

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

California Independent System Operator Corporation)))	Docket No. ER23-1534-000
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**ANSWER OF
THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR
CORPORATION TO THE MOTION TO FILE COMMENTS OUT OF TIME**

On March 31, 2023, the California Independent System Operator Corporation (CAISO) submitted proposed tariff revisions to implement the changes agreed to in the course of Phase 2 of the Resource Sufficiency Evaluation (RSE) Enhancement Initiative. The three changes proposed include tariff revisions to allow Balancing Authority Areas (BAA) in the Western Energy Imbalance Market (WEIM or EIM) to access incremental energy transfers if there is a failure of the RSE, tariff revisions to exclude the effect of real-time lower priority (LPT) exports from the CAISO’s RSE obligations, and tariff revisions to provide visibility into the scheduling priorities of LPT exports and, when necessary, facilitate manual operator curtailment of these exports consistent with their market scheduling priority. Three parties submitted timely comments on April 21, 2023. On May 9, 2023, the California Public Utilities Commission (CPUC) submitted a Motion to File Comments Out-of-Time.¹ The CAISO hereby responds.

¹ See Motion to File Comments Out-Of-Time of California Public Utilities Commission, Docket No. ER23-1534 (May 9, 2023) (CPUC Motion). This Answer is submitted pursuant to Rule 203 of the Federal Energy Regulatory Commission (FERC or Commission) Rules of Practice and Procedure. See 18 C.F.R. § 385.213 (2023) (permitting answers to motions).

I. Answer

The Commission has generally accepted late-filed comments submitted before the issuance of an Order when accepting such comments does not disrupt the proceeding or place additional burdens on existing parties.² Where the Commission has accepted late-filed comments that develop the record, the Commission has likewise permitted answers to such late-comments when the answers provide information that assists the Commission in its decision-making process.³ If the Commission grants the CPUC's Motion, the CAISO offers this limited answer.

The CPUC's late-filed comments expressed full and broad support for the tariff revisions implementing Phase 2 of the RSE Enhancements initiative, but also requested that "the Commission require that CAISO wait to opt the CAISO balancing authority area ("BAA") into [the assistance energy transfer product] until after CAISO undertakes further stakeholder consideration."⁴ The CAISO is already undertaking stakeholder processes to address the criteria for opting into the use of an assistance energy transfer product.⁵

As explained in the initial filing, each WEIM BAA will determine when it is appropriate for the individual BAA to opt-in, or opt-out, of the assistance energy

² See, e.g., *Athens Utils. Board*, 177 FERC ¶ 61,021, P 87 (2021).

³ See, e.g., *Athens Util. Board*, 177 FERC at P 88.

⁴ CPUC Motion at 4.

⁵ To the extent necessary, the CAISO requests leave to answer the late-filed comments of the CPUC. While Rule 213(a)(2) of the Commission's Rules of Practice and Procedure generally prohibit answers to comments, where such answers provide information that assists in the decision-making process, the Commission has accepted such answers. *Id.*

transfer product.⁶ The CPUC’s comments request the CAISO to undertake further processes to clarify how the CAISO BAA will opt-in to receive assistance energy transfers through the WEIM.⁷ The CAISO has initiated the formal process to revise its existing Energy Imbalance Market Business Practice Manual (BPM) to develop criteria to identify situations where the assistance energy transfer product will enhance reliability of the CAISO BAA. The CAISO has proposed to revise Section 11.3.2 of the Energy Imbalance Market BPM to add details on how the CAISO will opt-in to receive assistance energy transfers through the WEIM on the days in which projected supply is projected to be insufficient to meet the forecasted demand.⁸ The CAISO received five sets of written comments on PRR 1498 and discussed these comments with stakeholders in a meeting held on April 25, 2023. In a written response provided to stakeholders on May 8, 2023,⁹ the CAISO addressed the questions raised by the CPUC in their out-of-time comments, including explaining how the CAISO will take the Base Interruptible Program and demand response programs into account for purposes of receiving assistance energy transfers through the WEIM and how LPT exports will be treated for purposes of the RSE. PRR 1498 remains in its “initial” stage to allow stakeholders an opportunity to submit an additional round of comments prior to

⁶ See Transmittal Letter at 15.

⁷ See CPUC Motion at 9.

⁸ See Proposed Revision Request 1498, *available at*: https://bpmcm.caiso.com/Lists/PRR%20Details/Attachments/1498/Assistance%20Energy_draft%20language%20for%20WEIM%20BPM%20v1.docx.

⁹ The CAISO’s response is available at <https://bpmcm.caiso.com/Lists/PRR%20Details/Attachments/1498/Assistance%20Energy%20Transfer%20BPM%20Response%20FINAL.docx>.

moving PRR 1498 to the “recommendation” stage. If PRR 1498 moves to the recommendation stage, stakeholders will have an additional opportunity to comment on the CAISO’s proposed recommendation prior to approval of the BPM changes. Upon publication of the revised Energy Imbalance Market BPM, the CAISO will use the criteria developed in the course of PRR 1498 to opt-in and to issue the required Market Notice, as specified in the proposed tariff.¹⁰

II. Conclusion

For the foregoing reasons, the CAISO respectfully requests the Commission accept this limited answer to the out-of-time comments of the CPUC. The CAISO requests that the Commission accept its tariff revisions as filed in this proceeding.

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¹⁰ See Proposed tariff section 29.34(n)(3)(A) (“Consistent with the requirements in the Business Practice Manual, the CAISO will issue a Market Notice prior to the CAISO Balancing Authority Area accepting assistance Energy transfers as provided in this section, with such election to remain in effect unless the CAISO issues a Market Notice at least 5 Business Days prior to withdrawing or resuming its participation.”)

CERTIFICATE OF SERVICE

I certify that I have served the foregoing document upon the parties listed on the official service list in the captioned proceedings, 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 Folsom, California this 17th day of May, 2023.

/s/ Jacqueline Meredith

Jacqueline Meredith

An employee of the California ISO