

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

**California Independent System) Docket No. ER15-____-000
Operator Corporation)**

**PETITION FOR LIMITED TARIFF WAIVER
AND REQUEST FOR EXPEDITED CONSIDERATION**

The California Independent System Operator Corporation (“CAISO”) respectfully requests that the Commission grant a 90-day waiver of the applicability of section 27.4.3.2 and the second sentence of section 27.4.3.4 of the CAISO tariff for constraints that are within balancing authority areas of PacifiCorp or affect Energy Imbalance Market (“EIM”) transfers between those balancing authority areas.¹ These tariff provisions establish the price for energy in circumstances where the CAISO’s market clearing software must resort to relieving modeled constraints, such as transmission or system balance constraints in order to clear the market using effective economic bids. The requested waiver allows the CAISO to price energy in the EIM entity’s balancing authority areas using the economic pricing mechanism that normally governs under the CAISO tariff (sections 27.1.1, 34.20 and Appendix C) in such circumstances, *i.e.*, to clear the real-time market based on the marginal

¹ The CAISO submits this petition for waiver pursuant to Rule 207 of the Commission’s Rules of Practice and Procedure, 18 C.F.R. § 385.207. Capitalized terms not otherwise defined herein have the meanings set forth in the CAISO tariff.

economic bid instead of the \$1000/MWh pricing parameter specified in Sections 27.4.3.2 and 27.4.3.4.

The CAISO believes this limited waiver is prudent because it ameliorates the impact of the price excursions observed since the Energy Imbalance Market that commenced full market operations on November 1, 2014. This waiver will allow the initial operational phase of the Energy Imbalance Market to continue with an enhanced degree of confidence in the resulting market outcomes during a short period of time while additional tools are implemented to improve the visibility of the market system and results, further automated and manual process changes are established, and the amount of timely resource capability and flexibility are increased in the Energy Imbalance Market. These measures will enhance market operations and support a return to the current CAISO tariff pricing parameters. Moreover, the requested limited waiver is preferable to a temporary Energy Imbalance Market suspension under CAISO tariff section 29.1(d), which the CAISO intended to use only under more extreme circumstances.

In order to avoid continued financial harm to market participants, the CAISO requests an effective date for the waiver of November 14, 2014. This effective date will allow the CAISO to rerun the market for the period between the effective date and the Commission's order and resettle the market and the marginal prices. The rerun, however, will require substantial effort and

resources. Accordingly, consistent with the Commission's Guidance Order,² the CAISO also asks for expedited treatment of this waiver request and an order by November 26, 2014.

I. Summary

During the initial implementation of the Energy Imbalance Market, which commenced on November 1, 2014, the market encountered transitional conditions that restrict the timing and amount of capacity available through the market clearing process. This caused the transmission and system energy-balance constraints described in sections 27.4.3.2 and 27.4.3.4 of the CAISO tariff to bind more frequently than expected, producing atypically high prices in the fifteen-minute and five-minute markets in the EIM entity's balancing authority areas. The CAISO has determined that system conditions, operations processes, the current level of EIM participating resources, and the new operating environment are complicating the timing of, and restricting the amount of, effective economic bids necessary to relieve the constraints. As explained above, when these constraints are binding, the market optimization applies the pricing parameters specified in sections 27.4.3.2 and 27.4.3.4 of the CAISO tariff, which are pegged to the maximum energy bid cap, thereby creating high prices during some intervals.

These anomalies are temporary as they are associated with the initial startup and transitional period of Energy Imbalance Market operations, and do not necessarily reflect actual physical conditions in on the system in all cases.

² *Guidance Order on Expedited Tariff Revisions for Regional Transmission Organizations and Independent System Operators*, 111 FERC ¶ 61,009 at P 1. (2005) ("Guidance Order").

The CAISO expects they will be resolved within the requested waiver timeframe. With almost two weeks of market experience, the CAISO and PacifiCorp have determined that they need an additional 90 days to address these transitional circumstances. Granting the requested waiver will avoid subjecting market participants to unnecessary and unrepresentative high prices while continuing the overall successful launch of the Energy Imbalance Market.

