

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

**California Independent System)
Operator Corporation)**

**Docket Nos. ER10-2781-000
ER10-1524-000
ER06-615**

**ANSWER OF THE
CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION
TO MOTIONS TO INTERVENE AND COMMENTS**

Pursuant to Rules 212 and 213 of the Commission's Rules of Practice and Procedure, the California Independent System Operator Corporation (ISO) hereby submits its answer to the motions to intervene and comments submitted by the other parties in response to the ISO's September 20, 2010 compliance filing in this proceeding (Compliance Filing).

I. Background

On June 22, 2010, the ISO filed proposed modifications to the ISO Tariff in order to extend the Standard Capacity Product (SCP) to resource adequacy resources with historical qualifying capacity that had been temporarily exempted from the SCP provisions. By Order dated August 20, 2010, the Commission accepted the ISO's proposed tariff amendments subject to additional tariff modifications.¹ The Commission directed the ISO to submit the required tariff modifications within 30 days of the date of the order.

On September 20, 2010, the ISO submitted a compliance filing to amend ISO Tariff Sections 40.9.2(2), (3), and (4) (Exemptions), Section 40.9.4.2 (Availability Calculation for a Resource Adequacy Resource), and Section 40.9.6

¹ *California Indep. Sys. Operator Corp.*, 132 FERC ¶ 61,148 (2010) ("August 20 Order")

(Non-Availability Charges And Availability Incentive Payments) to effectuate the changes required by the August 20 Order.

On October 12, 2010, Pacific Gas and Electric Company and the California Public Utilities Commission filed motions to intervene in this docket, and the Cities of Anaheim, Azusa, Banning, Colton, Pasadena and Riverside, California ("Six Cities") filed a motion to intervene and comments questioning the effective dates of certain tariff modifications.

II. Answer

The ISO has no objection to the requested interventions. In response to the comments by Six Cities, the ISO confirms that, consistent with the August 20 Order, the modifications to ISO Tariff Section 40.9.6.3 became effective on June 22, 2010 and ISO Tariff Sections 40.9.2(2), 40.9.2(3), 40.9.4.1 and 40.9.4.2.1(1) became effective and applicable to resource adequacy resources with historical qualifying capacity on August 22, 2010.

The remaining tariff amendments will become effective on January 1, 2011 consistent with the August 20 Order, subject to further order of the Commission on the tariff modifications proposed in the ISO's Compliance Filing. As noted by Six Cities, the January 1, 2010 date referenced in the ISO's Compliance Filing as the effective date for the remainder of the tariff amendments is a typographical error. The ISO requests an effective date of January 1, 2011 for those provisions.

III. Conclusion

For the foregoing reasons, the CAISO respectfully requests that the Commission approve the Compliance Filing as proposed and discussed herein, without suspension or hearing.

Respectfully submitted,

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Dated October 27, 2010

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-captioned docket, in accordance with the requirements of Rule 2010 of the Commission Rules of Practice and Procedure (18 C.F.R. §385.2010).

Dated this 27th day of October, 2010 at Folsom, California.

/s/ Anna Pascuzzo
Anna Pascuzzo