February 17, 2021

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

Re: California Independent System Operator Corporation
Docket No. ER21-____-000

Request to Accelerate Implementation of Previously Accepted Tariff Provision and Requests for Waiver of Notice Period, Forgoing of Comment Period or in the Alternative for a Shortened Comment Period, and Expedited Commission Order

Dear Secretary Bose:

In order to address ongoing exigent circumstances in the western United States and unprecedented increases in natural gas prices, the California Independent System Operator Corporation (CAISO) submits this request to accelerate the effectiveness of certain tariff revisions the Commission has already accepted as complying with Order No. 831 to permit after-the-fact recovery of energy costs that exceed the CAISO’s existing $1,000/MWh cap on energy bids. The CAISO requests the Commission accept this provision effective today. In order to implement this request, the CAISO also proposes minor revisions to the single tariff section containing this already accepted provision (section 30.12.1(b)) for an interim period until it can implement the remaining Order No. 831-compliant tariff provisions on or before March 21 2021.¹

This tariff amendment is just and reasonable because it will allow a modified version of CAISO tariff revisions the Commission has already accepted as complying with Commission Order No. 831, and currently scheduled to go into effect on March 21, 2021, to be implemented a month earlier to address conditions in the CAISO and the western Energy Imbalance Market (EIM) that threaten the ability of market participants to recover their energy production costs. The CAISO will also submit a filing this week withdrawing a pending tariff waiver request seeking to

¹ The CAISO submits this filing pursuant to section 205 of the Federal Power Act (FPA), 16 U.S.C. § 824d.
suspend the effectiveness of the Order No. 831 compliance tariff revisions until June 15, 2021.

Extreme weather conditions across much of the United States have impaired natural gas infrastructure at the same time demand in some regions has skyrocketed. Natural gas prices in the CAISO region recently have increased far above historic levels and have exhibited substantial volatility. Load in Southern California is currently being served largely by resources from Northern California. Contingencies on transmission paths between Northern and Southern California can create reliability issues under these conditions. High natural gas prices in Southern California may prevent gas-fired resources in that portion of the CAISO’s balancing authority area from fully recovering their production costs under the existing $1,000/MWh bid cap. The relief requested in this filing will provide resources that rely on natural gas an ability to recover their production costs.

Effective trade date February 16, 2021, the CAISO implemented previously accepted tariff provisions to implement its Commitment Cost and Default Energy Bid Enhancements (CCDEBE) initiative. Consistent with the Commission order accepting the CCDEBE tariff provisions, the CAISO will file a notice with the Commission by the end of the week documenting the effective date of these tariff provisions. Although the CCDEBE tariff provisions allow a resource to request additional payment for its actual fuel or fuel-equivalent costs in specified circumstances following the CAISO market process, those tariff provisions do not clearly allow a resource to request additional payment for its actual fuel or fuel-equivalent costs that exceed the $1,000/MWh bid cap. In order to provide assurances to resources that the volatility in natural gas prices will not prevent them from recovering costs above the cap, the CAISO believes the Commission should accept revised tariff section 30.12.1(b) attached to this filing to go into effect today.

Due to the urgent need to address these exigent circumstances related to increased and volatile natural gas prices, the CAISO respectfully requests waiver of the Commission’s notice requirement to permit this request and related tariff amendment to go into effect the day it is submitted, February 17, 2021. Commission precedent supports taking this action in exigent circumstances. The CAISO also respectfully requests the Commission not require a comment period for this tariff amendment. Alternatively, the Commission could set a shortened comment period of no more than five days. The CAISO further requests the Commission issue an order accepting this tariff amendment as soon as possible. This action is justified because the Commission has already accepted the after-the-fact cost recovery tariff provision that is the subject of this filing, and the accelerated effectiveness requested in this filing will address the significant risk to market participants and potential issues with the reliable operation of the bulk power system in the region.
I. Background