This request satisfies the Commission's requirements for tariff waivers. Granting the waiver will enable the CAISO and PacifiCorp to eliminate or ameliorate the identified limitations while continuing to charge load and to pay resources the appropriate market price for their energy. CAISO and PacifiCorp will have time to implement automated and manual process changes and increase the amount of timely resource capability and flexibility provided to the Energy Imbalance Market, thus enhancing market operations. The waiver will also be of limited scope and will have no undesirable consequences, nor will it impact other aspects of the market clearing process or results.

To avoid continued financial harm to market participants, the CAISO seeks an effective date of November 14, 2014. If the Commission grants the November 14, 2014 effective date, the CAISO will implement the requested relieve as of the date of the order and will also rerun and resettle the market outcomes consistent with this waiver going back to November 14, 2014. If not, the CAISO will implement the requested relief only as of the date authorized by the Commission.

II. Background

A. Relevant Pricing Parameters Under the CAISO Tariff

The CAISO operates its day-ahead market³ and real-time market, and their component CAISO markets processes, using a set of integrated optimization programs. These programs include security constrained unit commitment (“SCUC”) and security constrained economic dispatch (“SCED”).⁴ In instances where effective economic bids are sufficient to allow a feasible market solution, CAISO market participants pay or receive the applicable fifteen-minute market or real-time dispatch locational marginal price (“LMP”). The market clearing software determines these prices using the dispatch interval LMPs.⁵ In some cases, however, because of transmission constraints or insufficient supply, there are insufficient effective economic bids to allow a feasible solution. In such circumstances, based on certain scheduling parameters, the SCUC and SCED optimization software will adjust non-priced quantities, which may include relaxation of the transmission constraints or system energy-balance constraint, to enable the software to reach a feasible solution with effective economic bids.⁶

The CAISO tariff specifies pricing parameters that will be the basis for pricing energy in instances where the market clearing software adjusts one or

³ The integrated forward market and the residual unit commitment, which are referenced below, are part of the day-ahead market. Tariff section 31.

⁴ Tariff section 27.4.

⁵ Tariff section 34.20.1. Real-time market transactions are settled at the dispatch interval LMPs in accordance with tariff section 11.5. Tariff section 34.20.2.2.

⁶ Tariff section 27.4.3.

more non-priced quantities.⁷ This petition for limited tariff waiver concerns the following two sections of the CAISO tariff, which specify pricing parameters:

- (1) Tariff section 27.4.3.2 states that, for the purpose of determining how the relaxation of a transmission constraint will affect the determination of prices in the integrated forward market and real-time market, the pricing parameter of the transmission constraint being relaxed is set to the maximum energy bid price specified in tariff section 39.6.1.1.⁸
- (2) Tariff section 27.4.3.4 states that, in the real-time market, if energy offers are insufficient to meet the CAISO forecast of CAISO demand, the SCUD and SCED software will relax the system energy-balance constraint and use a pricing parameter set to the maximum energy bid price specified in tariff section 39.6.1.1 for price-setting purposes.⁹

Tariff section 39.6.1.1 states that the maximum energy bid price is \$1,000/MWh.

⁷ *Id.* The pricing parameters are specified in tariff sections 27.1.2.3, 27.4.3.2, 27.4.3.3, and 27.4.3.4. The complete set of pricing parameters used in all CAISO markets is maintained in the Business Practice Manuals. *Id.*

⁸ Also, the second sentence of tariff section 27.4.3.2 states that the corresponding pricing parameter used in the residual unit commitment is set at the maximum residual unit commitment availability bid price specified in tariff section 39.6.1.2. However, this petition for tariff waiver does not seek waiver of that provision in section 27.4.3.2.

⁹ This petition for tariff waiver does not seek waiver of the first sentence of section 27.4.3.4, which states that, in the real-time market, in the event that energy offers are insufficient to meet the CAISO forecast of CAISO demand, the SCUC and SCED software will relax the system energy-balance constraint.

B. Effects of the Relevant Pricing Parameters on the Implementation of the Energy Imbalance Market

The Energy Imbalance Market provides other balancing authority areas the opportunity to participate in the real-time market for imbalance energy that the CAISO operates in its own balancing authority area. PacifiCorp's balancing authority areas (PacifiCorp East and PacifiCorp West) are the first two to join the Energy Imbalance Market. To prepare for implementation of the Energy Imbalance Market, the CAISO and PacifiCorp established operations and technology implementation teams in addition to preparing and training the personnel that would operate the systems. The CAISO's market rules went into effect on October 24, 2014, for the first trading day November 1, 2014,¹⁰ and the teams have been effectively deployed on a 24 hour/7 day basis since implementation.

