

175 FERC ¶ 61,102  
FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, DC 20426

May 5, 2021

In Reply Refer To:  
California Independent System Operator Corporation  
Docket No. ER21-1288-000

California Independent System  
Operator Corporation  
250 Outcropping Way  
Folsom, CA 95630

Attention: John C. Anders  
Assistant General Counsel

Dear Mr. Anders:

1. On March 5, 2021, pursuant to section 205 of the Federal Power Act<sup>1</sup> and Part 35 of the Commission's regulations,<sup>2</sup> the California Independent System Operator Corporation (CAISO) submitted proposed revisions to its Open Access Transmission Tariff (Tariff) to revise the Transmission Control Agreement (TCA) among CAISO and its participating transmission owners to: (1) add Morongo Transmission LLC (Morongo Transmission) as a new participating transmission owner; and (2) update the listing of contractual entitlements for Southern California Edison Company (SoCal Edison) to recognize the Morongo Transmission interest in the West of Devers Upgrade Project (Project).

2. CAISO requests that the proposed changes to the TCA become effective on May 6, 2021, which is the earliest anticipated energization date of the Project. CAISO also states that it is possible that the Project facilities could be energized on a later date. For this reason, CAISO requests that the Commission direct CAISO to submit a compliance filing to revise the effective date of the TCA revisions that add Morongo Transmission as a new participating transmission owner, in the event that the Project energization date and the signing of the transfer capability lease occur on a date later than

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<sup>1</sup> 16 U.S.C. § 824d.

<sup>2</sup> 18 C.F.R. pt. 35 (2020).

May 6, 2021. CAISO further requests waiver of certain Tariff provisions related to the implementation of the transmission access charge for new participating transmission owners. As discussed below, we accept CAISO's proposed Tariff provisions, to be effective May 6, 2021, as requested, direct CAISO to submit a compliance filing to revise the effective date of the TCA revisions that add Morongo Transmission as a new participating transmission owner, in the event that the Project energization date and the signing of the transfer capability lease occur on a date later than May 6, 2021, and grant CAISO's request for waiver.

3. CAISO explains that the TCA is the agreement among CAISO and participating transmission owners that establishes the terms and conditions pursuant to which transmission owners place certain transmission facilities and entitlements under CAISO's operational control. The TCA also describes how CAISO and each participating transmission owner will discharge their respective duties and responsibilities with respect to the operation of those facilities and entitlements.<sup>3</sup>

4. CAISO states that the proposed revisions to the TCA to include Morongo Transmission as a participating transmission owner include updates to the TCA table of contents, the SoCal Edison signature page, and Appendix A, for Morongo Transmission to identify its transmission entitlement as a result of its financial interest in the Project. CAISO states that the transmission facilities will be under its operational control and included in the CAISO transmission register upon energization of the Project. CAISO proposes to add new TCA section 4.4.11 to address any concerns about the possibility that Morongo Transmission might recover all or a portion of the revenue requirement for its high voltage transmission assets and then subsequently seek to withdraw those interests from CAISO's operational control and operate them as transmission rights not subject to the Commission's jurisdiction. CAISO explains that this provision is consistent with similar TCA provisions related to other participating transmission owners.<sup>4</sup> CAISO also proposes to update the listing of contractual entitlements for SoCal Edison contained in Appendix A to recognize Morongo Transmission's interest in the Project. In addition, CAISO proposes to revise SoCal Edison's Appendix A signature page.<sup>5</sup>

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<sup>3</sup> CAISO Filing at 2.

<sup>4</sup> *Id.* at 3. CAISO states that proposed section 4.4.11 is modeled on existing TCA sections 4.4.4 through 4.4.10, which were incorporated into the TCA to address similar concerns relating to other participating transmission owners when they proposed to become parties to the TCA.

<sup>5</sup> *Id.* at 4.

5. To accommodate the requested May 6, 2021 effective date, CAISO also requests waiver of certain provisions of its Tariff applicable to new participating transmission owners that prescribe either January 1 or July 1 of the relevant year as the effective date of agreements as well as the implementation date for revisions to CAISO's transmission access charge. Specifically, CAISO requests waiver of Tariff section 4.3.1.1 and the related provisions of Tariff Appendix F, Schedule 3, section 8.1 in order to implement the May 6, 2021 effective date to coincide with the date on which Morongo Transmission becomes a participating transmission owner. CAISO explains that it is willing to forego its usual preference to implement transmission access charge revisions on January 1 or July 1 for new participating transmission owners as prescribed by Tariff section 4.3.1.1. Further, CAISO requests that the Commission direct it to submit a compliance filing to revise the effective date of the changes to the Morongo Transmission Appendix A and the SoCal Edison Appendix A in the event the transaction between SoCal Edison and Morongo Transmission closes on a date other than the requested effective date of May 6, 2021.<sup>6</sup>

6. Notice of CAISO's filing was published in the *Federal Register*, 86 Fed. Reg. 13,891 (Mar. 11, 2021), with interventions and protests due on or before March 26, 2021. Morongo Transmission filed a timely motion to intervene and comments in support of CAISO's filing. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2020), Morongo Transmission's timely, unopposed motion to intervene serves to make it a party to this proceeding.

7. We accept CAISO's proposed revisions to the TCA, which we find are just and reasonable and consistent with previous modifications to the TCA that included new participating transmission owners and otherwise discrete updates and corrections, as described above. Further, we grant CAISO's unopposed request for waiver of Tariff section 4.3.1.1 and the related provisions of Tariff Appendix F, Schedule 3, section 8.1 to allow the revisions to become effective May 6, 2021.

8. 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.<sup>7</sup> We find that the circumstances of CAISO's waiver request satisfy these criteria. First, we find that CAISO acted in good faith to address the effective date issue described herein. Second, we find that CAISO's requested waiver is of limited scope because it only applies to two provisions in the CAISO Tariff relating to the effective

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<sup>6</sup> *Id.* at 4-5.

<sup>7</sup> 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).

date on which transmission access charge revisions for new participating owners may be made. Third, we find that the request for waiver also addresses a concrete problem by allowing for a requested effective date—to correspond with energization of the Project, whereupon Morongo Transmission would become a participating transmission owner—that would otherwise deviate from the prescribed language in the CAISO Tariff. Of note, the waiver also will provide certainty to Morongo Transmission and stakeholders concerning the implementation date of Morongo Transmission’s transmission access charges, which will also occur on a date different than the January 1 and July 1 dates established in the CAISO Tariff. Fourth, we find that the record here reveals no undesirable consequences that would result from granting waiver.

9. Finally, we direct CAISO to submit a compliance filing to revise the effective date of the proposed changes to reflect the date that the transfer capability lease is signed by SoCal Edison and Morongo Transmission, if the date is later than the May 6, 2021 anticipated date for the Project’s facilities to become energized. The compliance filing is due within 30 days of the actual closing date.

By direction of the Commission.

Kimberly D. Bose,  
Secretary.