A. Commission Acceptance of CAISO Filings Related to Order No. 831

Order No. 831 required each Independent System Operator (ISO) and Regional Transmission Organization (RTO) to make specific revisions to its tariff establishing (1) a cap for a resource’s energy offer at the higher of $1,000/MWh or the resource’s cost-based incremental energy offer up to $2,000/MWh; (2) a verification requirement for cost-based incremental energy offers above $1,000/MWh; and (3) a cap for energy offers from imports and virtual transactions at $2,000/MWh.\(^2\)

With regard to the verification requirement in Order No. 831, the Commission directed that if a resource submits an incremental energy offer above $1,000/MWh, and the actual or expected costs underlying that offer cannot be verified before the ISO/RTO’s market clearing process begins, that offer may not be used to calculate locational marginal prices (LMPs). The Commission stated, however, that a resource will be eligible for a make-whole payment (i.e., an after-the-fact uplift payment) if that resource is dispatched and the ISO/RTO verifies the resource’s actual costs after-the-fact. A resource will also be eligible for a make-whole payment if it is dispatched and its verified cost-based incremental energy offer exceeds $2,000/MWh.\(^3\) The Commission permitted regional variation in the process for treating incremental energy offers above $1,000/MWh that cannot be verified prior to the start of the market clearing process.\(^4\)

Consistent with these directives, in 2020 the CAISO submitted a tariff amendment pursuant to section 205 of the FPA to implement its Commitment Cost and Default Energy Bid Enhancements (CCDEBE) initiative.\(^5\) That initiative included tariff revisions to allow a resource to request additional payment for its actual fuel or fuel-equivalent costs in specified circumstances following the


\(^3\) Order No. 831 at PP 42, 145-46.

\(^4\) Id. at P 147.

\(^5\) The CAISO submitted the CCDEBE tariff amendment on July 9, 2020 in Docket No. ER20-2360-000. The CCDEBE tariff amendment was preceded by an earlier CAISO tariff amendment submitted in 2019 in Docket No. ER19-2727-000 that included similar (but not identical) tariff revisions, which the Commission rejected in relevant part without prejudice. See Cal. Indep. Sys. Operator Corp., 170 FERC ¶ 61,015, at PP 9, 39-42 (2020).
CAISO market process. However, these provisions only extend to a resource’s commitment costs (i.e., start-up costs, minimum load costs, and transition costs) as well as costs reflected in a default energy bid. They do not extend to incremental energy offer for bids not subject to market power mitigation. The Commission issued an order accepting the CCDEBE tariff amendment effective as of its actual implementation date to be specified in a future CAISO filing in the proceeding to be submitted within five business days of the implementation of the CCDEBE tariff provisions. On February 14, 2021, the CAISO issued a market notice announcing that the CCDEBE tariff amendment was being implemented effective for trade date February 16, 2021. Thus, the tariff revisions contained in the CCDEBE tariff amendment that permit after-the-fact recovery of actual fuel or fuel-equivalent costs are currently in effect.

In 2019, the CAISO filed tariff revisions to comply with Order No. 831. Among other things, the CAISO’s Order No. 831 compliance filing included a proposal to increase the CAISO’s existing $1,000/MWh cap on all energy bids to a new “hard” energy bid cap level of $2,000/MWh. The CAISO also proposed the addition of new tariff section 30.12.1(b) to the after-the-fact cost recovery provisions implemented in the CCDEBE tariff amendment to specify that resources may request after-the-fact recovery of amounts in a reference level change request submitted by a resource for a default energy bid or default minimum load bid that exceeds the new $2,000/MWh hard energy bid cap. The

6 New tariff section 30.12 as proposed in the CCDEBE tariff amendment. These tariff revisions superseded existing tariff revisions allowing after-the-fact recovery of commitment-related fuel costs and marginal fuel-related costs contained in existing tariff section 30.11.