The CAISO and PacifiCorp subsequently identified three primary types of circumstances that are currently affecting market outcomes and limiting or affecting the timing and amount of resource capability and flexibility that PacifiCorp can provide to the Energy Imbalance Market. These factors are particularly significant because, unlike some of the data or software concerns identified in some instances, these sorts of circumstances are less likely to be subject to the CAISO's normal price correction procedures. Although the CAISO

¹⁰ See *Cal. Indep. Sys. Operator Corp.*, 147 FERC ¶ 61,231 (2014) (conditionally accepting tariff revisions to implement Energy Imbalance Market); *Cal. Indep. Sys. Operator Corp.*, 149 FERC ¶ 61,058 (2014) (order denying requests for rehearing, granting in part and denying in part requests for clarification, and conditionally accepting tariff revisions on compliance with regard to order listed above); Commission Letter Order, 149 FERC ¶ 61,005 (Oct. 2, 2014) (order granting CAISO request to extend effective date of Energy Imbalance Market tariff revisions from September 23, 2014, to October 24, 2014, for trading day November 1, 2014).

will continue its review of all price excursions and correct prices if that is appropriate, it remains necessary to provide a mechanism for ensuring the market produces prices consistent with actual conditions for a limited period of time from circumstances such as these should they ultimately not be subject to correction.

First, although the implementation teams adjusted operational and business processes to conform to the requirements of the Energy Imbalance Market and fully engaged in the market simulations and operation of the production environments to prepare their operations for the requirements of the Energy Imbalance Market structure, they were not able to identify all of the process changes, procedures, and tools necessary to sustain stable market operations in this new environment. All possible operational conditions, including interactions between disturbance events and other conditions on the system, were not fully represented, simulated and tested during these earlier phases. This is not unusual in the implementation of software, market and operational changes such as those required to implement the Energy Imbalance Market. It was not until actual operations that these circumstances were experienced and the resulting price excursions became apparent. In some cases data issues arise because of errors made in processing such information, and in such intervals the CAISO will have authority to correct prices. But in some cases, the pricing excursions may be due to the need to adopt better practices generally and not because of an erroneous data processing issue.

The teams have been working expeditiously and have made significant progress in developing methods to improve the visibility of the market system and results so that PacifiCorp can better respond to scheduling and resource anomalies.¹¹ In addition, the teams have developed enhanced procedures to support operational decisions based on the information available. However, the CAISO and PacifiCorp require additional time to complete this adaptation, improvement, and stabilization process.

Second, the CAISO and PacifiCorp have identified certain limitations on the resources available to PacifiCorp for use in the Energy Imbalance Market. Several resources have not yet received the necessary metering upgrades due to various outage schedule limitations, which have prevented PacifiCorp from making these resources available in the initial pool of resources participating in the Energy Imbalance Market. The CAISO is processing temporary metering exemptions in accordance with its requirements and participation by some resources and their participation has improved conditions, but other considerations remain. For instance, some resources are subject to multiple ownership rights and have contractual issues that must be resolved to enable their participation in the Energy Imbalance Market. Additionally, third-party participating resources in PacifiCorp's balancing authority areas have not yet

¹¹ For example, the CAISO made information available to PacifiCorp's grid operations from the EIM base schedule submission process by publishing the degree of flexibility by resource and in the aggregate in additional displays. This increased flow of information related to PacifiCorp's balancing authority areas allows PacifiCorp's grid operators to better understand the nature and extent of the supply resources bid into the EIM, and in turn helps the operators to know whether additional resources should be committed to maintain balance and flexibility in the upcoming hour.

begun participating in the EIM, which further limits the pool of available resources. The CAISO anticipates the resolution of these near-term resource matters in the next several weeks and expects that PacifiCorp will strive to maximize economic participation of its available resources. In the longer term, the CAISO understands that PacifiCorp intends to continue to work with potential third-party participating resources to facilitate their entry into the Energy Imbalance Market and to engage its stakeholders in a process to explore enabling economic participation on PacifiCorp's interties, which will further expand the pool of resources available to the Energy Imbalance Market. These efforts will improve the overall supply and further contribute to price stabilization.

