



Department of Energy
Washington, DC 20585

January 16, 2001

**Waiver of Certain Provisions of Order Pursuant to Section 202(c)
of the Federal Power Act**

On January 11, 2001, pursuant to Section 202(c) of the Federal Power Act (16 U.S.C. 824a(c)) and 10 C.F.R. § 205.370, because of a shortage of currently operational electric generation facilities, a shortage of water used to generate electricity, unusual volatility of electricity and natural gas markets, and for other reasons, I determined that California was experiencing an unexpected shortage of electric energy. Therefore, pursuant to Section 202(c) of the Federal Power Act, I found an emergency existed in California by reason of the shortage of electric energy, and issued an order requiring entities listed in Attachment A to the order to make arrangements to generate, deliver, interchange, and transmit electric energy when, as, and in such amounts as may be requested by the California Independent System Operator (California ISO).

However, the order provided that the entities in Attachment A are not required to deliver energy or services under the terms of this order until eight hours after the California ISO has filed with the Department of Energy (DOE), pursuant to Ordering Paragraph D of this order, a signed certification that it has been unable to acquire in the market adequate supplies of electricity to meet system demand, and, as a consequence, it has, or reasonably anticipates, an "inadequate fuel or energy supply" as defined in 10 C.F.R. § 205.375. In addition, Ordering Paragraph E provided for the California ISO to seek information on the availability of energy or services from the entities from which it seeks to obtain energy or services, at the time of certification, and the entities must respond within six hours. Further, the order provided that in order to continue to avail itself of the order, the California ISO is required to submit to DOE a further certification of inadequate fuel or energy supplies, and implementation of conservation measures, as set forth above, every twenty-four hours until the expiration of this order.

As a result of unforeseen electricity generation shortages, the California ISO has today declared a Stage Three emergency as defined in the California ISO's tariff on file with the Federal Energy Regulatory Commission. Because it did not anticipate an inadequate fuel or energy supply



situation today, the California ISO did not file the required certification to avail itself of the emergency order for the twenty-four hour period of 3:00 a.m. EST, January 16, 2001, through 3:00 a.m., January 17, 2001, until 3:24 p.m., EST, January 16, 2001. Under the general practice pursuant to this order, and its predecessor order of December 14, 2000, as amended, the California ISO files a certificate the evening prior to the twenty-four hour period in which it needs to invoke the order. Due to the emergency situation in California, I am waiving the eight hour notice for provision of energy or service to the entities listed in Attachment A to the order. In addition, I am reducing the time for entities from which the California ISO requests energy or service to respond to California ISO information requests from six hours to one hour. These modifications are for the twenty-four hour period of 3:00 a.m. EST, January 16, 2001, through 3:00 a.m., January 17, 2001, only.

ORDER

For the reasons set forth above, pursuant to Section 202(c) of the Federal Power Act, it is ordered that:

- A. For the twenty-four hour period of 3:00 a.m., EST, January 16, 2001, through 3:00 a.m., EST, January 17, 2001, I am waiving the eight hour notice for provision of energy or service to the entities listed in Attachment A of this order, contained in Ordering Paragraph D of this order. In addition, I am reducing the time for entities from which the California ISO requests energy or service to respond to California ISO information requests pursuant to Ordering Paragraph E of this order from six hours to one hour.

Issued in Washington, D. C., on January 16, 2001



Bill Richardson
Secretary