity, but need not identify the flexible resource adequacy categories; and
 - (3) include all information and be submitted no later than the last Business Day in October, in accordance with the reporting requirements and schedule set forth in the Business Practice Manual.

Attachment B – Marked Tariff Records
Errata to Compliance Filing – Flexible RA Capacity Requirements
California Independent System Operator Corporation

40.10.4 Effective Flexible Capacity

The CAISO shall calculate the Effective Flexible Capacity value for each resource ~~that submitted at least one Economic Bid for Energy in the Real-Time Market on at least 10 days in the previous calendar year, or in the most recent 12-month period for which data is available.~~ The CAISO shall publish the draft and final lists of the Effective Flexible Capacity values for such resources and the Flexible Capacity Categories for which each resource qualifies to provide Flexible Capacity on the CAISO Website each year in accordance with the schedule for publishing the Net Qualifying Capacity values, as set forth in the BPM, for use in the next calendar year.

* * *

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- (b) **Annual Plan.** Each annual LSE Flexible RA Capacity Plan must –
- (1) demonstrate that the Load Serving Entity has procured for each month at least 90 percent of the annual Flexible RA Capacity requirement determined by the CAISO; or the amount of Flexible RA Capacity required by the Load Serving Entity's Local Regulatory Authority, if the Local Regulatory Authority has set such requirement;
 - (2) identify the resources the Load Serving Entity intends to rely on to provide the Flexible RA Capacity, ~~but need not identify the flexible resource adequacy categories;~~ and
 - (3) include all information and be submitted no later than the last Business Day in October, in accordance with the reporting requirements and schedule set forth in the Business Practice Manual.