Third, the PacifiCorp East and PacifiCorp West balancing authority areas have experienced several forced outages of large EIM participating resources, which led to short term supply deficiencies in the market. While outages are not necessarily uncommon, these outages quickly exacerbated an already tight supply and contributed to price increases in the associated intervals. In addition, while PacifiCorp operations accounted for the outages by responding to system conditions, these actions have not always been communicated in a timely manner to the market. Without such information, the market results would not necessarily reflect physical conditions on PacifiCorp's system. The addition of more supply EIM participating resources and enhanced operational procedures should mitigate the impact of such outages.

These issues together are resulting in a lack of sufficient effective economic bids in the real-time market to avoid triggering the need to relax the

transmission constraints and power balance constraints in the EIM areas. The effect is to trigger the pricing mechanisms specified in Sections 27.4.3.2 and 27.4.3.4, causing the prices to be set by bid caps as opposed to actual economic conditions. The requested waiver will allow the CAISO to instead price the energy in the EIM areas more consistent with actual physical and competitive situations. Because of all the issues described above market software does not have the benefit of observing all resource movements to adequately meet load in those areas. The waiver, will allow the CAISO to price the energy consistent with the actual competitive bids submitted to the EIM during those intervals. The requested waiver allows the CAISO to price energy in those areas consistent with its current market authority under such conditions and ignore the erroneous perception that there are shortage conditions justifying price excursions based on the bid caps. Moreover, the waiver allows the CAISO to implement its local market power mitigation procedures, which otherwise do not apply when prices are set pursuant to the pricing parameters based on the bid caps.

The CAISO and PacifiCorp are confident that operational and business process enhancements, as well as additional resource participation in the Energy Imbalance Market, will soon improve conditions. An additional 90 days will to resolve these challenges to the point that they no longer significantly affect prices.

The more extreme step of suspending implementation of the Energy Imbalance Market until the issues noted above are resolved is neither

appropriate nor necessary.¹² The CAISO and PacifiCorp will be better able to identify solutions while the Energy Imbalance Market continues to operate. The CAISO has not observed reliability concerns during this time period that should be mitigated through actual suspension. Further, on an overall basis, implementation of the Energy Imbalance Market has been successful. In intervals where no concerns have arisen, prices have been stable. Market participants deserve more certainty and some temporary relief from the continued risk from uncorrected price excursions. The proposed limited waiver directly addresses these concerns.

After these circumstances are resolved, the CAISO will perform a review and consider whether it should propose a similar approach for other EIM entities as part of its year-one enhancement effort. This will allow each new EIM entity to benefit from the “lessons learned” from the initial implementation. Accordingly, if additional relief for such conditions is necessary, the CAISO will seek a tariff amendment and not additional waivers of its current tariff authority.

III. Request for Limited Waiver

To address the circumstances described above that the CAISO and PacifiCorp have identified since the implementation of the Energy Imbalance Market, the CAISO requests that the Commission grant limited waiver of CAISO tariff section 27.4.3.2 and the second sentence of 27.4.3.4 such that the CAISO will retain the ability to relax the constraints described in those sections but will not apply the pricing parameter establishing the price at the maximum energy bid

¹² CAISO Tariff, section 29.1(d).

price of \$1,000/MWh. Instead, the CAISO will use the pricing mechanism that applies when effective economic bids are sufficient to allow a feasible market solution, *i.e.*, market participants will pay or receive the applicable fifteen-minute market or real-time dispatch locational marginal price, as determined using the dispatch interval locational marginal prices, consistent with Sections 27.1.1, 34.20, and Appendix C of the CAISO tariff. The CAISO requests that the waiver be restricted to constraints within the PacifiCorp East and PacifiCorp West balancing authority areas, and those that affect EIM transfers between those two EIM balancing authority areas. The waiver would not apply to constraints within the CAISO balancing authority area or to EIM transfers between the CAISO balancing authority area and any of the EIM balancing authority areas.

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 and will benefit customers.¹³ This request satisfies all three elements. Therefore, good cause exists to grant the CAISO's request for waiver.

