

174 FERC ¶ 61,077
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Richard Glick, Chairman;
Neil Chatterjee, James P. Danly,
Allison Clements, and Mark C. Christie.

California Independent System Operator Corporation Docket Nos. ER20-1890-004
ER20-1890-003

ORDER GRANTING WAIVER AND DISMISSING COMPLIANCE FILING

(Issued February 1, 2021)

1. On December 17, 2020, the California Independent System Operator Corporation (CAISO) filed a petition for a limited tariff waiver to modify the effective date of the tariff provisions pertaining to the treatment of energy transactions scheduled at interties that were accepted, subject to condition, in the Commission's September 17, 2020 order in this proceeding.¹ Specifically, CAISO seeks to delay the effective date of these tariff provisions from January 1, 2021, until February 1, 2021. We grant CAISO's waiver request, as discussed below. We also dismiss, as moot, CAISO's compliance filing submitted on December 15, 2020, to implement a January 1, 2021 effective date for these provisions, as discussed below.

I. Waiver Request

2. CAISO states that, during pre-implementation testing for the tariff provisions at issue, it discovered several issues with the software code that require remediation. CAISO explains that its E-Tagging system is not properly accounting for or assessing charges relating to non-reliability and reliability-based curtailments, and that CAISO has

¹ *Cal. Indep. Sys. Operator Corp.*, 172 FERC ¶ 61,234 (2020) (September 2020 Order) (accepting, subject to condition, revisions addressing E-Tags and the non-delivery charges at interties effective October 1, 2020). On November 30, 2020, the Commission issued an order granting a request for waiver of the effective date from October 1, 2020 to January 1, 2021. *Cal. Indep. Sys. Operator Corp.*, 173 FERC ¶ 61,185 (2020) (granting waiver and directing compliance filing to revise effective date). On December 8, 2020, CAISO's compliance filing directed in the September 2020 Order was accepted by delegated letter order. *Cal. Indep. Sys. Operator Corp.*, Docket No. ER20-1890-002 (Dec. 8, 2020) (delegated order).

observed degraded performance of its interchange scheduling interface.² As a result, CAISO states that it will not complete remediation of these issues by the January 1, 2021 effective date. Thus, CAISO requests waiver of the effective date of those tariff provisions from January 1, 2021 through February 1, 2021.³

3. CAISO argues that its waiver request satisfies the Commission's requirements for granting waiver. First, CAISO states that it has acted in good faith because it brought this matter to the Commission as soon as feasible after identifying the issues that are delaying implementation. Second, CAISO asserts that the waiver is limited in scope because it extends the effective date of the relevant tariff from January 1, 2021 until February 1, 2021. Third, CAISO contends that the waiver will solve the concrete problem that CAISO cannot remedy the identified software issues by January 1. Finally, CAISO argues that the waiver will not have undesirable consequences because CAISO can continue to operate using its existing intertie scheduling tariff provisions in the interim.⁴

II. Notice and Responsive Pleadings

4. Notice of CAISO's compliance filing was published in the *Federal Register*, 85 Fed. Reg. 83,701 (Dec. 21, 2020), with interventions and protests due on or before January 5, 2021. None was filed. Notice of CAISO's waiver request was published in the *Federal Register*, 85 Fed. Reg. 84,329 (Dec. 28, 2020), with interventions and protests due on or before January 7, 2021. None was filed.

III. Discussion

5. We grant CAISO's request for waiver. The Commission has granted waiver of tariff provisions where: (1) the applicant acted in good faith; (2) the waiver is of limited scope; (3) the waiver addresses a concrete problem; and (4) the waiver does not have undesirable consequences, such as harming third parties.⁵ We find that the circumstances of CAISO's unopposed waiver request to delay the effective date of its intertie scheduling tariff provisions satisfy these criteria.

6. First, we find that CAISO has acted in good faith because it is working to remediate the issues identified during testing and brought this matter to the Commission

² Waiver Request at 2-3.

³ *Id.* at 1-3.

⁴ *Id.* at 3-4.

⁵ See, e.g., *Citizens Sunrise Transmission LLC*, 171 FERC ¶ 61,106, at P 10 (2020); *Midcontinent Indep. Sys. Operator, Inc.*, 154 FERC ¶ 61,059, at P 13 (2016).

as soon as feasible after identifying the issues that are delaying implementation. Second, we find that CAISO's request is limited in scope, because it is a one-time 31-day extension of the effective date for the intertie scheduling tariff provisions until February 1, 2021, and CAISO will maintain the *status quo* during this limited period. Third, we find that this waiver addresses the concrete problem that CAISO cannot remedy the identified software issues by January 1, 2021. Fourth, we find that CAISO's request for waiver will not have undesirable consequences, such as harming third parties, and instead will prevent undesirable consequences by ensuring that CAISO and market participants have sufficient time to fully test the processes associated with these changes prior to implementation.

7. We dismiss as moot CAISO's tariff sheets submitted on December 15, 2020 that revise the effective date for its tariff revisions to January 1, 2021,⁶ and we direct CAISO to submit a compliance filing within 15 days of the date of this order to reflect the new February 1, 2021 effective date.

The Commission orders:

(A) CAISO's waiver request is hereby granted, as discussed in the body of this order.

(B) CAISO's proposed tariff revisions are hereby dismissed as moot, as discussed in the body of this order.

(C) CAISO is hereby directed to submit a compliance filing within 15 days of the date of this order, as discussed in the body of this order.

By the Commission.

(S E A L)

Kimberly D. Bose,
Secretary.

⁶ CAISO Compliance Filing, Docket No. ER20-1890-003 (filed Dec. 15, 2020).