

149 FERC ¶ 61,285
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

December 31, 2014

In Reply Refer to:
California Independent
System Operator Corporation
Docket No. ER14-2372-002

California Independent System
Operator Corporation
250 Outcropping Way
Folsom, CA 95630

Attn: Beth Ann Burns, Esq.

Reference: Petition for Limited Waiver

Dear Ms. Burns:

1. On September 5, 2014, the Commission issued an order accepting for filing, effective September 22, 2014, tariff amendments filed by the California Independent System Operator Corporation (CAISO) to improve its outage management process, change the timeline for scheduling coordinators to submit planned outages, and expand the outage options available to scheduling coordinators for resource adequacy resources.¹ On October 2, 2014, the Commission issued an order granting CAISO's request to extend the effective date of the accepted tariff amendments from September 22, 2014 to December 1, 2014 and granting a limited waiver of the tariff amendments that went into effect following the issuance of the September 5 Order.² On December 1, 2014, the Commission issued an order again granting CAISO's request to extend the effective date of the accepted tariff amendments to the date that CAISO informs the Commission that

¹ *Cal. Indep. Sys. Operator Corp.*, 148 FERC ¶ 61,168 (2014) (September 5 Order).

² *Cal. Indep. Sys. Operator Corp.*, 149 FERC ¶ 61,010 (2014) (October 2 Order).

the new outage management system is operational or December 31, 2014, whichever comes first.³

2. On December 5, 2014, CAISO filed a petition (December 5 Petition) to again modify the effective date of its outage management system tariff provisions that were accepted in the September 5 Order. In the December 5 Petition, CAISO requests that the Commission permit the outage management system tariff provisions that were extended in the December 1 Order to be implemented on a date prior to February 28, 2015. CAISO explains that the new outage management system still has some software variances that are being addressed and that market participants have requested a stabilization period for their systems after the aforementioned variances have been resolved.⁴ In addition, CAISO states that deferring implementation of the outage management system until February 2015 will also align with Peak Reliability's⁵ schedule for upgrading its outage program with changes that will efficiently interface and exchange outage data with CAISO's new outage management system.⁶ According to CAISO, it has targeted February 3, 2015 as the new date for implementation of the outage management system and commits to submit an informational filing seven days in advance of the implementation of the tariff revisions, which should occur no later than February 28, 2015.⁷

3. CAISO argues that good cause exists to grant the waiver because it is of limited scope and duration as it would only result in a modest delay in the implementation of the new outage management system. CAISO states that the waiver would address a concrete problem that needs to be remedied because it will allow for stabilized operation of CAISO's and market participant's respective systems before the outage management

³ *Cal. Indep. Sys. Operator Corp.*, 149 FERC ¶ 61,190 (2014) (December 1 Order).

⁴ December 5 Petition at 2.

⁵ Peak Reliability was formed as a result of the bifurcation of the Western Electricity Coordinating Council (WECC) into a Regional Entity (i.e., WECC) and a Regional Coordinator (i.e., Peak Reliability). Peak Reliability, a company wholly independent of WECC performs the Reliability Coordinator and Interchange Authority functions in its Reliability Coordinator Area in the Western Interconnection.

⁶ December 5 Petition at 2.

⁷ *Id.* at 1.

system is deployed.⁸ CAISO claims that the waiver will also facilitate the transfer of accurate outage data to Peak Reliability for use in modeling the Western Interconnection. Lastly, CAISO contends that the waiver has no undesirable consequences because the existing tariff provisions related to outage management are in effect today and will remain so until the new tariff provisions and outage management system are implemented.⁹ CAISO notes that the waiver effectively continues the existing outage management process for a slightly longer period than the effective date accepted in the October 2 Order and should facilitate a smooth transition to the new system as quickly as possible.¹⁰

4. Notice of CAISO's filing was published in the *Federal Register* with protests and interventions due on or before December 12, 2014.¹¹ San Diego Gas & Electric Company, Pacific Gas and Electric Company, and Southern California Edison Company filed comments in support of the December 5 Petition.

5. We will grant CAISO's unopposed motion to permit the tariff revisions the Commission previously accepted to be effective no later than December 31, 2014, to be implemented on either the date that CAISO informs the Commission that the new outage management system is operational or February 28, 2015, whichever comes first. In light of CAISO's recent implementation of its full network model, the interchange transaction scheduler system, and the transitional issues associated with the expanded Energy Imbalance Market, we agree with CAISO that deferring implementation of the outage management system with its potential impact on market results outweighs the value of requiring CAISO to implement the outage management system prior to the December 31, 2014 effective date. Consistent with the factors the Commission considers in evaluating requests for waivers of tariff provisions,¹² we agree with CAISO that the request for

⁸ CAISO explains that it recently implemented a new full network model, a new interchange transaction scheduler system, and the Energy Imbalance Market, which is still in a transitional period. *Id.* at 4.

⁹ *Id.* at 7-8.

¹⁰ *Id.* at 8.

¹¹ 79 Fed. Reg. 74079 (2014), the comment period was shortened in a subsequent notice to December 12, 2014. *Errata Notice Shortening Comment Period*, December 8, 2014, unpublished notice.

¹² See, e.g., *New York Indep. Sys. Operator, Inc.*, 136 FERC ¶ 61,156, at PP 5, 7 (2011); *Southwest Power Pool, Inc.*, 135 FERC ¶ 61,032, at P 12 (2011); *Southwest Power Pool, Inc.*, 138 FERC ¶ 61,200, at P 5 (2012).

waiver is limited (i.e., it will last for no more than 60 days), will allow CAISO and market participants to stabilize their respective systems associated with several major market changes prior to satisfying the requirements of the new outage management system, and no party will be harmed by the request. In making this determination, we note that no party objected to CAISO's motion and three parties submitted comments in support of it. For these reasons, we grant CAISO's motion as discussed herein and direct CAISO to notify the Commission within two days of the actual effective date.

By direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.

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