

**BEFORE THE
PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to Promote)
Policy and Program Coordination and)
Integration in Electric Utility Resource)
Planning)
_____)

R.04-04-003

**MOTION OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR
CORPORATION TO AUGMENT THE RECORD REGARDING RESOURCE
ADEQUACY PHASE 2**

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Dated: September 23, 2005

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In accordance with Rule 45 of the Commission’s Rules of Practice and Procedure, the California Independent System Operator Corporation (“CAISO”) respectfully moves to submit for the record in the above-referenced proceeding the following three documents:¹

1. “Supplemental Deliverability Study: Import Levels for Resource Adequacy (RA) Planning Purposes, Explicit Consideration of Existing Resource Contracts, Expiring Existing Transmission Contracts, and EOR Short-Term Upgrades,” dated September 19, 2005 (“Import Deliverability Study”) (Attachment 1);
2. “Local Capacity Technical Analysis: Overview of Study Report and Final Results,” dated September 19, 2005 (“Local Capacity Study”) (Attachment 2); and
3. “Market Redesign Technology Upgrade Project (MRTU) CAISO Proposal: Resource Adequacy-Based Must Offer Obligation,” updated September 15, 2005 (“Must Offer White Paper”) (Attachment 3).

Each of these documents relates to discrete resource adequacy issues assigned to the CAISO either explicitly in the Commission’s *Interim Order Regarding Resource*

¹ The CAISO notes that Rule 84 of the Commission’s Rules of Practice and Procedure, which allows a party to petition to set aside submission of the record and reopen the proceeding for the taking of additional evidence, is limited to circumstances involving “hearings.” Although Rule 84 does not apply to the instant rulemaking proceeding, the CAISO believes that it has satisfied the requirements of the rule if applicable.

Adequacy, D.04-10-035 (Oct. 28, 2004) (“Interim Order”), or through the Phase 2 workshops. Accordingly, it is in the interests of both the Commission and workshop participants that the record be complete and accurate in order to facilitate preparation of the Commission’s upcoming Phase 2 draft decision and order

I. The Documents Respond to Commission Directives and Enhance the Quality of the Record

As noted above, the Interim Order supported the CAISO’s proposal for a baseline analysis to develop a deliverability requirement and directed that the CAISO undertake such an analysis as part of Phase 2. (Interim Order at 31.) The Import Deliverability Study is a component of that overall baseline analysis and reflects refinements to a preliminary analysis based on input from workshop participants. The areas of refinement address (1) consideration of existing resource contracts, (2) the effect of expiring Existing Transmission Contracts, and (3) the effect of East of River short-term upgrades. The result of these refinements is to increase the import capacity available for allocation.

Similarly, as recognized by Commission staff in the Phase 2 Workshop Report, the Interim Order determined that local requirements must be a component of the resource adequacy framework and that the development of a local resource adequacy requirement was earmarked for Phase 2. The Local Capacity Study represents the CAISO’s final study results and sets forth the specific capacity requirement for identified local capacity areas.

Finally, the *Assigned Commissioner’s Ruling Providing for Comments and Replies on Modification to the Interim Resource Adequacy Requirements Decision 04-10-035*, dated February 8, 2005, expressly acknowledged that the purpose of the Interim Order was to ensure that resources needed to serve load would be available when needed

and complement the CAISO's market design (at 5.) Consistent with this objective, considerable time was spent during the workshops addressing the nature of resource adequacy resources' obligation to be available to the CAISO. The Must Offer White Paper defines the CAISO's vision of this availability obligation in the context of complimenting the CAISO's market redesign efforts.

II. There is No Prejudice to Parties by Granting the Motion and the CAISO Requests Shortening or Waiving Time to Respond

As noted, none of the submitted documents raise issues for the first time. Each topic covered by the documents has been the subject of one or more Commission or CAISO workshop and of the Phase 2 Workshop Report in which parties have had the opportunity to comment. That said, the CAISO recognizes that the particular documents have not been previously disseminated and commented upon. However, the CAISO does not believe a comment period, either on this motion or the underlying documents, is appropriate or necessary and requests, pursuant to Rule 45(f) and (i), that the time for responding to this motion be either waived or shortened. The Phase 2 draft decision is likely imminent. The release of the draft decision should not be delayed. Any postponement may jeopardize the June 1, 2006 implementation date. Given that the documents are updates, and do not raise new topics, if the Phase 2 draft decision includes information derived from the attachments, parties will have ample knowledge and background to fully respond in comments on the draft decision. Thus, granting this motion will not prejudice any party to this proceeding.

III. Conclusion

The CAISO respectfully requests that its motion to include the attachments in the record in this proceeding be granted and that the time for responding to this motion be either waived or shortened.

September 23, 2005

Respectfully Submitted:

By: _____
Grant A. Rosenblum
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ATTACHMENT 1

ATTACHMENT 2

ATTACHMENT 3