

122 FERC ¶ 61,004
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Joseph T. Kelliher, Chairman;
Sudeen G. Kelly, Marc Spitzer,
Philip D. Moeller, and Jon Wellinghoff.

California Independent System Operator Corporation Docket Nos. ER04-835-006

Pacific Gas and Electric Company EL04-103-001
(consolidated)

v.

California Independent System Operator Corporation

ORDER ON MOTION FOR CLARIFICATION

(Issued January 3, 2008)

1. On November 20, 2007, the Commission denied rehearing in part and granted rehearing in part and granted clarification of the Commission's order on initial decision issued on December 27, 2006.¹ In the December 2006 Order, the Commission had affirmed in part and reversed in part an initial decision resolving issues related to the allocation of must-offer obligation costs in the California Independent System Operator Corporation's (CAISO) Amendment No. 60 to its open access transmission tariff.²

2. In the November 2007 Order, the Commission agreed with the California Department of Water Resources State Water Project (SWP) that it had acted prematurely when it stated in the December 2006 Order that the CAISO's Reliability Capacity Services Tariff (RCST) in Docket No. EL05-146-000 would follow the cost allocation

¹ *Cal. Indep. Sys. Operator Corp.*, 121 FERC ¶ 61,193 (2007) (November 2007 Order). *See also Cal. Indep. Sys. Operator Corp.*, 113 FERC ¶ 63,017 (2005), *aff'd in part and rev'd in part*, 117 FERC ¶ 61,348 (2006) (December 2006 Order).

² December 2006 Order, 117 FERC ¶ 61,348 (2006).

methodology in this proceeding.³ The Commission also noted, however, that, since issuance of the December 2006 Order, it had issued an order in Docket No. EL05-146-000, finding that it was just and reasonable for the CAISO to allocate the RCST capacity costs incurred for the dispatch of units under the must-offer obligation in accordance with the Commission's determination in this proceeding.⁴ The Commission concluded that, because the Commission had issued a final determination on this issue in Docket No. EL05-146-000, SWP's arguments on this point were moot.⁵ Accordingly, the Commission denied rehearing on this issue.⁶

3. On December 5, 2007, SWP filed a motion for clarification of the November 2007 Order. SWP notes that, as of November 20, 2007, the Commission had not, in fact, issued a final order in Docket No. EL05-146-000. SWP requests clarification that the Commission: (1) did not intend to predetermine or deny rehearing of SWP's pending rehearing request in Docket No. EL05-146-004; and (2) will issue a final decision on SWP's request for expedited rehearing in Docket No. EL05-146-004.

4. The Commission clarifies that, in the November 2007 Order, it did not intend to predetermine or deny SWP's then-pending rehearing request in Docket No. EL05-146-004. However, since then, on December 20, 2007, the Commission issued an order in Docket No. EL05-146-004, which denied SWP's request for rehearing in that proceeding.⁷

By the Commission.

(S E A L)

Kimberly D. Bose,
Secretary.

³ November 2007 Order, 121 FERC ¶ 61,193 at P 112 (2007).

⁴ *Id.* (citing *Indep. Energy Producers Assoc. v. Cal. Indep. Sys. Operator Corp.*, 118 FERC ¶ 61,096, at P 125, 154, *reh'g denied*, 119 FERC ¶ 61,266 (2007)).

⁵ *Id.*

⁶ *Id.*

⁷ *Indep. Energy Producers Assoc. v. Cal. Indep. Sys. Operator Corp.*, 121 FERC ¶ 61,276 (2007).