

137 FERC ¶ 61,007  
FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, DC 20426

October 4, 2011

In Reply Refer to:  
Docket No. ER11-4243-000  
California Independent System  
Operator Corporation

John C. Anders  
Senior Counsel  
California Independent System  
Operator Corporation  
250 Outcropping Way  
Folsom, CA 95630

Dear Mr. Anders:

1. On August 5, 2011, California Independent System Operator Corporation (CAISO) filed an Intra-Hour Scheduling Pilot Agreement (Agreement) between CAISO and Bonneville Power Administration (BPA). The purpose of the Agreement is to facilitate a pilot program involving the use of dynamic e-Tags and electronic communications to facilitate intra-hourly changes to transmission schedules for wind generation facilities in BPA's balancing authority area that are scheduled into CAISO's balancing authority area. The Agreement provides that participation in the pilot program is limited to 400 MW of capacity and that the initial term of the program is one year from the date of Commission acceptance of the Agreement. CAISO requests an effective date of October 1, 2011 and requests waiver of the 60-day notice period. CAISO explains that October 1, 2011 was the effective date agreed to by CAISO and BPA and needed for the parties to commence on schedule.
2. Notice of this filing was published in the *Federal Register*, 76 Fed. Reg. 50210 (2011), with interventions or protests due on or before August 26, 2011. Timely motions to intervene were filed by City of Santa Clara and M-S-R Public Power Agency; Modesto Irrigation District; and Pacific Gas & Electric Company. Timely motions to intervene and comments were filed by BPA and Powerex Corp. (Powerex). An untimely motion to intervene and comments supporting CAISO's Filing were filed by Portland General Electric Company (PGE). An untimely motion to intervene was filed by Iberdrola Renewables, Inc. (Iberdrola). CAISO filed an answer to Powerex's comments. Powerex replied to CAISO's answer and PGE's comments.

3. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2011), the timely, unopposed motions to intervene and the notices of intervention serve to make the entities that filed them parties to this proceeding. Pursuant to Rule 214(d) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214(d) (2011), the Commission will grant the late-filed motions to intervene filed by PGE and Iberdrola given the parties' interest in the proceeding, the early stage of the proceeding, and the absence of undue prejudice or delay. Rule 213(a)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.213(a)(2) (2011), prohibits answers to protests and answers to answers unless ordered by the decisional authority. We are not persuaded to accept the answers filed by CAISO and Powerex and therefore reject them.

4. In its comments, Powerex states that it supports CAISO's efforts to accommodate the dynamic scheduling of variable energy resources into CAISO's balancing authority area. Powerex also states that it wishes to participate in the pilot program to assist CAISO and BPA work through the implementation of dynamic transfers between the two entities' balancing authority areas. However, Powerex adds that it hopes that additional issues relevant to the pilot program will be resolved in the near future. Powerex points to its comments in Docket No. ER11-4161-000, noting that CAISO's proposal to treat dynamically scheduled non-dispatchable energy as "resource contingent firm import[s]" is incorrect and will have adverse impacts. Powerex argues that such dynamic non-dispatchable resources should be treated as interruptible. Powerex also states that, as other issues arise as the pilot program progresses, it hopes that appropriate solutions will be discovered and implemented through subsequent CAISO tariff revisions.

5. We accept the Agreement, effective October 1, 2011, as requested by CAISO. We find that Powerex's comments raise issues outside the scope of the Agreement itself and, therefore, are beyond the scope of this proceeding. Powerex's comments appear to contemplate potential revisions to CAISO's tariff, such as the treatment of dynamically scheduled non-dispatchable energy resources as interruptible rather than firm.<sup>1</sup> The Agreement does not involve changes to CAISO's tariff; therefore, those issues are not before us here. If Powerex believes that CAISO's current dynamic scheduling tariff provisions need to be revised to account for the issues it raises in its comments, it should pursue such requests through CAISO's stakeholder processes, file a complaint under section 206 of the Federal Power Act, or otherwise raise this matter in an appropriate

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<sup>1</sup> Powerex does not expressly request that the Commission condition the Agreement on addressing Powerex's issues. However, it does request that the Commission accept the Agreement "consistent wit[h] these comments." Powerex Comments at 1.

Docket No. ER11-4243-000

- 3 -

proceeding. Finally, we note that Powerex is generally supportive of the pilot program itself and is not requesting that the Commission reject the Agreement.

By direction of the Commission. Commissioner Spitzer is not participating.

Kimberly D. Bose,  
Secretary.

cc: All Parties

Document Content(s)

ER11-4243-000.DOC.....1-3