

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

**California Independent System            )     Docket No. ER98-3760-000  
Operator Corporation                    )**

**ANSWER OF THE CALIFORNIA INDEPENDENT SYSTEM  
OPERATOR CORPORATION TO THE JOINT MOVANTS'  
MOTION FOR AN EXTENSION OF TIME TO RESPOND TO THE  
CLARIFICATION FILING**

**I.     Introduction**

Pursuant to Rule 213 of the Federal Energy Regulatory Commission's ("Commission") Rules of Practice and Procedure, 18 C.F.R. § 385.213, the California Independent System Operator Corporation ("ISO"), hereby files its Answer to the Joint Movants' Motion for an Extension of Time to Respond to the Clarification Filing ("Motion") in this proceeding.<sup>1</sup> The Joint Movants' request a date of August 28, 1998 as the date for interventions or protests in this proceeding. The current date is August 4, 1998. Through this Answer, the ISO wishes to clarify the description that was provided in the Motion regarding the ISO's offer to agree to an extended intervention period. As explained further herein, the ISO does not oppose the Motion, but urges the Commission's adoption of certain procedural arrangements that would provide all participants

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<sup>1</sup> Joint Movants comprise the California Municipal Utilities Association, the California Department of Water Resources, City of Los Angeles, Department of Water and Power, the Metropolitan Water District of Southern California, the Modesto Irrigation District, the M-S-R Public Power Agency, the Northern California Power Agency, Pacific Gas & Electric Company, the City of Palo Alto, the City of Redding, the Sacramento Municipal Utility District, San Diego Gas & Electric Company, City and County of San Francisco, Hetch Hetchy, the City of Santa Clara, Southern California Edison Company, the Southern Cities (collectively the Cities of Anaheim, Asuza, Banning, Colton, and Riverside), the Transmission Agency of Northern California, and the Turlock Irrigation District.

(including the ISO and Commission staff) with the ability to accomplish the required tasks within reasonable time frames. The ISO is posting a copy of this filing on the ISO Home Page.

## **II. Background**

On June 1, 1998, in Docket Nos. EC96-19-029 and ER96-1663-030, the ISO made its Compliance Filing 60 days after the start of operations. In the transmittal letter, the ISO noted the Commission's stated intention to use the proceeding to allow intervenors to pursue issues not previously resolved by the Commission in the California restructuring or "WEPEX" proceedings. Compliance Filing Transmittal Letter at 6. Thus, the Commission intended the ISO's Compliance Filing as the vehicle for parties to litigate issues not resolved in prior Commission orders, rather than merely the issue of whether the ISO had correctly complied with the Commission's instructions

When the ISO made its Compliance Filing, it proposed instead to limit the proceeding to only those issues in a typical compliance filing, i.e., whether the ISO correctly complied with the Commission's orders. The ISO proposed that the remaining issues (i.e., those issues previously raised but not resolved by the Commission) be resolved through the instant proceeding (the Clarification Filing). In order to avoid prejudice to any party, the ISO agreed that each party's Section 205 rights with respect to issues raised but not resolved by the Commission in the WEPEX dockets (including all sub-dockets) would be preserved for resolution in the Clarification Filing. The objectives of the ISO's procedural proposal were four-fold: (1) to preserve the rights of all parties to pursue issues not resolved by

the Commission; (2) to narrow the scope of the Compliance Filing; (3) to close out old, and multiple, docket numbers (i.e., the old WEPEX” dockets and other dockets); and (4) to create a new and more focused service list.

When the ISO made its Clarification Filing on July 15, 1998, it again set forth the procedural proposal mentioned in the Compliance Filing. In order to assist intervenors in identifying issues, the ISO created an Intervenor Issues Matrix that lists the issues the ISO believed were previously raised and not resolved by the Commission. In addition, as previously stated in the Compliance Filing, the ISO reiterated that it would agree to an extended intervention period:

To allow parties adequate time to review their prior pleadings and the Intervenor's Issue Matrix and identify any additional unresolved issues that should be included in the Intervenor's Issue Matrix. . . .

Clarification Filing Transmittal Letter at 7.

### III. Answer and Comment

Joint Movants state that there are two primary reasons for their motion: (1) the date set for interventions and protests in the ISO's Clarification Filing overlaps with “other regulatory activities and deadlines,” and (2) there is no urgency to address the issues in the Clarification Filing because, in part, the ISO “indicated that it would agree to an extended intervention period for responses to the Clarification Filing.” Motion at 2, and 3-4. While the Joint Movants statements are partially correct, the Joint Movants neglect to mention that the ISO's offer to agree to an extended intervention period was predicated on the parties agreeing to the ISO's procedural proposal. Obviously, there would be no

need for intervenors to “to review their prior pleadings and the Intervenors' Issue Matrix” if the issues in this proceeding are limited to clarifications.<sup>2</sup>

Despite the incomplete characterization of the ISO's procedural proposal, the ISO does not oppose the Joint Movants' request for an extension of time. One of the fundamental goals underlying the ISO's procedural proposal is to ensure that all participants (i.e., intervenors, the ISO, and Commission staff) have adequate time to address all issues and thereby establish a more focused record. Indeed, if Joint Movants need more time to meet “other regulatory activities and deadlines” (including the August 5, 1998, deadline for comments on the Compliance Filing), the ISO's procedural offer of moving previously raised but unresolved issues to the Clarification Filing with an extended intervention period would better respond to that need.

Furthermore, a longer opportunity to review prior pleadings (and the ISO-prepared Intervenor Issues Matrix) might even narrow the scope of the proceedings. For example, after a review of their pleadings, it may be that issues raised by intervenors prior to the startup of ISO operations might no longer be issues after the start-up of ISO operations. At the very least, the ISO's proposal is intended to promote the efficient use of resources of all participants by avoiding a single proceeding that includes both compliance issues and previously raised but unresolved issues. Therefore, the ISO asks that the Commission, in acting on Joint Movants' request for an extension of time, adopt the ISO's

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<sup>2</sup> The Joint Movants did mention the ISO's proposal in a footnote stating that they “take no position on the ISO's procedural proposal in this Motion.” Motion at 3, n. 2. Moreover, in describing the procedural proposal, Joint Movants did not mention the offer of an extended intervention period.

procedural proposal in acting on the ISO's Clarification and Compliance Filings. Furthermore, if there are other procedural options at the Commission's disposal that can streamline the proceedings and conserve resources without prejudice to any participant, the ISO would gladly embrace such actions.

**III. Conclusion**

For the reasons expressed herein, the ISO does not oppose the Joint Movants' request for an extension of time and the establishment of August 28, 1998, as the date for interventions or protests in this proceeding. In addition, in order to (1) narrow the scope of the Compliance Filing; (2) to close out old, and multiple, docket numbers, and (3) create a new and more focused service list, the ISO asks that the Commission adopt the ISO's procedural proposal in acting on the ISO's Clarification and Compliance Filings.

Respectfully submitted,

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**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served the forgoing document upon each person designated on the official service list compiled by the Secretary in [??]

in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure, 18 C.F.R. §385.2010 (1997).

Dated at Washington, D.C. on this 31<sup>th</sup> day of July, 1998.