

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

Open Access Same-Time Information)
System) Docket No. RM98-3-000
)
)

**COMMENTS OF THE
CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION
ON THE COMMISSION'S NOTICE OF PROPOSED RULEMAKING**

I. INTRODUCTION

The California Independent System Operator Corporation ("ISO") respectfully submits these comments in response to the Commission's Notice of Proposed Rulemaking ("NOPR") dated July 29, 1998. Open Access Same-Time Information System, 63 Fed. Reg. 42296 (1998). The ISO greatly appreciates the opportunity to address the issues contained in the NOPR concerning the operation of Open Access Same-Time Information ("OASIS") Systems. As discussed herein, the ISO seeks to clarify certain language used in the proposed rulemaking, and propose certain modifications to the NOPR that will improve the ability of the OASIS to support the new electric marketplace. The ISO would also like to express its support for the separate comments being submitted by the Oasis How Working Group.

II. BACKGROUND

A. The ISO

The ISO is a non-profit public benefit corporation organized under the laws of the State of California and responsible for the reliable operation of a grid initially comprising the transmission systems of Pacific Gas and Electric Company, Southern California Edison Company and San Diego Gas & Electric Company as well as the coordination of the competitive electricity market in California. The ISO Tariff requires the ISO to post electronically on “WEnet” – an electronic bulletin board – information concerning the status of the ISO controlled grid and the availability of transmission.¹

WEnet meets all of the objectives of the Commission’s OASIS requirement adopted in Order No. 889 by providing market participants with the transmission related information they need to transact effectively in the marketplace. In particular, WEnet provides day-ahead and hour-ahead forecasts for each hour of the total demand by zone, interzonal congestion prices, intrazonal congestion, if any, total regulation and reserve service capacity reservation costs, total capacity of inter-zonal interfaces, available capacity of interzonal interfaces and potential overgeneration conditions.² It also provides, on an ex post basis, for each hour, total demand by zone, total aggregate energy from generators, five-minute ex-post prices, and net regulation and reserve services capacity reservation costs.³ The ISO also uses WEnet to inform market participants of the usage charges at interzonal interfaces, and to provide an interface for information exchange and the issuance by the ISO of operating orders.⁴

¹Capitalized terms used herein and not defined are used with the meanings given in the Master Definitions Supplement, Appendix A to the ISO Tariff.

²See Section 6.1.2.2.2 of the ISO Tariff.

³See Section 6.1.2.2.3 of the ISO Tariff.

⁴See Sections 6.1.2.1, 6.1.2.3 and 6.1.2.5 of the ISO Tariff

Although WEnet will provide market participants with the information needed to transact in and through California's restructured marketplace, it does not provide all of the information enumerated in Section 37.6 of the Commission's regulations regarding the information to be posted on an OASIS. Much of the specific information identified in that regulation is designed to facilitate the provision of transmission service in a physical rights model with identified contract paths. In particular, it calls for the posting of the available transmission capability ("ATC") over identified paths, on both a firm and a non-firm basis, as well as changes in ATC over constrained paths as it changes do to transactions being reserved or services ending. Much of the information that is useful in a physical right, contract path regime is irrelevant under the financial rights model established in the ISO Tariff.

In its October 30, 1997 Order, the Commission granted the ISO waiver of certain OASIS requirements on an interim basis "because the proposed WEnet meets the current needs of WEPEX Market Participants, including the ISO's Transmission Customers." Pacific Gas and Electric Company, et al., 81 FERC ¶ 61,122, 61,460 (1997). The Commission stated that the ISO would have to modify WEnet in the future to accommodate the proposal for firm transmission rights as required by the Commission's July 30, 1997 Order. Id. The ISO appreciates the Commission's consideration of the specific circumstances of the California market in granting the interim waiver and urges the Commission to continue to recognize these unique elements.

B. The July 29, 1998 NOPR

In the NOPR, the Commission proposes: (1) to extend the retention period and availability of information on curtailments and interruptions and require this information to include other uses of the congested path at the time of the curtailment or interruption; (2) to clarify that OASIS nodes must have the capability

to allow OASIS users to make file transfers and computer-to-computer file transfers and inquires; (3) to ensure that OASIS users are provided access for making automated queries or extensive requests for data; and (4) to permit Responsible Parties, under certain circumstances, to limit a user's access to the node. 63 Fed. Reg. at 42296. The Commission requested comments on certain specific topics, including whether the information will increase market participant's knowledge and improve the function of the markets. Id. at 42297.

III. SPECIFIC COMMENTS

A. Supporting Information on Curtailments and Interruptions

The Commission proposes to amend 18 CFR 37.6(e)(3)(ii) to extend the retention period and availability of information on curtailments and interruptions from 60 days to three years and require this information to include other uses of the congested path at the time of such incidents. 63 Fed. Reg. at 42300.

