UNITED STATES OF AMERICA BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

)

Valley Electric Association, Inc.

Docket ER13-49-000

MOTION TO INTERVENE AND COMMENTS OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION

The California Independent System Operator Corporation ("ISO") respectfully files this motion to intervene and comments in the above referenced proceeding.¹ This proceeding concerns the October 9, 2012 submission of a transmission revenue requirement and transmission owner tariff by Valley Electric Association, Inc. ("Valley Electric"). The ISO's intervention is premised on the agreements entered into with Valley Electric to become a participating transmission owner in the ISO balancing authority area.

I. Background

On October 13, 2011, Valley Electric and the ISO entered into an agreement, which provides a process for Valley Electric to become an ISO participating transmission owner ("Transition Agreement"). The Transition Agreement was filed with the Commission on October 14, 2011, in Docket

¹ The ISO makes this filing pursuant to Rules 212 and 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. §§ 385.212 and 385.214. The ISO requests that the Commission grant its motion to intervene because the ISO is the counter-party to the Transition Agreement, a party to the Transmission Control Agreement, and administers the participating transmission owner application process. As such, the ISO has a direct and substantial interest in this proceeding, and requests that it be permitted to intervene. Because no other party can adequately represent the ISO's interests in this proceeding, the ISO's intervention is in the public interest and should be granted.

No. ER12-84-000, and on December 14, 2011, the Commission issued an order accepting the Transition Agreement without change.² On September 12, 2012, Valley Electric and the ISO entered into an amendment to the Transition Agreement, which was filed with FERC on September 13, 2012, in Docket ER12-2623-000. The amendment to the Transition Agreement further defines the upgrades under construction on Valley Electric's high voltage system that will be turned over to ISO operational control on the transition date. The amendment also describes certain planned upgrades on Valley Electric's low voltage transmission system, which will also be turned over to ISO operational control when they are complete. The amendment was accepted by Commission letter order dated October 15, 2012.

In June 2012, Valley Electric submitted its completed application to become a participating transmission owner with the ISO in accordance with Article 4 of the Transition Agreement, Section 2.2 of the Transmission Control Agreement, and the Section 4.3 of the ISO tariff. On September 13, 2012, the ISO Board of Governors accepted Valley Electric's application to become a participating transmission owner. The proposed Transmission Control Agreement changes to include Valley Electric as a

2

Cal. Indep. Sys. Operator Corp., 137 FERC ¶ 61,194 (2012)

participating transmission owner were filed with the Commission on October 10, 2012, and are pending in Docket No. ER13-71-000.

II. Comments

The ISO supports the addition of Valley Electric as a new participating transmission owner in accordance with the Transition Agreement, the Transmission Control Agreement, and the ISO tariff. The ISO has worked with Valley Electric, interested stakeholders, third parties, state and governmental interests, and others to implement the provisions of these ISO agreements with Valley Electric. Accordingly, the ISO supports the Commission's consideration of the filings made by Valley Electric in this proceeding consistent with these agreements and the ISO tariff.

III. Description of the ISO and Communications

The ISO is a non-profit public benefit corporation organized under the laws of the State of California with its principal place of business at 250 Outcropping Way, Folsom, CA 95630. The ISO is the balancing authority responsible for the reliable operation of the electric grid comprising the transmission systems of a number of utilities, including SCE, and administers the generator interconnection procedures applicable to those facilities. The ISO requests that all communications and notices concerning this motion and these proceedings be provided to:

3

Judith B. Sanders Senior Counsel California Independent System Operator Corporation 250 Outcropping Way Folsom, CA 95630 Tel: (916) 608-7143 Fax: (916) 608-7222 E-mail: jsanders@caiso.com Daune Kirrene Contracts Negotiator California Independent System Operator Corporation 250 Outcropping Way Folsom, CA 95630 Tel: (916) 608-7058 Fax: (916) 351-2487 E-mail: dkirrene@caiso.com

IV. Conclusion

The ISO requests that the Commission grant the ISO's motion to intervene

and accept these comments.

Respectfully submitted By: /s/ Judith B. Sanders

Nancy Saracino General Counsel Anthony Ivancovich Deputy General Counsel Judith B. Sanders Senior Counsel California Independent System Operator Corporation 250 Outcropping Way Folsom, CA 95630 Tel: (916) 608-7143 Fax: (916) 608-7222 jsanders@caiso.com

Attorneys for the California Independent System Operator Corporation

Dated: October 30, 2012

CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing document upon all of the parties listed on the official service list for 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, California this 30th day of October 2012.

Isl Anna Pascuzzo Anna Pascuzzo