7 Cal. Indep. Sys. Operator Corp., 172 FERC ¶ 61,263, at P 1 and Ordering Paragraphs (A) and (C) (CCDEBE Order), notice of denial of reh’g by operation of law, 173 FERC ¶ 62,096 (2020). The Commission accepted the CCDEBE tariff amendment subject to the CAISO submitting a compliance filing within 30 days to clarify one of the tariff revisions contained therein. CCDEBE Order at P 1 and Ordering Paragraph (B). The CAISO timely submitted the compliance filing, which the Commission accepted by letter order on December 28, 2020. The Commission directed the CAISO to notify it of the actual effective date of the CCDEBE tariff amendment within five business days of implementation. CCDEBE Order at Ordering Paragraph (C).

8 See http://www.caiso.com/Documents/CommitmentCost-DefaultEnergyBidEnhancementsPhase1-DeploymentEffective-TradeDate21621.html (CAISO market notice announcing implementation of the CCDEBE tariff amendment). The CAISO will submit the required notification in the proceeding in which it filed the CCDEBE tariff amendment (Docket No. ER20-2360).

9 The CAISO submitted its Order No. 831 compliance filing on September 5, 2019 in Docket No. ER19-2757-000.

10 Transmittal letter for Order No. 831 compliance filing at 10-12; revised tariff section 39.6.1.1; tariff appendix A, new definitions of “Hard Energy Bid Cap” and “Minimum Load Cost Hard Cap.” The $1,000/MWh cap on energy bids is contained in existing tariff section 39.6.1.1.

11 Transmittal letter for Order No. 831 compliance filing at 17-18; new tariff section
Commission issued an order accepting the Order No. 831 compliance filing, including new tariff section 30.12.1(b), effective March 21, 2021.  

On January 26, 2021, the CAISO filed a petition for limited tariff waiver in Docket No. ER19-2757-003 to suspend the effectiveness of the tariff revisions accepted in the Order No. 831 Compliance Order to June 15, 2021. That petition was based on the information available to the CAISO at that time including historical natural gas prices, all of which suggested it would be unlikely suppliers would incur costs that would exceed the $1,000/MWh bid cap prior to June 15, 2021. In light of the more recent developments described in this filing, the CAISO will withdraw that petition for limited tariff waiver currently pending before the Commission. The CAISO plans to implement the tariff revisions accepted in the Order No. 831 Compliance Order by or before March 21, 2021.

B. Recently Developing Exigent Circumstances Threaten CAISO Reliability

The CAISO has determined exigent circumstances that have developed this week threaten the reliability of the CAISO balancing authority area. These conditions are a threat even before the tariff provisions on the after-the-fact cost recovery that the Commission accepted in the Order No. 831 Compliance Filing are scheduled to go into effect on March 21, 2021.

As the Commission is aware, extreme weather conditions across much of the United States have impaired natural gas infrastructure at the same time that demand in some regions has skyrocketed. As a result, natural gas prices across the country have increased dramatically. In particular, natural gas prices in the CAISO region have increased far above historic levels. Load in Southern California is currently being served largely by resources from Northern California because high natural gas prices in Southern California prevent natural gas-fired resources in that portion of the CAISO balancing authority area from fully recovering their production costs pursuant to the existing $1,000/MWh energy bid cap. Over the past several days, the CAISO has observed gas price trades in Southern California at levels that would result in production costs that exceed the bid cap. Potential contingencies on transmission

12 Cal. Indep. Sys. Operator Corp., 172 FERC ¶ 61,262, at P 1 and Ordering Paragraph (A) (Order No. 831 Compliance Order), notice of denial of reh’g by operation of law. 173 FERC ¶ 62,095 (2020). The Commission accepted the Order No. 831 compliance filing subject to Commission issued an order accepting those tariff revisions subject to the CAISO submitting a further compliance filing within 30 days to clarify one of the tariff revisions. Order No. 831 Compliance Order at P 1 and Ordering Paragraph (B). The CAISO timely submitted the further compliance filing, which the Commission accepted by letter order on December 11, 2020.

13 Natural Gas Spot Prices Soar as US West Freezes, S&P Global Market Intelligence (February 16, 2021). This article can be found at:
paths between Northern and Southern California create an ongoing risk to system reliability under these conditions. This filing is needed to facilitate the operation of additional gas-fired resources in Southern California to alleviate this threat to system reliability under current conditions.

