

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

**California Independent System            )       Docket No. ER09-1542-000**  
**Operator Corporation                        )**

**MOTION OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR  
CORPORATION FOR EXTENSION OF TIME**

Pursuant to Rules 212 and 2008(a) of the Federal Energy Regulatory Commission's (the Commission or FERC) Rules of Practice and Procedure, 18 C.F.R. §§ 385.212, 385.2008(a) (2009), the California Independent System Operator Corporation (ISO)<sup>1</sup> respectfully requests an extension of time until no later than the end of the first quarter of 2010, to submit in the above-captioned proceeding a filing to comply with Ordered Paragraph (B) in the Commission's October 2, 2009 Order, which requires the ISO to complete the stakeholder process by December 31, 2009.<sup>2</sup> The requested extension of time will enable the ISO to complete the current stakeholder process designed to address specific Commission requests in the October 2 Order, seek approval by its Board of Governors for any policy changes arising out of this process and prepare tariff amendments as necessary to support any new policy.

**I. Background**

On August 3, 2009, pursuant to section 205 of the Federal Power Act, the ISO filed amendments to its tariff to (1) clarify that generating units located

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<sup>1</sup> Capitalized terms not otherwise defined herein have the meanings set forth in the Master Definitions Supplement, Appendix A to the ISO Tariff.

<sup>2</sup> *California Indep. Sys. Operator Corp.*, 129 FERC ¶ 61,009 (2009) (October 2 Order)

outside the ISO's balancing authority area can be treated as regulatory must-take generation under the tariff; and (2) clarify the tariff language regarding the role of the full network model in enforcement of transmission constraints. The Commission previously rejected the proposed tariff clarifications in the August 3 filing as beyond the scope of compliance with its February 19, 2009 order in Docket No. ER09-240-000 concerning the setting of market optimization parameters. In the August 3 filing, the ISO explained that its tariff modifications were intended to (1) implement the same tariff clarification proposed in the Commission's March 23, 2009 compliance filing regarding regulatory must-take generation; and (2) clarify the ISO tariff language regarding transmission constraints and the full network model. The regulatory must-take generation tariff language was identical to the provisions previously submitted. The tariff language regarding the enforcement of constraints and the full network model differed from the language previously submitted to provide additional clarity with regard to roles and scope.

On October 2, 2009, the Commission conditionally accepted the ISO's filing and proposed tariff revisions subject to additional requirements on compliance. Concurrent with this Motion for Extension of Time, the ISO is submitting a compliance filing which complies with part of the directives in the October 2 Order in this docket.

## **II. Motion for Extension of Time**

As required by Rule 2008(a), good cause exists to grant the ISO the extension of time requested in the instant motion. As reflected in the transmittal

letter of the compliance filing submitted concurrently with this Motion, the ISO and stakeholders have made significant progress in the stakeholder process commenced in the fall of 2009 to address the data release policy as it pertains to transmission constraint management in the ISO's markets. However, this stakeholder process is not yet complete and the ISO and market participants require additional time to finalize this process. The ISO is also reporting the status of this stakeholder process in the concurrent compliance filing made in this docket. To the extent the Commission finds that the current status report of the stakeholder process is not in sufficient compliance with Ordered Paragraph (B) of the October 2 Order, the ISO believes it is appropriate to allow the ISO and stakeholders additional time to complete the stakeholder process and finalize the provision of information regarding the transmission constraints in the first part of 2010.

In particular, the stakeholder process has helped resolve the Commission's directive in the October 2 Order that the ISO should continue to utilize the stakeholder process to seek ways in which the ISO can provide "(1) either the list of the constraints that are not enforced in the CAISO market or more visibility into how they are established and (2) the list of contingencies that are enforced in the CAISO market process." The ISO has made significant progress in this area through stakeholder engagement and is preparing a draft final proposal that illustrates the type of information the ISO will provide that meets and exceeds the provision of data anticipated by this directive. However, the ISO continues to refine the final proposal and in so doing it is conducting an

initial feasibility assessment to determine the timing in which it can adopt any new procedures to make the information the stakeholders and the ISO agree should be provided to the market. Therefore, the ISO requires additional time to post this information and then allow some time for comments from market participants before finalizing its proposal.

In addition, in an effort to explore and address through the pending stakeholder process what additional data should be released, the ISO identified the need to provide additional information regarding the cause of binding constraints and additional information on the frequency and nature of the ISO operator practices of conforming and adjusting transmission limits in running the ISO markets. The ISO is developing draft final proposals to address both of these requirements. The ISO again believes that additional time is required in order to provide sufficient opportunity for market participants to comment on the draft final proposals and for the ISO to finalize its proposals before completing the stakeholder process.

Also as a result of the current and pending stakeholder process, the ISO is evaluating the ability to establish several new advance notification requirements that will inform stakeholders of any significant changes to the ISO's market software. Further, based on the ISO's commitment to the development and use of improved network terminology or nomenclature, and in response to specific stakeholder requests, the ISO will explore the possibility of creating additional data mapping that would correlate the transmission facilities in outage reports

with the proposed constraints list. Each of these areas requires additional time for the ISO to obtain stakeholder input and develop a final proposal.

The ISO submits that the requested extension of time is warranted, and that it aligns with the schedule shown in Table 1 below of the milestones associated with this stakeholder initiative. ISO management expects to seek Board approval of the market information provision policy changes in February 2010. This schedule is tentative and dependent on the comments received on the ISO's draft final proposal.

<b>Table 1 Stakeholder Process on Transmission Constraints</b>	
<b>Date</b>	<b>Milestone</b>
Nov. 5, 2009	Issue Paper, Phase 1 Transmission Constraints
Nov. 12, 2009	Conference Call Meeting
Nov. 23, 2009	Comments on Discussion Paper due
Dec. 3, 2009	Straw Proposal -- Proposed Procedures & Tariff Language
Dec. 10, 2009	On-Site Meeting
Dec. 16, 2009	Comments on Straw Proposal due
Dec. 31, 2009	FERC Compliance Filing (High Level Guidelines and Update)
Jan. 6, 2010	ISO Draft Final Proposal Regarding Data Release Policy Changes
Jan. 13, 2010	Conference Call Meeting
Jan. 15, 2010	Comments on Draft Final Proposal due
Feb. 11-12, 2010	Board Meeting and Decision on Data Release Policy

**III. Conclusion**

For the reasons explained above, the ISO respectfully requests that the Commission grant this motion for extension of time.

Respectfully submitted,

*/s/ Anna McKenna*

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Dated: December 31, 2009

## CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing document upon the parties listed on the official service list in the captioned proceeding, in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.2010).

Dated at Washington, DC this 31<sup>st</sup> day of December, 2009.

/s/ Daniel Klein  
Daniel Klein