

I. Background

A. Prior Issues Regarding the Effective Date

On March 20, 2014, the Commission issued an order approving the tariff amendments filed in the above-referenced dockets. The key provision of the tariff amendments was the new requirement in section 27.8.1 of the ISO tariff that “Scheduling Coordinators responsible for resources that meet the definition of a Multi-Stage Generating Resource . . . must register such resources with the CAISO as Multi-Stage Generating Resources”

When the ISO initially filed its proposed tariff amendments on July 30, 2013, it requested an effective date of November 1, 2013, to coincide with the ISO’s fall 2013 release. To help both the ISO and its market participants, the ISO implements major software upgrades twice per year – in the fall and spring. As the ISO explained in the July 30 filing, interdependencies between this proceeding and other market and software enhancements related to bid cost recovery that were planned for the fall 2013 release made an effective date of November 1 necessary. On October 17, 2013, the ISO notified the Commission that it instead wished to implement the tariff amendments on April 1, 2014, consistent with the spring 2014 release. The complementary bid cost recovery changes had to be moved for implementation to spring 2014 release. The ISO submitted the October 17 filing to maintain the needed parallel timing.

B. Recent Changes to the Schedule for Implementing Spring 2014 Market Enhancements Release

Since the ISO submitted the October filing, it has shifted the go-live date for the ISO’s spring 2014 release from April 1, 2014, to May 1, 2014. In FERC Docket Nos. ER13-2452, ER14-480, and ER14-495, the ISO already informed the

Commission of this intended change. The Commission has already granted the requested change of effective date in those proceedings.³

In these other three dockets, the ISO explained that prior to implementing the new market enhancements associated with the spring 2014 release, the ISO must complete the testing, staging, and production of the market optimization software required to implement the various market design enhancements. The ISO further explained its concern that insufficient testing could cause issues with overall market solution quality and pose an unacceptable financial risk to market participants. Successful deployment of the spring 2014 release on May 1 will also benefit the timely implementation of the ISO's new energy imbalance market. This will allow balancing authorities throughout the west to voluntarily participate in the real-time imbalance energy market operated by the ISO, scheduled to become operational on October 1, 2014. The energy imbalance market design and software implementation plan will build on the real-time market design enhancements that will be deployed in the spring 2014 release.

II. Motion for May 1, 2014 Effective Date for Tariff Revisions and Limited Tariff Waiver Request

Good cause exists for the Commission to modify the effective date of the tariff revisions accepted on March 20, 2014. Due to changes to the schedule for implementing the spring 2014 release, as discussed above, the ISO moves that the Commission alter the effective date of the tariff revisions included in this proceeding from April 1, 2014, to May 1, 2014. Any answer to this motion should be due within

³ *California Independent System Operator Corp.*, 146 FERC ¶ 61,217 (2014); *California Independent System Operator Corp.*, 146 FERC ¶ 61,205 (2014); *California Independent System Operator Corp.*, 146 FERC ¶ 61,204 (2014).

two days after this motion is filed.⁴ The Commission should issue an order by March 31, 2014, that grants the ISO's request to modify the effective date of the tariff revisions.

Implementing the mandatory multi-stage requirement in section 27.8.1 on April 1 would be problematic because the rationale for requiring it is tied to implementation of other market rule changes that now will be implemented on May 1. Additionally, given the system testing planned during the month of April in preparation for the spring 2014 release, the ISO would not be in a position in the month of April to manage a mass transition of the approximately 40 multi-stage resources that have yet to register as such with the ISO. In its March 20 order the Commission approved language in section 27.8.1 clarifying that "extenuating circumstances" provide the ISO flexibility in the timing of implementing new multi-stage unit parameters. Rather than relying on this authority, however, the ISO believes it provides a more clear record if the Commission simply shifts the effective date of the tariff language back to May 1. Additionally, in the absence of such a shift, scheduling coordinators would still be obligated under the tariff to provide their multi-stage parameters by April 1, even though the ISO would not implement those parameters until mid-May. Given the expectation of market participants that the multi-stage parameters would not be required until after April 1, forcing them now to adhere to an April 1 deadline likely would be onerous for scheduling coordinators of multi-stage units.

⁴ See 18 C.F.R. §§ 385.213(d)(1)(i).

To the extent the Commission is unable to grant this motion by March 31, the ISO additionally requests a limited waiver of the requirement in section 27.8.1 that scheduling coordinators for multi-stage resources must register their resources as such with the ISO. The requested waiver would run from April 1, 2014, through the date of an order granting this motion. The Commission has previously granted requests for tariff waivers in situations where: (1) the waiver is of limited scope; (2) a concrete problem needed to be remedied; and (3) the waiver did not have undesirable consequences, such as harming third parties.⁵ All three conditions would be met by this waiver request. The waiver is of limited scope because it would only last until the Commission rules on the ISO motion regarding the effective dates of the tariff language. The waiver would address the concrete problem of requiring scheduling coordinators to submit multi-stage parameters in advance of when the ISO actually needs the data. Finally, the ISO is unaware of how any party would be harmed if the Commission were to grant this waiver.

The ISO does not propose any changes to the substantive tariff revisions themselves, but seeks only a one-month extension of their effective date from April 1 to May 1. If the Commission determines that the filing of this motion triggers a new comment period as to the tariff revisions accepted on March 20, any new comments should be limited to the merits of the requested one-month extension of the effective date. After the Commission grants this motion, the ISO will make any

⁵ See, e.g., *New York Independent System Operator, Inc.*, 146 FERC ¶ 61,061, at P 19 (2014); *PJM Interconnection, L.L.C.*, 141 FERC ¶ 61,103, at P 8 (2012); *ISO New England Inc.*, 134 FERC ¶ 61,182, at P 8 (2011); *California Independent System Operator Corp.*, 132 FERC ¶ 61,004, at P 10 (2010).

necessary changes on compliance to the eTariff records for the tariff revisions to reflect their new May 1 effective date.

III. Conclusion

For the foregoing reasons, the Commission should find that good cause exists to issue an order by March 31, 2014, that modifies the effective date of the tariff revisions accepted in this proceeding from April 1, 2014, to May 1, 2014. Additionally, the Commission should grant a limited waiver of section 27.8.1 to the extent the Commission is unable to grant this motion by March 31, 2014.

Respectfully submitted,

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Dated: March 26, 2014

CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing document upon the parties listed on the official service list in the above-referenced 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 Folsom, California this 26th day of March 2014.

Srl Sarah Garcia
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