

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

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|--------------------------------------|----------|---------------------------------|
| California Independent System |) | Docket Nos. ER98-997-000 |
| Operator Corporation |) | ER98-1309-000 |

**UNOPPOSED JOINT MOTION FOR SUSPENSION
OF THE PROCEDURAL SCHEDULE AND REQUEST
FOR WAIVER OF TIME FOR FILING ANSWERS**

To: The Honorable Delbert R. Terrill, Jr.
Presiding Administrative Law Judge

Pursuant to Rule 212 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission ("Commission"), 18 C.F.R. § 385.212 (1998), the California Independent System Operator Corporation ("ISO") and the Cogeneration Association of California ("CAC") (collectively the "joint movants") respectfully request that the Presiding Judge suspend the procedural schedule established by order issued on November 19, 1998 in this proceeding, as modified by the Presiding Judge's Order Granting Extension of Procedural Schedule issued on March 19, 1999. The joint movants also request that the Presiding Judge waive the time permitted for filing answers to this motion because all active participants in this proceeding either support or do not oppose the motion. In support of this request, the joint movants state as follows:

1. The instant proceeding involves a number of issues related to the ISO's Participating Generator Agreements ("PGAs") as applicable to Qualifying Facilities ("QFs").¹

¹ Capitalized terms not otherwise defined herein are used as defined in the Master Definitions Supplement, Appendix A to the ISO Tariff.

2. The above-captioned dockets have been severed from an ongoing proceeding involving the generally applicable terms and conditions of the PGAs in Docket Nos. ER98-992-000 et al. Pursuant to discussions held at a prehearing conference in that proceeding on November 18, 1998, and consistent with certain proposals of CAC and the Commission Trial Staff ("Trial Staff"), the ISO filed, that same day, a Motion to Sever Certain Dockets from the consolidated proceeding. In the Motion to Sever, the ISO committed itself to initiating a stakeholder process to develop a new QF-specific PGA to be filed in the severed dockets by a date certain, after certain milestones were met.

3. On November 19, 1998, the Chief Administrative Law Judge issued an order severing the above-captioned dockets from the consolidated proceeding in Docket Nos. ER98-992-000 et al. and setting the severed dockets for separate hearing. On the same date, the Presiding Judge issued an order establishing a procedural schedule in the instant proceeding ("November 19 Order"). The Presiding Judge's November 19 Order established a timetable for negotiation and submission of a QF-specific pro forma PGA and an Offer of Settlement. The procedural order also set forth an accelerated schedule for the submission of testimony and exhibits and the commencement of hearing procedures which was to go into effect if certain milestones were not met.

4. As described more fully in the Joint Motion for Extension of the Procedural Schedule filed in the above-captioned proceeding on March 17, 1999 ("March 17 Motion"), from December 1998 through March 1999, the active participants engaged in ongoing negotiations to resolve various issues in this proceeding and to develop a pro forma QF PGA with the input of various California stakeholders. As explained in the March 17 Motion, although the parties did not resolve all outstanding issues within that period, these negotiations did result in significant

progress toward a settlement, including agreements in principle on a number of technical and operational issues related to QFs.

5. Although significant progress towards a settlement had been made, the ISO, pursuant to the procedural schedule, submitted the Prepared Direct Testimony of Michael Dozier on March 15, 1999. Under the procedures established by the Presiding Judge's November 19 Order, intervenor direct testimony would have been due by March 22 and the direct testimony of the Trial Staff would have been due by March 29, 1999. In the March 17 Motion, the ISO and the CAC requested an extension of the procedural schedule established by the November 19 Order by thirty-six (36) days and indicated that they believed the extension would provide sufficient time for the participants to attain a negotiated resolution of these matters. The Presiding Judge granted the requested extension by order issued on March 19, 1999.

6. On March 23, 1999, the participants met to discuss issues which had not yet been resolved, and on April 9, 1999, a conference call was held to discuss draft documents which had been circulated as proposals for resolution of disputed issues. The participants believe that an agreement in principle was reached during the conference call. Since the conference call, the ISO has circulated draft settlement documents, including a revised QF PGA which was circulated on April 21, 1999. Participants have been unable to fully examine the revised QF PGA to determine the extent to which it, and other documents, reflect the consensus reached at the April 9 conference call. Under the revised procedural schedule, intervenor direct testimony is due by April 27, 1999 and the direct testimony of the Trial Staff is due by May 4, 1999. The joint movants believe that instead of exchanging testimony, the next several weeks may be more efficiently used examining and revising draft settlement documents to reflect the consensus reached at the April 9 conference call.

7. The ISO and the CAC therefore respectfully request that the Presiding Judge suspend the procedural schedule. The joint movants think that the active participants will be able to finalize an agreement in principle on all outstanding issues in this proceeding and to incorporate that agreement into an Offer of Settlement to be filed within thirty (30) days, by May 27, 1999. Should a finalized agreement in principle not be reached within that time, however, the joint movants commit to filing a status report by May 27 which describes the status of the efforts of the active participants and, if necessary, requests a resumption of the procedural schedule.

8. The joint movants are authorized to state that the Independent Energy Producers Association supports this motion and that the Trial Staff does not oppose the relief requested in this motion. Because all active participants in this proceeding either support or do not oppose this motion, and because intervenor testimony would otherwise be due this week, the joint movants request that the time for filing answers to this motion be waived and that the Presiding Judge act on this motion as expeditiously as possible.

WHEREFORE, the ISO and the CAC respectfully request that the Presiding Judge suspend the procedural schedule, consistent with the procedures for finalizing an Offer of Settlement discussed above.

Respectfully submitted,

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Counsel for the California Independent
System Operator Corporation

Dated: April 27, 1999

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 proceeding.

Dated at Washington, DC, this 27th day of April, 1999.

David B. Rubin
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Counsel for the California Independent
System Operator Corporation

April 27, 1999

The Honorable 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. ER98-997-000 and ER98-1309-00**

Dear Secretary Boergers:

Enclosed for filing in the above-captioned dockets are an original and fourteen copies of the Unopposed Joint Motion For Suspension of the Procedural Schedule and Request for Waiver of Time for Filing Answers submitted on behalf of the California Independent System Operator Corporation and the Cogeneration Association of California. Also enclosed is an extra copy of the filing to be time/date stamped and returned to the messenger. Thank you for your assistance in this matter.

Respectfully submitted,

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Independent System Operator Corporation

Enclosures

cc: Service List
The Honorable Delbert R. Terrill, Jr.