First, the waiver will be of limited scope. It will only affect the pricing of energy when the CAISO relaxes a transmission constraint or system-energy balance constraint in or between the EIM balancing authority areas. Further, the

¹³ See, e.g., *N.Y. Indep. Sys. Operator, Inc.*, 146 FERC ¶ 61,061, at P 19 (2014); *PJM Interconnection, L.L.C.*, 146 FERC ¶ 61,041, at P 5 (2014); *PJM Interconnection, L.L.C.*, 141 FERC ¶ 61,103, at P 8 (2012); *N.Y. Indep. Sys. Operator, Inc.*, 139 FERC ¶ 61,108, at P 14 (2012); *ISO New England Inc.*, 134 FERC ¶ 61,182, at P 8 (2011); *Cal. Indep. Sys. Operator Corp.*, 132 FERC ¶ 61,004, at P 10 (2010).

waiver will last only for a discrete and limited period of 90 days starting on the day after the CAISO submits this request for a waiver. The CAISO requests this limited 90-day effective period because it anticipates resolving the three circumstances identified within the 90 days. Finally, as discussed above, the CAISO will be conducting a stakeholder process to determine whether additional measures are warranted for EIM Entities beyond the 90 day period. The CAISO would seek a tariff amendment in such cases and not further waivers.

Second, the waiver will address a concrete problem that needs remedying. The three circumstances the CAISO and PacifiCorp have identified have resulted in pricing anomalies in PacifiCorp's EIM entity balancing authority areas. Granting the waiver will allow the CAISO to price energy when it relaxes a transmission constraint or system-energy balance constraint in the real-time Energy Imbalance Market using the applicable fifteen-minute market or real-time dispatch LMP, as determined using the dispatch interval locational marginal prices, rather than the maximum energy bid price of \$1,000/MWh. This will enable the CAISO and PacifiCorp to eliminate or ameliorate the identified limitations on PacifiCorp's ability to access additional resource capability by paying resources the market price for their energy. As a result, the amount of resource capability and flexibility that can be provided to the Energy Imbalance Market will increase, thus enhancing Energy Imbalance Market operation.

Third, the waiver will have no undesirable consequences, such as harming third parties. The waiver will affect prices in EIM Entity balancing authority areas only and will not apply to prices in the CAISO balancing authority area. To date,

the price excursions described above have resulted in EIM transfers of energy to or from PacifiCorp's balancing authority areas, as intended by the design, but the EIM transfers have not propagated price excursions in other balancing authority areas. Accordingly, the CAISO does not anticipate there to be a material impact on prices outside of the EIM Entity balancing authority areas. The waiver would benefit customers that would otherwise be subject to unwarranted pricing excursions not supported by actual and economic conditions on the system.

IV. Request for November 14, 2014 Effective Date

The CAISO requests that the Commission grant the effective date retroactively from the Commission's order to November 14, 2014. Absent a retroactive effective date, market participants will continue to be subject to prices that, because of the circumstances described above, do not reflect actual market conditions. This request is analogous to a request for waiver of the 60-day notice period for tariff amendments, which the Commission waives on a showing of good cause.¹⁴ The Commission has recognized that certain rules and tariff flaws may require prompt revision to assure that prices in wholesale markets continue to be just and reasonable.¹⁵ Although the *Guidance Order* addresses expedited treatment (which the CAISO requests below) of tariff amendments, the CAISO submits that the same considerations are relevant here. In the *Guidance Order*, the Commission stated that a request by a regional transmission organization or independent system operator for expedited treatment of a tariff revision should

¹⁴ See, e.g. *Midwest Indep. Transmission Sys. Operator*, 127 FERC ¶ 61,310 (2009).

¹⁵ *Guidance Order on Expedited Tariff Revisions for Regional Transmission Organizations and Independent System Operators*, 111 FERC ¶ 61,009 at P 1. (2005) ("*Guidance Order*").

clearly demonstrate that a rule change is required due to a flaw, why action is necessary in the market, and that the proposed tariff revision will correct the flaw.¹⁶ The tariff revision qualifies for the use of expedited tariff revision procedures if the flaw that meets the following criteria:

- (1) it materially adversely impacts the market (due to the unanticipated workings of the tariff or unanticipated actions by market participants);
- (2) it requires prompt action to prospectively revise the tariff to remove the ability to cause such material adverse impacts; and
- (3) it is susceptible to a clear-cut revision or interim tariff revision or market rule.¹⁷

The requested waiver is consistent with these criteria. Despite the simulation and non-priced production model experiences, neither the CAISO nor PacifiCorp were able to anticipate the conditions that have adversely affected the market outcomes described above. Because the CAISO and PacifiCorp require additional time to address these circumstances, a prompt effectiveness of the waiver is necessary in order to avoid continued adverse impacts. Finally, the temporary solution is simple and clear-cut.