The CAISO has also been advised that natural gas continues to trade at very high prices in bilateral transactions, even though some market indices may not reflect such prices. Prices remain high and the volatility of prices suggests this trend could continue.

Based on this information, the CAISO believes there is a high likelihood that natural gas-fired resources needed to serve load in the CAISO balancing authority area will be unable to recover their costs if they are subject to the existing $1,000/MWh energy bid cap without an option to recover costs above that cap. The results from the CAISO’s integrated forward market (IFM) and residual unit commitment (RUC) process for trade date February 17, 2021 further support the conclusion that the existing $1,000/MWh energy bid cap, without an opportunity to recover costs above the cap, could prevent gas-fired resources from recovering their costs. These market processes cleared at maximum bid price levels, which evidences that resources are experiencing production costs at least as high as $1,000 MWh and possibly more. The CAISO is informed and believes that some market participants may not continue to operate their resources if natural gas prices remain at historically high levels. This outcome could create reliability issues with the CAISO or balancing authority areas participating in the EIM. The tariff revision proposed in this filing will address this issue immediately by providing assurance that market participants will not need to operate at a loss.

II. Requested Accelerated Implementation of Previously Accepted Tariff Provision and Proposed Tariff Revision

Although the CCDEBE tariff provisions allow a resource to request additional payment for its actual fuel or fuel-equivalent costs in specified circumstances following the CAISO market process, those tariff provisions do not allow a resource to request additional payment for its actual fuel or fuel-equivalent costs for incremental energy costs that exceed the $1,000/MWh bid cap. In order to assure resources the volatility in natural gas prices will not prevent them from recovering costs above the cap, the CAISO believes the Commission should accept the tariff revision described below to go into effect today.

The Honorable Kimberly D. Bose  
February 17, 2021  
Page 7

The CAISO requests that the Commission permit the revised tariff provision discussed below, which modifies a tariff provision previously accepted in the Order No. 831 Compliance Order, to go into effect today, February 17, 2021. This provision will allow scheduling coordinators to request an additional uplift payment to cover a resource’s actual fuel costs or fuel-equivalent costs associated with their bids where such costs exceed the amount recoverable under the applicable bid cap. Today’s filing will not change the current $1,000/MWh energy bid cap nor change existing rules related to market clearing prices. Under existing tariff provisions, if the CAISO verifies a scheduling coordinator’s costs are eligible for after-the-fact recovery, then the scheduling coordinator will receive a bid cost recovery uplift payment.  

Specifically, the CAISO proposes a single tariff revision in this filing: a modified version of new tariff section 30.12.1(b) as accepted by the Order No. 831 Compliance Order. The CAISO proposes to modify the version of section 30.12.1(b) accepted in the Order No. 831 Compliance Order as shown in the following underlined and struck-through text:

30.12 After-CAISO Market Process Cost Recovery

30.12.1 Applicability

Scheduling Coordinators may request an additional uplift payment to cover a resource’s actual fuel costs or fuel-equivalent costs with Start-Up Bid Costs, Minimum Load Bid Costs, Transition Bid Costs, and Energy Bid Costs used in the Bid Cost Recovery mechanism, and that are for:

... 

(b) amounts in a Reference Level Change Request for a Default Energy Bid or Default Minimum Load Cost Bid that exceeds the maximum Energy Bid price set forth in Section 39.6.1.1 Hard Energy Bid Cap or the Minimum Load Cost Hard Cap, respectively.

As this text shows, the only differences between the tariff language previously accepted in the Order No. 831 Compliance Order and the tariff language proposed in this filing are deletion of the provision related to a reference level change request and the replacement of references to the $2,000/MWh hard energy bid cap (and the similar $2,000/MWh minimum load cost hard cap) that are currently scheduled to take effect on March 21, 2021, with a reference to the current maximum energy bid price, i.e., the existing

---

14 Existing tariff section 30.12.4.3.
$1,000/MWh energy bid cap. This opportunity for cost recovery is similar to that afforded to the market participants in the previous version of tariff section 30.12 that has subsequently been revised.\(^\text{15}\)

