

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

**California Independent System) Docket No. ER06-615-____
Operator Corporation)**

**MOTION FOR EXTENSION OF TIME OF THE CALIFORNIA INDEPENDENT
SYSTEM OPERATOR TO SUBMIT REPORT**

I. Introduction

Pursuant to Rules 212 and 2008(a) of the Commission's Rules of Practice,¹ the California Independent System Operator Corporation (the ISO) respectfully submits this motion on behalf of its Market Surveillance Committee (MSC) for an extension of time until May 28, 2010 to file its analysis of alternatives to the ISO's current three-pivotal-supplier test for determining local market power.

In a September 21, 2006 Order (September 2006 Order),² the Commission considered the ISO's proposal to utilize for its new markets a three-pivotal-supplier test in considering whether transmission paths are competitive or non-competitive. In the September 2006 Order, the Commission accepted the ISO's proposal, but ordered the MSC, "during the first year of implementation, to examine whether an alternative competitive screen to identify market power opportunities for generation in load pockets should be considered."³ The

¹ 18 C.F.R. §§ 385.212, 385.2008(a).

² *Cal. Indep. Sys. Operator Corp.*, 116 FERC ¶ 61,274 (2006).

³ *Id.* at P 1032.

September 2006 Order additionally mandated the MSC “to include its findings in the CAISO’s quarterly, post-implementation performance reports.”⁴

The September 2006 Order specified that for the first year after implementation of the ISO’s new market, the ISO must “commence filing post-implementation performance reports on a quarterly basis within 30 days of the end of each calendar quarter.”⁵ The final quarterly post-implementation report is due today, April 30, 2010, and is being filed concurrently with this Motion.

Granting this Motion would thus afford the MSC a four-week extension of time to file its report.

II. There is Good Cause for Granting the MSC an Extension of Time

The MSC has indicated that having more time to review the final version of the ISO’s “2009 Annual Report on Market Issues and Performance” (ISO Annual Report),⁶ would be helpful as it prepares its analysis. The ISO Annual Report includes a variety of analyses performed by the ISO’s Department of Market Monitoring (DMM) regarding the performance of the local market power mitigation provisions of the ISO’s new market design. Although the MSC has been presented with DMM’s draft findings over the course of the past year, it only recently received the final copy of the ISO Annual Report. An extension of time would provide the members of the MSC a greater opportunity to fully digest the ISO Annual Report and incorporate the views presented therein into the MSC’s findings.

⁴ *Id.*

⁵ *Id.* at P 1417.

⁶ This document was filed on April 23, 2010, in FERC Docket No. ZZ10-4-000.

An extension would also grant the MSC the time necessary to formally adopt its report as an official MSC Opinion. As part of this process, the MSC will: publish a draft report; obtain comments from DMM, the ISO, and stakeholders; and formally adopt the report through a public process. As a formal subcommittee of the ISO Governing Board, the MSC is subject to the same open meeting requirements as the Governing Board. Under the ISO's Open Meeting Policy, except under emergency circumstances, the ISO Governing Board and its subcommittees may only take action in a properly noticed meeting.⁷ In addition, the MSC publishes draft opinions for stakeholder comment several days in advance of stakeholder meetings. These timing constraints, in tandem with the MSC's desire to review in detail the final version of the ISO Annual Report, warrant a modest extension of time for the MSC to make its required filing. Such an extension will result in a more thorough and complete final product that will benefit from stakeholder comment. At the same time, no party will be prejudiced by this slight delay in filing the MSC's analysis. The additional time will allow stakeholders the opportunity to review the ISO Annual Report as background to the MSC's draft report that will soon be posted for comment.

III. Conclusion

For the above-stated reasons, the ISO requests on behalf of the MSC that the Commission grant the MSC a four-week extension to file its alternative

⁷ CALIF. INDEP. SYS. OPERATOR CORP., OPEN MEETING POLICY § 1.2, *available at* <http://www.caiso.com>. This policy is a legislative requirement, as California law mandates that the ISO "[m]aintain open meeting standards and meeting notice requirements consistent with the general policies of the Bagley-Keene Open Meetings Act" and must maintain its Open Meeting Policy at a level "that is no less consistent with the Bagley-Keene Open Meetings Act than its" current policy. CAL. PUB. UTIL. CODE § 345.5 (c)(3).

competitive screen analysis with the Commission. Granting such an extension would permit more complete consideration of the issues raised in the ISO Annual Report and would provide the MSC the time necessary to formally adopt its analysis as an official MSC Opinion.

Respectfully submitted,

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Dated: April 30, 2010

CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing document upon the parties listed on the official service lists in the above-referenced proceedings, 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 Folsom, California this 30th day of April, 2010.

Anna Pascuzzo
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