

128 FERC ¶ 61,215
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

September 1, 2009

In Reply Refer To:
California Independent System Operator Corporation
Docket No. ER06-615-002

Andrew Ulmer, Esq.
Senior Counsel
California Independent System
Operator Corporation
151 Blue Ravine Road
Folsom, CA 95630

Reference: Joint Quarterly Seams Reporting Requirement

Dear Mr. Ulmer:

1. On May 5, 2009, pursuant to Rule 212 of the Commission's Rules of Practice and Procedure,¹ the California Independent System Operator Corporation (CAISO) submitted a motion requesting that the Commission eliminate the joint quarterly seams reporting requirement associated with the CAISO's implementation of its Market Redesign and Technology Upgrade (MRTU) (motion). On July 27, 2009, the Commission granted an extension of time and deferred the joint quarterly seams reporting requirement, pending further Commission action on the motion.

2. During the development of MRTU, the Commission directed the CAISO to meet with neighboring control areas to identify and resolve seams issues and with the Western Area Power Administration (Western) to discuss issues related to the transmission

¹ 18 C.F.R. § 385.212 (2009).

exchange agreement (TEA).² The Commission directed the CAISO, neighboring control areas and Western to report the progress of their efforts in joint quarterly seams reports.³

3. In its motion, the CAISO states that this reporting requirement is no longer necessary in light of the launch of MRTU on March 31, 2009 and the CAISO's commitment to participate in seams discussion in the Western Electricity Coordinating Council's Seams Issues Subcommittee (WECC Seams Issues Subcommittee), which identifies and resolves seams issues with neighboring balancing authorities. The CAISO states that, because WECC Seams Issues Subcommittee publishes its agenda, meeting materials and minutes, the Commission will have a mechanism to track the progress of efforts to address seams issues.

4. The CAISO adds that it and neighboring balancing authorities have negotiated provisions of adjacent or interconnected balancing authority operating agreements that are subject to Commission review and approval. The CAISO commits to working collaboratively with neighboring balancing authorities under these agreements to resolve seams issues as they arise. The CAISO notes that parties may bring unresolved issues under these agreements to the Commission's attention. The CAISO also commits to continue to work with Western under the TEA, which is subject to the Commission's review and approval, to resolve issues as they arise. The CAISO points out that Western may bring unresolved issues to the Commission's attention.

5. Xcel Energy Services Inc. filed an answer in support of the motion. In its answer, Western states that it sees no continued benefit in preparing and submitting any future joint reports to the Commission and does not oppose the motion.

6. We agree that the joint quarterly seams reporting requirement associated with the CAISO's implementation of MRTU is no longer necessary. First, the launch of MRTU has significantly reduced the need to report on this issue. Second, the CAISO has committed to participate in the WECC Seams Issues Subcommittee to resolve seams issues. Finally, parties may bring unresolved issues under the adjacent or interconnected balancing authority operating agreements and the TEA to the Commission's attention, if

² See *Cal. Indep. Sys. Operator Corp.*, 116 FERC ¶ 61,274, at P 490 (2006); *order on reh'g*, 119 FERC ¶ 61,076, at P 129, 135, 219, 224 (2007).

³ See *Cal. Indep. Sys. Operator Corp.*, 116 FERC ¶ 61,274 at P 490; *Cal. Indep. Sys. Operator Corp.*, 119 FERC ¶ 61,076 at P 224.

necessary. For these reasons, we find that the joint quarterly seams reporting requirement can be eliminated. Accordingly, we grant the motion.

By direction of the Commission.

Kimberly D. Bose,
Secretary.