

FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, DC 20426

OFFICE OF ENERGY MARKET REGULATION

California Independent System Operator  
Corporation  
Docket No. ER16-1786-000

July 20, 2016

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

Attention: Roger E. Collanton  
General Counsel

Reference: Tariff Revisions

Dear Mr. Collanton:

On May 25, 2016, the California Independent System Operator Corporation (CAISO) submitted for filing tariff revisions to improve its settlement rules regarding the treatment of residual imbalance energy from variable energy resources and its bid-cost recovery provisions for all resources. Specifically, CAISO proposes to: (1) revise the current settlement rules regarding compensation for residual imbalance energy for economically bidding variable energy resources to ensure that such compensation accounts for changes in output driven by a resource's forecast, as opposed to changes in output driven by submitted bids; (2) revise the persistent deviation metric to specify that it will not apply to residual imbalance energy produced by economically bidding variable energy resources in response to forecast changes; and (3) revise the day-ahead metered energy adjustment factor to account for situations in which CAISO instructs a generator to move to its minimum load and its metered energy is less than its minimum load. CAISO's tariff revisions are accepted for filing, effective October 1, 2016, as requested.<sup>1</sup>

---

<sup>1</sup> California Independent System Operator Corporation, FERC FPA Electric Tariff, CAISO eTariff, [11.5.5, Settlement Amount For Residual Imbalance Energy, 5.0.0, 11.8.2, IFM Bid Cost Recovery Amount, 21.0.0, 11.17.3, Application of Persistent Deviation Metric to EIRs' RIE, 0.0.0, -, Day-Ahead Metered Energy Adjustment Factor, 3.0.0, -, Effective Day-Ahead Scheduled Energy, 0.0.0, -, Residual Imbalance Energy, 2.0.0.](#)

The filing was noticed on May 26, 2016, with comments, protests, or interventions due on or before June 15, 2016. No protests or adverse comments were filed. Notices of intervention and unopposed timely filed motions to intervene are granted pursuant to the operation of Rule 214 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.214). Any opposed or untimely filed motion to intervene is governed by the provisions of Rule 214.

This acceptance for filing shall not be construed as constituting approval of the referenced filing or any rate, charge, classification or any rule, regulation or practice affecting such rate or service contained in your filed documents; nor shall such acceptance be deemed as recognition of any claimed contractual right or obligation associate therewith; and such acceptance is without prejudice to any findings or orders which have been or any which may hereafter be made by the Commission in any proceeding now pending or hereafter instituted by or against CAISO.

This action is taken pursuant to authority delegated to the Director, Division of Electric Power Regulation - West, under 18 C.F.R. § 375.307. This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order, pursuant to 18 C.F.R. § 385.713.

Sincerely,

Steve P. Rodgers, Director  
Division of Electric Power  
Regulation – West

Document Content(s)

ER16-1786-000.DOC.....1-2