

154 FERC ¶ 61,001  
FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, DC 20426

January 4, 2016

In Reply Refer To:  
California Independent System Operator  
Corporation  
Docket No. ER15-861-007

Alston & Bird LLP  
The Atlantic Building  
950 F Street, NW  
Washington, DC 20004

Attention: Mr. Michael Kunselman, Esq.

Reference: Request for Waiver

Dear Mr. Kunselman:

1. On December 23, 2015, the California Independent System Operator Corporation (CAISO) filed a petition (December 23 Petition), in the referenced docket, for limited tariff waiver to modify the effective date of the Energy Imbalance Market (EIM) tariff provisions accepted by the Commission<sup>1</sup> to automate the recognition of Available Balancing Capacity from EIM participants. CAISO requests that the Commission defer the effectiveness of the Available Balancing Capacity provisions until no later than March 1, 2016. CAISO explains that it has determined that it cannot implement those provisions on January 5, 2016, as directed by the December 17 Order, because of certain implementation challenges. CAISO explains that, based on its current assessment, it expects that it can implement the Available Balancing Capacity provisions on February 16, 2016, but because further complications may arise during additional testing, it requests waiver of the tariff revisions until no later than March 1, 2016. CAISO states that it will issue a market notice informing participants as to the actual implementation date if it determines that it cannot meet the intended February 16 implementation target.

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<sup>1</sup> *Cal. Indep. Sys. Operator Corp.*, 153 FERC ¶ 61,305 (2015) (December 17 Order).

2. CAISO asserts that good cause exists to grant the requested change in effective date, in that it is of limited scope as it will apply, at most, for approximately 60 days.<sup>2</sup> CAISO also states that the waiver would address a concrete problem that needs to be remedied. CAISO states that it cannot effectively implement the tariff revisions by January 5, 2016 due to significant software variances recently identified, the need for additional testing and validation of resources selected as Available Balancing Capacity, and the need to coordinate with the deployment of the next network upgrade.<sup>3</sup> Lastly, CAISO contends that the waiver has no undesirable consequences because the existing waiver of CAISO's pricing parameters will remain in effect pending the implementation of the Available Balancing Capacity proposal, pursuant to the Commission's order issued in this proceeding on June 19, 2015.<sup>4</sup>

3. Notice of CAISO's filing was published in the *Federal Register*, 80 Fed. Reg. 81,817 (2015), with protests and interventions due on or before December 30, 2015. No protests or adverse comments were received.

4. We grant CAISO's petition to permit the tariff revisions the Commission previously accepted to become effective no later than March 1, 2016. Consistent with the factors the Commission has considered in evaluating requests for waivers of tariff provisions,<sup>5</sup> we agree with CAISO that the request at issue here is limited in scope, addresses the concrete problem that CAISO cannot effectively implement the tariff revisions by January 5, 2016 due to software and other implementation challenges, and that no party will be harmed by the request. For these reasons, we grant CAISO's petition, as discussed herein. We also direct CAISO to notify the Commission of the actual effective date of the tariff revisions within five business days of their implementation, in an eTariff submittal using Type of Filing Code 150 – Report.

By direction of the Commission.

Nathaniel J. Davis, Sr.,  
Deputy Secretary.

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<sup>2</sup> December 23 Petition at 2.

<sup>3</sup> *Id.* at 2, 7.

<sup>4</sup> *Id.* at 7 (citing *Cal. Indep. Sys. Operator Corp.*, 151 FERC ¶ 61,247 (2015)).

<sup>5</sup> 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).