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October 28, 2009

The Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

**Re: California Independent System Operator Corporation
Docket Nos. ER09-556-____, ER08-367-____, and ER06-615-____
Filing of ISO Tariff Sheets to Reflect Accepted Effective Date
and Previously Accepted Changes**

Dear Secretary Bose:

The California Independent System Operator Corporation ("ISO") hereby submits this informational filing of clean tariff sheets reflecting a revised effective date of November 5, 2009 for the simplified ramping tariff changes in accordance with the Commission's October 6, 2009 letter order in this proceeding. This filing also corrects an error to a previously filed clean sheet, namely to the sheet containing Section 34.5(10) of the ISO tariff, in which the ISO inadvertently failed to delete a phrase in its March 30, 2009 filing in response to the Commission's order granting the ISO's prior motion to extend the effective date of the simplified ramping tariff changes from March 31, 2009 to October 1, 2009.

I. Background

On January 15, 2009, the ISO filed a tariff amendment in this proceeding that contained discrete clarifications to the ISO tariff for which the ISO initially requested an effective date of March 31, 2009.¹ The clarifications included revisions to Sections 34.5(10), 34.15.1(c), and 34.15.5 of the ISO tariff

¹ March 31 was the date when the new market under which the ISO currently operates went into effect.

concerning simplified ramping (collectively, "Simplified Ramping Tariff Provisions").²

On March 6, 2009, the ISO filed a motion to modify the initially proposed March 31 effective date for the Simplified Ramping Tariff Provisions only, so that they would instead go into effect on October 1, 2009. In the March 6 motion, the ISO explained that the modification to the effective date was necessary because the ISO anticipated that the software changes needed to implement simplified ramping would not be completed until October 1.

On March 24, 2009, the Commission issued an order conditionally accepting the ISO's January 15 tariff amendment, subject to the submittal of a compliance filing. In the March 24 order, the Commission also granted the ISO's March 6 motion and accepted the Simplified Ramping Tariff Provisions effective October 1.³

On March 30, 2009, the ISO submitted a filing to comply with the directives in the March 24 order. The March 30 compliance filing included clean ISO tariff sheets reflecting the October 1 effective date for the Simplified Ramping Tariff Provisions. Unbeknownst to the ISO, one of the clean ISO tariff sheets (Sheet No. 639) also included an inadvertent error: Sheet No. 639 inadvertently did not reflect the deletion of the phrase "the Regulation Ramp Rate of the resource rather than" from Section 34.5(10) of the ISO tariff, which deletion the ISO had proposed in the January 15 tariff amendment and the Commission had accepted in the March 24 order.⁴ The Commission accepted the March 30 compliance filing in a letter order issued on October 19, 2009.

On September 11, 2009, the ISO filed a motion to postpone the effective date for the Simplified Ramping Tariff Provisions from October 1 to November 5, 2009, because the ISO then anticipated that the software changes needed to implement simplified ramping would not be completed until November 5. In the September 11 motion, the ISO also stated that, because there was still some uncertainty concerning the software deployment schedule, the ISO planned to file an informational report with the Commission on October 15, 2009, to confirm whether the software revisions needed to implement simplified ramping were on track for the proposed November 5 effective date. Further, the ISO stated that, following Commission approval of the November 5 effective date, the ISO would

² The Simplified Ramping Tariff Provisions are intended to reflect software changes to implement a "simplified" approach to the treatment of ramp rates utilized by the ISO's software, for the purpose of co-optimizing energy scheduling and ancillary services procurement over multiple market intervals.

³ *California Independent System Operator Corp.*, 126 FERC ¶ 61,262, at P 102 and Ordering Paragraphs (A) and (B) (2009).

⁴ The clean and black-lined sheets included in the January 15 tariff amendment correctly reflected the deletion of the phrase quoted above.

submit a filing with tariff sheets revised solely to reflect that effective date and to correct the inadvertent error on Sheet No. 639 introduced in the March 30 compliance filing.

On October 6, 2009, the Commission issued a letter order accepting the September 11 motion and the November 5 effective date for the Simplified Ramping Tariff Provisions. On October 15, the ISO filed an informational report to confirm that the software modifications needed to put simplified ramping into effect were on schedule to be deployed by November 5. The ISO also reiterated in the informational report that it would submit tariff sheets revised solely to reflect the Commission-approved November 5 effective date and to correct the inadvertent error on Sheet No. 639.

The ISO continues to be on track for the November 5 implementation of simplified ramping and is now submitting the updated tariff sheets. If any unexpected difficulties arise with the implementation of simplified ramping on November 5, the ISO will promptly submit an appropriate filing to the Commission.

II. Submittal of Tariff Sheets to Reflect Changes and Effective Date Previously Accepted by the Commission

Consistent with the discussion above, the ISO includes in Attachment A to the instant filing tariff sheets containing the Simplified Ramping Tariff Provisions, revised solely to reflect the November 5 effective date accepted in the October 6 letter order and to correct the inadvertent error on Sheet No. 639 introduced in the March 30 compliance filing. As explained above, the Commission has already accepted all of these changes. The ISO is not proposing any new changes to the tariff sheets in this filing.

