

159 FERC ¶ 62,205
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

OFFICE OF ENERGY MARKET REGULATION

California Independent System Operator
Corporation
Docket No. ER17-415-002

Issued: May 24, 2017

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

Attention: Roger E. Collanton
Counsel for the California Independent System Operator Corporation

Reference: Order Granting Uncontested Waiver

Dear Mr. Collanton:

On March 24, 2017, the California Independent System Operator Corporation (CAISO) submitted a second request for waiver of certain administrative pricing provisions as a result of unexpected software delays. CAISO explains that it first submitted a request on January 31, 2017, for waiver of certain administrative pricing provisions accepted by the Commission on January 30, 2017.¹ Specifically, CAISO sought waiver of tariff sections 7.7.1 through 7.7.9, 7.7.11 through 7.7.15, 16.3, and 29.7(j)(2)(D), and the definition in Appendix A to the tariff of the term “Administrative Price.” CAISO explained in the first waiver request that it was unable to implement the specified tariff revisions on February 1, 2017, due to the unanticipated amount of software development and testing effort required to fully implement the administrative pricing policy, and therefore proposed to postpone implementation of those tariff revisions until April 1, 2017. CAISO explained that postponing the effective date of the referenced tariff sections until April 1, 2017, would, among other things, allow it to better

¹ *Cal. Indep. Sys. Operator, Corp.*, 158 FERC ¶ 61,085 (2017).

manage software changes among the administrative pricing project and other projects in the same software release. The Commission granted the request on March 24, 2017.²

CAISO explains in the instant waiver request that it now requires a second waiver until no later than May 31, 2017, because the software changes needed to implement the referenced tariff provisions must be included with other software changes that will not be ready for implementation by April 1, 2017. CAISO explains that good cause exists for the Commission to find that CAISO's request satisfies the Commission's waiver criteria. CAISO states that it has acted in good faith because it only recently became aware that it is unable to implement the tariff revisions on April 1, 2017. CAISO indicates that the waiver is of limited scope in that it will apply for only two months. CAISO further claims that the waiver will also remedy the concrete problem that CAISO cannot implement the tariff revisions on April 1, 2017, due to the need to change the software development schedule. Last, CAISO claims that the waiver will not have undesirable consequences, because it will maintain the status quo of the administrative pricing provisions set forth in the existing tariff language.

CAISO's filing was noticed on March 27, 2017, with interventions and protests due on or before April 14, 2017. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure,³ any notices of intervention and timely filed, unopposed motions to intervene serve to make the filer a party to this proceeding. No protests were filed, and the request for waiver is therefore uncontested.

Pursuant to the authority delegated to the Director, Division of Electric Power Regulation – West, Office of Energy Market Regulation, in the Commission's February 3, 2017 Order Delegating Further Authority to Staff in Absence of Quorum,⁴ CAISO's uncontested request for waiver is granted. The Commission has granted waiver of tariff provisions where: (1) the applicant acted in good faith; (2) the waiver is of limited scope; (3) the waiver addresses a concrete problem; and (4) the waiver does not have undesirable consequences, such as harming third parties.⁵ Those criteria are satisfied here.

² *Cal. Indep. Sys. Operator, Corp.*, 158 FERC ¶ 62,228 (2017).

³ 18 C.F.R. § 385.214 (2016).

⁴ *Agency Operations in the Absence of a Quorum*, 158 FERC ¶ 61,135 (2017).

⁵ See, e.g., *Midcontinent Indep. Sys. Operator, Inc.*, 154 FERC ¶ 61,059, at P 14 (2016); *Calpine Energy Serv., Inc.*, 154 FERC ¶ 61,082, at P 12 (2016); *New York Power Auth.*, 152 FERC ¶ 61,058, at P 22 (2015).

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

Consistent with Rule 1902 of the Commission's Rules of Practice and Procedure,⁶ requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order.⁷

Sincerely,

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

⁶ 18 C.F.R. § 385.1902 (2016).

⁷ 18 C.F.R. § 385.713 (2016).