

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

California Independent System Operator Corporation))))	Docket Nos. EC96-19-_____ ER96-1663-_____
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**SUBMISSION BY THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR
CORPORATION OF REVISED STAGING PLAN NO. 6**

I. INTRODUCTION

In compliance with the Commission's October 30, 1997 order in the above-referenced proceeding,¹ the California Independent System Operator Corporation ("ISO") respectfully submits the ISO's Revised Staging Plan No. 6. Contemporaneous with this submission, a copy of Revised Staging Plan No. 6 will be posted on the ISO's Home Page (www.caiso.com).

II. BACKGROUND

In its July 30, 1997 order, the Commission instructed the ISO to file a staging plan that would indicate when the ISO planned to implement those aspects of the California restructuring proposal that would not be implemented by the ISO Operations Date.² In its subsequent October 30 Order, the Commission directed the ISO to:

file with the Commission quarterly status reports regarding the status of the restructuring implementation, with particular emphasis on any significant changes in operations or timing that are anticipated, and we will respond as necessary. The Commission clarifies that these status

1 Pacific Gas and Electric Company, 81 FERC ¶ 61,122 (October 30, 1997) ("October 30 Order").

2 Pacific Gas and Electric Company, 80 FERC ¶ 61,128 at 61,419-20 (July 30, 1997).

reports would be filed to inform the Commission and the parties; we do not intend to notice these reports for public comments.³

Revised Staging Plan Nos. 1, 2, 3, 4, and 5 were filed on November 21, 1997, January 7, 1998, April 6, 1998, July 22, 1998, and October 19, 1998 respectively.

Revised Staging Plan No. 4 was submitted in a different and more detailed format than prior staging plans. This format included an attached matrix containing the following information: (1) an expanded list of work items, (2) a description of each item, (3) a priority attached to each item, and (4) a target date for implementation of each item. The process by which these work items were prioritized involved significant participation by ISO market participants, as described in the July 22 Staging Plan No. 4 submittal. Priority 1 was assigned to those items essential to maintaining ISO Control Area reliability, ISO market operations, and assuring ISO settlement integrity. Priority 2 items were defined as those critical to improving Control Area reliability, market operations, and settlement integrity. Those items which were not deemed necessary or critical to these goals but which were otherwise viewed as desirable by the ISO and the market participants were designated as Priority 3 items. Revised Staging Plan No. 5, submitted on October 19, 1998, followed the same format and prioritization as Revised Staging Plan No. 4, and included a number of new work items, most of which were related to the ISO's efforts to address issues involving the ISO's Ancillary Services markets.

The ISO now submits Revised Staging Plan No. 6, in the same format as the previous two plans, in order to apprise the Commission, the parties to this proceeding,

3 October 30 Order, 81 FERC at 61,444.

and other stakeholders of the current status of its implementation plans. As discussed in further detail below, several work items have been completed, and a number of new work items have been identified, since the Revised Staging Plan No. 5 was filed. However, before discussing Revised Staging Plan No. 6, the ISO notes that, in the near future, it will engage in a comprehensive review of all work items and their relative priorities.

The need for a comprehensive review has been driven by two central factors. First, the March 1, 1999 Ancillary Service Redesign filing ordered by the Commission⁴ will necessarily affect the priorities and the target release dates for several work items. The ISO and stakeholders initially identified over 30 projects for potential inclusion in the March 1, 1999 Ancillary Service Redesign filing. This list has been narrowed to five or six items that are being presented to the ISO Governing Board today. After receiving Board approval of the projects to be included in the March 1, 1999 filing, these items will be incorporated into the existing prioritization matrix.

In addition, the Ancillary Service Redesign project began with the filing of Amendment No. 13 to the ISO Tariff on December 11, 1998 (Docket No. ER99-896-000) and the ISO is devoting significant resources to the work items to implement the proposed tariff revisions (i.e., the tariff changes relating to nonpayment for uninstructed deviations, billing based on metered demand, and Transmission Owner debits). As a result of these efforts as well as efforts to implement software changes related to Firm

4 AES Redondo Beach, L.L.C., 85 FERC ¶ 61,123, at 61,462 (1998).

Transmission Rights, the ISO has had to adjust the target release dates for other work items. While some of these adjusted release dates are reflected in the attached matrix, the ISO believes further adjustment will be necessary after completion of its comprehensive review of all work items.