First, the ISO notes that WEnet does not currently provide the capability to determine curtailment information for each of the ISO's Scheduling Coordinators on internal paths. This is due to the fact that Scheduling Coordinators do not directly schedule on these paths. As described above, information concerning a physical right, contract path regime is irrelevant under the financial rights model established in the ISO Tariff. The ISO can provide curtailment information and data on remaining usage on a congested path for all external paths connecting to the Control Area.

Second, the ISO supports the position of the How Working Group that the existing data can be voluminous. Accordingly, the Commission should clarify that OASIS systems will only be required to provide 60 days of audit information on-line, while the three years of audit information will be maintained off-line in electronic format. Each OASIS system could contain instructions on the procedure for an interested party to request this off-line information. Moreover,

this supporting information must be clearly defined and be consistent across OASIS nodes. The schedule and curtailment templates in the S&CP need to be revisited and examined by the industry to ensure that the information provided by them will be relevant, consistent, and complete.

B. Terminology with Respect to “File Transfers”

The Commission proposes to amend 18 CFR 37.6 to clarify that OASIS nodes must have the capability to allow OASIS users to make file transfers and automated computer-to-computer file transfers and queries;” as well as all subsequent references to file transfers. 63 Fed. Reg. at 42300. The ISO supports the recommendation of the How Working Group that the Commission replace references to “file transfers” with references to the upload and download specifications in the S&CP, which specify using HTTP protocol using the Comma Separated Values (“CSV”) format, with “Content-type: text/x-oasis-csv.” The Commission should clarify that the S&CP upload/download methodology is the only form of file transfer required.

C. Limiting a User’s Access to an OASIS Node

The Commission also proposes to add 18 CFR 37.5(d) to allow Responsible Parties, under certain circumstances, to limit a user's access to the node if that user's grossly inefficient method of accessing an OASIS node or obtaining information from the node degrades the performance of the node.” Id. The Commission, however, would require that the Responsible Party obtain Commission approval before access to the OASIS could be restricted. Id.

While the ISO appreciates the Commission’s recognition that action may need to be taken to prevent a particular user from degrading the performance of the OASIS, the ISO is concerned that the requirement to seek and obtain Commission approval prior to limiting access may substantially impair the functioning of the OASIS to the detriment of other market participants.

An example of a user “mistake” is a command which cause the user’s system to inadvertently request more than the user desires or to repeatedly request the same data over and over again. These undesired information requests can cause all other users to have poor response times, experience frequent access failures, or become completely blocked from the OASIS node. With Internet technology, it is very difficult to “limit” or slow down a specific user’s access, since the user is in charge of initiating the access and can continuously make new requests. The only practical response to this conditions, to “disconnect” a user by blocking access to a node by that user’s Internet protocol (“IP”) address.

The Commission must recognize that OASIS nodes are operational 24 hours a day, 7 days a week. Waiting for business hours to contact FERC, and waiting for FERC to investigate and respond to requests to “disconnect” a user, could result in loss of access by many users to the transmission services marketplace through the OASIS system. These users would be forced to return to the use of phone and fax, and would thus seriously decrease market visibility.

The ISO believes that Responsible Party administrators of an OASIS node need to be given the authority to block access by users who have seriously impacted other users, including acting unilaterally to disconnect the user. At the same time, these administrators could be required to follow a specific procedure such as notification of the Commission Compliance Office of any such instance as soon as practical, to work with the user to resolve the issues, and to provide FERC with a closure report describing the problem and the resolution.

IV. CONCLUSION

The ISO appreciates the opportunity to provide comments on the Commission’s July 29, 1998 NOPR and hopes that the Commission will consider these comments and those of the Oasis How Working Group as it proceeds to finalize its rule. The ISO also hopes that the Commission will continue to

recognize unique aspects of the California market as it refines the OASIS requirements.

Respectfully submitted,

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Dated: September 22, 1998

September 22, 1998

The Honorable David P. Boergers
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Re: Open Access Same-Time Information System - Notice of Proposed Rulemaking; Docket No. RM98-3-000

Dear Secretary Boergers:

Enclosed is an original and fourteen copies of: (1) Motion of the California Independent System Operator Corporation for Leave To File Comments One Day Out of Time and (2) the Comments of the California Independent System Operator Corporation on the Commission's July 29, 1998 Notice of Proposed Rulemaking in the above-captioned docket.

Also enclosed is an extra copy of the filing to be time/date stamped and returned to us by the messenger. Thank you for your assistance.

Respectfully submitted,

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Enclosures

