## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

	)	
Order Instituting Rulemaking to Revise	)	
and Clarify Commission Regulations	)	R.08-11-005
Relating to the Safety of Electric Utility	)	(Filed November 6, 2008)
and Communications Infrastructure	)	
Provider Facilities.	)	
	)	

### PRE-HEARING CONFERENCE STATEMENT OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION

Nancy Saracino, General Counsel Anthony Ivancovich, Assistant General Counsel Andrew Ulmer, Senior Counsel CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION 151 Blue Ravine Road

Folsom California 95630 Tel. (916) 608-7209 Fax. (916) 608-7296 Email: aulmer@caiso.com Jeffrey P. Gray
DAVIS WRIGHT TREMAINE LLP
Suite 800
505 Montgomery Street
San Francisco, CA 94111-6533
Tel. (415) 276-6500
Fax. (415) 276-6599
Email: jeffgray@dwt.com

Attorneys for California Independent System Operator Corporation

Dated: October 6, 2009

#### BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Revise and Clarify Commission Regulations	)	D 00 11 005
Relating to the Safety of Electric Utility and Communications Infrastructure	)	R.08-11-005 (Filed November 6, 2008)
Provider Facilities.	)	
	)	

### PRE-HEARING CONFERENCE STATEMENT OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION

Pursuant to the September 22, 2009 ruling of Administrative Law Judge Timothy Kenney ("ALJ Ruling"), the California Independent System Operator Corporation ("ISO") submits this pre-hearing conference statement.

During Phase 1 of this proceeding, the ISO filed reply comments explaining the ISO's role in maintaining and inspecting electric transmission facilities under its operational control. In particular, the ISO described that, consistent with California Public Utilities Code section 348 and Federal Energy Regulatory Commission ("FERC") approved Transmission Control Agreements, the ISO has established *performance* standards applicable to these transmission facilities. The purpose of the ISO's standards is to provide high quality, safe, and reliable service.

Pursuant to these standards, each participating transmission ("PTO") owner prepares its own maintenance practices. The ISO assesses the effectiveness of each PTO's maintenance practices through an availability performance monitoring system. The ISO also performs limited site and record reviews on an annual basis to ensure PTOs are following their respective maintenance practices developed pursuant to the Transmission Control Agreement.

<sup>&</sup>lt;sup>1</sup> See ISO Phase 1 Reply Comments (April 8, 2009).

Among the issues identified for Phase 2 of this proceeding is whether the prescriptive inspection and maintenance requirements of General Order 165 should apply to electric transmission facilities.<sup>2</sup> The ALJ Ruling provides that Phase 2 "may consider safety-related regulations for electric transmission facilities, provided such regulations do not conflict with" the FERC-jurisdictional contracts and standards that govern electric transmission facilities under the ISO's operational control.<sup>3</sup>

The ISO appreciates the Commission's acknowledgment of the need to consider overlapping jurisdictional issues and urges the Commission to not adopt duplicative inspection and maintenance requirements for electric transmission facilities under the ISO's operational control. The ISO intends to participate in any workshops, hearings, and briefings during Phase 2 addressing this issue. At this time, the ISO has no comments with respect to other issues identified in the ALJ Ruling.

Nancy Saracino, General Counsel Anthony Ivancovich, Assistant General Counsel Andrew Ulmer, Senior Counsel CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION

151 Blue Ravine Road Folsom California 95630 Tel. (916) 608-7209 (916) 608-7296

Email: aulmer@caiso.com

Dated: October 6, 2009

Respectfully submitted,

/s/ Jeffrey P. Gray Jeffrey P. Gray DAVIS WRIGHT TREMAINE LLP Suite 800

505 Montgomery Street

San Francisco, CA 94111-6533

(415) 276-6500 Fax. (415) 276-6599 Email: jeffgray@dwt.com

Attorneys for California Independent **System Operator Corporation** 

<sup>&</sup>lt;sup>2</sup> Decision 09-08-029, mimeo at 10-11; see also ALJ Ruling at 3, 5.

<sup>&</sup>lt;sup>3</sup> See ALJ Ruling at 4-5.

#### **CERTIFICATE OF SERVICE**

I, Judy Pau, certify:

I am employed in the City and County of San Francisco, California, am over eighteen years of age and am not a party to the within entitled cause. My business address is 505 Montgomery Street, Suite 800, San Francisco, California 94111.

On October 6, 2009, I caused the following to be served:

# PRE-HEARING CONFERENCE STATEMENT OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION

enclosed in a sealed envelope, by first class mail on the parties listed as "Parties" and "State Service" on the attached service list who have not provided an electronic mail address, and via electronic mail to all parties on the service list who have provided the Commission with an electronic mail address.

<u>/s/ Judy Pau</u>	
Judy Pau	