III. Conclusion

For the foregoing reasons, the ISO requests that the Commission accept the instant filing. Please contact the undersigned with any questions.

Respectfully submitted,

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Attachment A – Informational Clean Sheets
Modification to the Effective Date of Certain Tariff Revisions
Fourth Replacement CAISO Tariff
ER09-556-002

- (9) The RTM optimization may result in resources being shut down consistent with their Bids and operating characteristics provided that: (1) the resource does not need to be on-line to provide Energy, (2) the resource is able to start up within the RTM optimization Time Horizon, (3) the Generating Unit is not providing Regulation or Spinning Reserve, and (4) Generating Units online providing Non-Spinning Reserve may be shut down if they can be brought up within ten (10) minutes as such resources are needed to be online to provide Non-Spinning Reserves; and
- (10) For resources that are both providing Regulation and have submitted Energy Bids for the RTM, Dispatch Instructions will be based on the Regulation Ramp Rate of the resource rather than the Operational Ramp Rate if the Dispatch Operating Point remains within the Regulating Range. The Regulating Range will limit the Ramping of Dispatch Instructions issued to resources that are providing Regulation.

- (c) Operational Ramp Rates and Start-Up Times. The submitted Operational Ramp Rate for resources shall be used as the basis for all Dispatch Instructions, provided that the Dispatch Operating Point for resources that are providing Regulation remains within their applicable Regulating Range. The Regulating Range will limit the Ramping of Dispatch Instructions issued to resources that are providing Regulation. The Ramp Rate for Non-Dynamic System Resources cleared in the HASP will not be observed. Rather, the ramp of the Non-Dynamic System Resource will respect inter-Balancing Authority Area Ramping conventions established by WECC. Ramp Rates for Dynamic System Resources will be observed like Participating Generators in the RTD. Each Energy Bid shall be Dispatched only up to the amount of Imbalance Energy that can be provided within the Dispatch Interval based on the applicable Operational Ramp Rate. The Dispatch Instruction shall consider the relevant Start-Up Time as, if the resource is off-line, the relevant Operational Ramp Rate function, and any other resource constraints or prior commitments such as Schedule changes across hours and previous Dispatch Instructions. The Start-Up Time shall be determined from the Start-Up Time function and when the resource was last shut down. The Start-Up Time shall not apply if the corresponding resource is on-line or expected to start.

of CAISO Dispatch of a resource's Energy Bid in one Operating Hour to a Dispatch Operating Point such that the resource cannot return to its successive Operating Hour Schedule or to an infra-marginal operating point by the beginning of the next Operating Hour is Residual Imbalance Energy and shall be settled as Instructed Imbalance Energy as provided for in Section 11.5.1 and also may be eligible for recovery of its applicable Energy Bid Costs in accordance with Section 11.8. Similarly, Energy delivered or consumed as a result of CAISO Dispatch of a resource's Energy Bid in a future Operating Hour to a Dispatch Operating Point different from its current Operating Point prior to the end of the current Operating Hour is also considered Residual Imbalance Energy and shall be settled as Instructed Imbalance Energy as provided for in Section 11.5.1 and also may be eligible for recovery of its applicable Energy Bid Costs in accordance with Section 11.8. When Ramping Energy Deviation and Residual Imbalance Energy coexist within a given Dispatch Interval, the Ramping Energy Deviation shall be the portion of Instructed Imbalance Energy that is produced or consumed within the Schedule-change band defined by the accepted HASP Bids of the two consecutive Settlement Periods; the Residual Imbalance Energy shall be the portion of Instructed Imbalance Energy that is produced or consumed outside the Schedule-change band.

34.15.5 Inter-hour Dispatch of Resources Without Real-Time Energy Bids.

Dispatch Instructions shall be issued for each Dispatch Interval as needed to prescribe the ramp between a resource's accepted Self-Schedule in one Trading Hour and its accepted Self-Schedule in the immediately succeeding Trading Hour. Such Dispatch Instructions shall be based on the lesser of: (1) the applicable Operational Ramp Rate as provided for in Section 30.7.7 and (2) the Ramp Rate associated with the Standard Ramp. The Dispatch Instructions for Ramping of Generating Units without Real-Time Energy Bids in both Operating Hours shall ramp the resource between hourly Schedules symmetrically to the extent possible subject to the Regulation Ramping limitations across hourly boundaries in twenty (20) to sixty (60) minutes assuming Congestion can be resolved utilizing Economic Bids. The minimum twenty (20)-minute ramp is required for smooth hourly Schedule changes and is consistent with Intertie.

CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing documents upon each of the parties on the official service list in the above-referenced proceeding, 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 Washington, D.C. this 28th day of October, 2009.


Bradley R. Mijauskas