

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

California Independent System Operator Corporation)
Docket No. ER00-866-000)
)
)

**NOTICE OF THE
CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION
TO WITHDRAW
AMENDMENT NO. 24 TO THE ISO TARIFF –
REVISED LONG-TERM GRID PLANNING PROCESS –
AND REQUEST TO TERMINATE PROCEEDING**

The California Independent System Operator Corporation (“ISO”) hereby notifies the Commission that it is withdrawing Amendment No. 24 to the ISO Tariff filed in the above-referenced proceeding on December 21, 1999. Amendment No. 24 would have made three principal revisions to the ISO’s long-term grid planning process, including two (incorporation of a competitive solicitation process for determining transmission, generation and other non-wires alternatives to proposed transmission projects; and providing that the ISO could become a sponsor of a proposed economic transmission project in certain limited circumstances) that were the subject of many comments by intervenors.

After the filing of Amendment No. 24, the Commission issued a decision in another proceeding in which it faulted the ISO’s existing protocols for dealing with Intra-Zonal Congestion management.¹ The ISO believes that the issues involved in the reexamination of congestion management may be related to some of the

¹ *California Independent System Operator Corp.*, 90 FERC ¶ 61,006 (2000).

issues raised by intervenors with respect to the competitive solicitation process proposed by Amendment No. 24. The ISO is currently evaluating the ramifications of the Commission's directive and how best to comply. The ISO believes that until these related issues are fully discussed and examined, it is premature to proceed with the long-term grid planning process outlined in Amendment No. 24.

The ISO is also committed to make its stakeholder process work more effectively, a fact demonstrated by the all-day meeting with stakeholders the ISO convened on February 1, 2000, to discuss that process generally and to determine ways in which it may be improved. In response to comments made by Market Participants in the context of both Amendment No. 24 and, more generally, the February 1st meeting, the ISO believes that it is appropriate to continue to discuss further with stakeholders certain elements of the ISO's revised long term grid planning process.

In light of its review of congestion management, as well as its desire to engage in a good faith effort to address the concerns raised by the stakeholders regarding Amendment No. 24, the ISO has determined to withdraw Amendment No. 24. It will reconsider the competitive solicitation features of the Amendment as part of its comprehensive review of the congestion management issue. To the extent there are aspects of the long-term grid planning proposal that do not involve the competitive solicitation process and that otherwise make sense to implement in advance of the resolution of the congestion management issue, the

ISO will seek in a subsequent filing to revise its Tariff to reflect such changes separately.

A draft notice, suitable for publication in the Federal Register, along with a computer disk containing that notice in WordPerfect 8.0 format, is included with this filing.

WHEREFORE, for the above reasons, the ISO hereby notifies the Commission that it is withdrawing Amendment No. 24 to the ISO Tariff and requests that the Commission terminate the above-captioned proceeding.

Respectfully submitted,

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Dated: February 4, 2000

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Washington, D.C. on this 4th day of February, 2000.

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