

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

**California Independent System) Docket No. ER14-1647-000
Operator Corporation)**

**MOTION TO FILE ANSWER AND ANSWER OF THE CALIFORNIA
INDEPENDENT SYSTEM OPERATOR CORPORATION**

The California Independent System Operator Corporation (“CAISO”)¹ requests leave to file this answer to the answer submitted by Pacific Gas and Electric Company (“PG&E”) in the captioned proceeding on May 9, 2014.² The CAISO appreciates that PG&E has reconsidered its position and now indicates that it does not oppose the non-conforming Net Scheduled Participating Generator Agreement (“Elk Hills NS-PGA”) between the CAISO and Elk Hills Power, LLC (“Elk Hills”) that the CAISO submitted in this proceeding on April 1, 2014. The CAISO urges the Commission to accept the Elk Hills NS-PGA so that the benefits of more accurate modeling can be in place on June 1, 2014.

The CAISO nevertheless feels compelled to file this answer solely to urge the Commission to reject PG&E’s new request, which is totally unrelated to

¹ Capitalized terms not otherwise defined herein have the meanings set forth in appendix A to the CAISO tariff. Except where otherwise specified, references to section numbers are references to sections of the CAISO tariff.

² PG&E filed a motion to answer and answer to the answer submitted by the CAISO on May 1, 2014 (“May 1 CAISO answer”). The CAISO files this answer pursuant to Rules 212 and 213 of the Commission’s Rules of Practice and Procedure, 18 C.F.R. §§ 385.212, 385.213. The CAISO requests waiver of Rule 213(a)(2) to permit it to make an answer to PG&E’s answer. Good cause for this waiver exists here because the answer will aid the Commission in understanding the issues in the proceedings, provide additional information to assist the Commission in the decision-making process, and help to ensure a complete and accurate record in the case. See, e.g., *New York Independent System Operator, Inc. v. Astoria Energy LLC*, 118 FERC ¶ 61,216, at P 29 (2007); *Columbia Gas Transmission Corp.*, 116 FERC ¶ 61,191, at P 19 (2006); *Northern Natural Gas Co.*, 113 FERC ¶ 61,060, at P 11 (2005).

whether the agreement is just and reasonable, that the Commission order the CAISO to conduct a stakeholder process prior to tendering any similar agreement with a different resource. The Commission should reject this request because it is unnecessary and has never been imposed in any similar situation to the CAISO's knowledge.

I. Answer

PG&E states that it does not oppose the Commission's approval of the Elk Hills NS-PGA.³ The CAISO appreciates PG&E's non-opposition to the filing of that agreement.

However, unrelated to the issue of whether the Elk Hills NS-PGA is just and reasonable, PG&E makes a new request that the Commission require the CAISO to conduct a stakeholder process before it tenders any future non-conforming Net Scheduled Participating Generator Agreement comparable to the Elk Hills NS-PGA.⁴ The CAISO objects to PG&E's request as unnecessary and unprecedented.

Like the Elk Hills NS-PGA, any such non-conforming agreement would simply reflect the provision of gross telemetry for the subject resource, which is already available under the CAISO's *pro forma* Participating Generator Agreement. This would allow the resource to be treated more like resources subject to a Participating Generator Agreement by allowing more accurate resource modeling and more efficient functioning of the CAISO markets. In all

³ PG&E at 1.

⁴ *Id.*

other significant respects, the non-conforming agreement would track the *pro forma* Net Scheduled Participating Generator Agreement.⁵ In other words, there are no material substantive issues that would require resolution in a stakeholder process. The CAISO is unaware of any other case in which a public utility was required to make the tender of a non-conforming agreement subject to a stakeholder process.

It appears that PG&E continues to fear the implications of a non-conforming agreement, although the fears are unstated. The CAISO is willing to spend time with PG&E so that it can both understand the benefits of more accurate modeling and see that there are no adverse implications.

⁵ See May 1 CAISO answer at 1-5.

II. Conclusion

For the foregoing reasons, the Commission should reject PG&E's request for a stakeholder process and accept the Elk Hills NS-PGA as just and reasonable.

Respectfully submitted,

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Dated: May 19, 2014

CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing document upon all of the parties listed on the official service list for 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 Washington, DC this 19th day of May, 2014.

/s/ Bradley R. Miliauskas
Bradley R. Miliauskas