In addition, a November 14, 2014 effective date will not conflict with the filed-rate doctrine or the rule against retroactive ratemaking. The filed-rate doctrine “does not extend to cases in which the buyers are on adequate notice

¹⁶ Guidance Order at P 2.

¹⁷ *Id.* See also *Cal. Indep. Sys. Operator Corp.*, 135 FERC ¶ 61,110, at PP 24, 26 (2011) (granting expedited treatment and waiver of prior notice requirement pursuant to Guidance Order to accept tariff revisions modifying bid cost recovery settlement rule); *ISO New England Inc.*, 111 FERC ¶ 61,184, at PP 1, 10 (2005) (granting expedited treatment and waiver of prior notice requirement pursuant to Guidance Order to accept tariff revisions ending use of market-based reference levels for units that run out-of-merit more than 50 percent of the time).

that resolution of some specific issue may cause a later adjustment to the rate being collected at the time of service.” *Natural Gas Clearinghouse v. FERC*, 965 F.2d 1066, 1075 (D.C. Cir. 1992). Here, the CAISO filing of this petition provides the requisite notice.

The Commission has not hesitated to grant tariff waivers retroactively, even to periods before the filing, when necessary to avoid inequitable results.¹⁸ The Commission should do so here.

V. Request for Expedited Consideration

The CAISO respectfully requests that the Commission act expeditiously and issue an order no later than November 26 that grants this waiver. To permit the timely issuance of the order, the CAISO also requests that the Commission shorten the comment period on this filing to no more than 5 calendar days.

As discussed above, the petition meets the criteria for expedited consideration set forth in the *Guidance Order*. The fact that the CAISO will be able to rerun the market for the period between November 1, 2014 and the date of the Commission’s order does not negate the need for expedited consideration. The CAISO market software systems are designed to apply the maximum energy bid price set forth in CAISO tariff sections 27.4.3.2 and 27.4.3.4 rather than the applicable fifteen-minute market or real-time dispatch locational marginal price. In order to then obtain prices consistent with the requested waiver, the CAISO would be required to rerun the pricing runs to determine the appropriate market clearing

¹⁸ See, e.g., Letter Order granting waiver of penalties for violation of section 31.1.4.1 of the CAISO’s Tariff through October 18, 2006, 121 FERC ¶ 61,011 (2007).

prices.¹⁹ This would require significantly more time, represent some risk that there could be incorrect resettlement due to the difficulty of determining the marginal economic bid, and prolong the application of the relief requested in this petition. Moreover, as long as price excursions continue in the market, they will complicate the CAISO's and PacifiCorp's ability to resolve the issues that necessitated this filing.

Expedited consideration is even more important in the event that the Commission denies the CAISO's requested effective date. In such a case, it is necessary to minimize the continued exposure of market participants to pricing excursions. The CAISO stresses, however, that it does not consider expedited consideration to be a reasonable alternative to the retroactive effective date. The CAISO's first priority is to spare market participants the continued financial harm caused by the price excursions.

VI. Service

The CAISO has served copies of this filing upon the California Public Utilities Commission and all parties with effective scheduling coordinator service agreements under the CAISO tariff. In addition, the CAISO has posted this filing on its website.

¹⁹ If the Commission were to find that good cause does not exist to grant the petition, the CAISO would settle energy charges and payments for the affected intervals consistent with the maximum energy bid price set forth in tariff sections 27.4.3.2 and 27.4.3.4. This would ensure that the CAISO's implementation of the waiver would have no financial impact on market participants.

VII. Correspondence

The CAISO requests that all correspondence, pleadings, and other communications concerning this filing be served upon the following:

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VIII. Conclusion

For the foregoing reasons, the CAISO requests that the Commission grant a limited waiver of CAISO tariff section 27.4.3.2 and the second sentence of section 27.4.3.4 as discussed above effective from trade day November 14, 2014, through trade day February 12, 2015, *i.e.*, for a 90-day period beginning the day after this petition was filed.

Respectfully submitted,

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