The second main factor requiring a comprehensive review of the prioritization list is the need to ensure that ISO systems are Year 2000 ("Y2K") compliant by June 1999. The ISO has had to devote significant resources to this task. Finally, in addition to the Y2K requirements and the Ancillary Service Redesign project, the comprehensive review will reflect the reprioritization and addition of various work items arising from the ISO's other ongoing stakeholder processes. The ISO intends to incorporate the results of the comprehensive review, including any reordering of priorities and further revision of target release dates, in Revised Staging Plan No. 7, to be filed with the Commission in April 1999.

III. REVISED STAGING PLAN NO. 6

The ISO has fully completed 14 work items identified as still in progress in Revised Staging Plan No. 5. The ISO has also completed stages or elements of various other work items, as indicated in the Comments column of the attached matrix.

The fully completed work items include the following:

Item Number	Description
5	Enhancements to the interface between the ISO's SI/SA and BITS Systems to allow automatic feedback of certain information such as real time intertie schedules
9.1	Modifications to the ISO's Energy Management System to improve spinning and operating reserve calculation
13	Enhancement of Settlement model to support individual intertie schedules
17	Modifications to the Metering Data Acquisition System to provide for

	authentication of submitted data and testing to assure Scheduling Coordinator authorization to submit data for a resource
19	Utilization of Alhambra platforms as test environment for system testing prior to rollover into production
105	Modifications to Settlement software to ensure that Ancillary Services at interties will be properly settled
106	Enhancements to ISO's BBS System to permit bulk loading of spreadsheets
112	Enhancements to the Energy Management System to expand displays on operating reserve requirements and actual unit availability data
115	Enhancements to the Energy Management System to provide additional logging capability and trend display
117	Enhancements to the Energy Management System to provide X-Y plotting capability in displays
118	Enhancements to the Energy Management System to provide new tabular displays to correspond to histogram displays
121	Modifications to the Energy Management System to provide AGC suspended status points
124	Addition of feature to the Energy Management System to limit changes in ISO regulation limits to periods when Area Control Error is greater then dispatcher enterable value
48	Modifications to the ISO's Metering Data Acquisition Processing System to provide acknowledgement of Scheduling Coordinator submittal of meter data via MDEF files

Since submitting Revised Staging Plan No. 5, the ISO has identified a number of new work items, all of which have been initially designated as Priority 1. The new work items can be found on page 29 of the attached matrix. The ISO has fully completed Items 127 and 130, new work items related to the RMR invoice format and E & Y settlement system support, as noted on page 29 of the attached matrix. Certain other work items included in Revised Staging Plan No. 5 have been deleted. Some of the deleted work items have been combined with other existing work items as reflected in the attached matrix.

As noted above, target release dates of a number of items have been revised to reflect the commitment of resources to other projects. As a result, the target release dates of many items have been designated as "on hold" or subject to revision pending final determinations on the ISO's Ancillary Services Redesign and/or further

stakeholder input. Similarly, most Priority 3 items currently have a target release date of "to be determined" pending completion of the comprehensive prioritization review described above. Any further revisions to these dates will be reflected in Revised Staging Plan No. 7.

IV. CONCLUSION

For all the foregoing reasons, the California Independent System Operator Corporation respectfully submits Revised Staging Plan No. 6.

Respectfully submitted,

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Attorneys for the California Independent System Operator Corporation

Date: January 28, 1999

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing ISO Revised Staging Plan No. 6 upon each person designated on the official service list compiled by the Secretary in the above-referenced dockets, in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.2010 (1998).

Dated at Washington, D.C. on this 28th day of January, 1999.

David B. Rubin
Sean A. Atkins

January 28, 1999

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

Re: California Independent System Operator Corporation
Docket Nos. EC96-19-_____ and ER96-1663-_____

Dear Secretary Boergers:

Enclosed for filing is the California Independent System Operator Corporation's Revised Staging Plan No. 6. An additional copy of the filing is also enclosed. Please stamp the additional copy with the date and time filed and return it to the messenger.

Thank you for your assistance in this matter.

Respectfully submitted,

Edward Berlin
Kenneth G. Jaffe
David B. Rubin
Sean A. Atkins

Attorneys for the California
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