This request for the accelerated implementation of the tariff revision discussed above is just and reasonable. As explained above, the CAISO has recently determined exigent circumstances threaten the reliability of the CAISO balancing authority area. Extreme weather conditions across much of the United States have impaired natural gas infrastructure at the same time that demand in some regions has skyrocketed. As a result, natural gas prices in the CAISO region have increased far above historic levels. The CAISO believes these conditions create a high likelihood natural gas-fired resources needed to serve load in the CAISO balancing authority area will be unable to recover their costs pursuant to the existing $1,000/MWh energy bid cap. If these resources do not offer supply into the CAISO markets due to their inability to recover their full costs of production during these unprecedented conditions, the CAISO may have no choice but to declare a system emergency up to and including a possible need for load interruptions. The results from the CAISO’s IFM and RUC process for trade date February 17, 2021, discussed above, demonstrate the CAISO has good reason to believe that these conditions could impact the CAISO’s market as soon as today. As a result, the CAISO needs to revise tariff section 30.12.1(b) as shown above to permit resources to request after-the-fact recovery of costs that exceed the existing $1,000/MWh energy bid cap.

The revised provision discussed above will work in tandem with the reference level change request process included in the recently effective CCDEBE tariff provisions. Specifically, scheduling coordinators with costs that exceed those recoverable under the existing bid cap should submit a reference level change request pursuant to the manual reference level change request mechanism set forth in section 30.11.4 of the CAISO tariff. Scheduling coordinators should utilize this manual process regardless of the magnitude of the difference between a scheduling coordinator’s actual or expected fuel costs and the fuel costs used by the CAISO to calculate a resource’s reference level.\(^\text{16}\) The CAISO will reject such requests on the basis they are requesting a reference level in excess of the existing maximum offer price set forth in tariff section 39.6.1. In other words, costs that result in bids above $1,000/MWh will not be used in the CAISO markets prior to the implementation of the remaining provisions of Order No. 831. However, scheduling coordinators will be eligible to

\(^{15}\) See the version of tariff section 30.12 accepted for filing in Docket No. ER17-2568-000.

\(^{16}\) Language in tariff section 30.11.4.1 indicates scheduling coordinators “may” request a manual reference level change request when their fuel or fuel-equivalent costs exceed those used by the CAISO to calculate a resource’s reference level by the greater of 10 percent or $0.50/MMBTU. However, that language does not specifically prohibit the CAISO from considering a manual reference level change request for a difference less than this amount.
seek after-the-fact recovery of such costs pursuant to section 30.12.1(b), as revised above.

III. Effective Date and Requests for Waiver of Notice Period, Forgoing of Comment Period or Shortened Comment Period in the Alternative, and Expedited Commission Order

The CAISO respectfully requests the Commission grant waiver of its notice requirement to authorize the accelerated effective date for the previously accepted tariff provision and accept the tariff revision contained in this filing effective the day the filing was submitted, February 17, 2021. An order issued as soon as possible will allow the tariff provision to be implemented under this filing to apply to the peak and net peak hours today, significantly reducing the risk that insufficient supply will be available to serve customers in the CAISO region today.

The Commission has previously granted requests for relief when required to reduce potential reliability risks due to extreme weather events or other unforeseen circumstances, including by granting such relief pursuant to an order issued as soon as possible and made effective the same day as the filing of a CAISO tariff amendment. Further, the tariff revision proposed in this filing will be superseded by the version of the same tariff section accepted in the Order No. 831 Compliance Order, which is currently scheduled to go into effect on March 21, 2021. Therefore, good cause exists to grant the requested waiver.

The CAISO also respectfully makes two requests related to its waiver request – namely, that the Commission (1) not require a comment period in this proceeding and (2) issue an order accepting this tariff amendment as soon as possible. As in the CAISO tariff amendment proceeding described in the paragraph immediately above, exigent circumstances support expedited Commission action on this filing and the concomitant forgoing of a comment period.

---

17 Specifically, pursuant to section 35.11 of the Commission’s regulations, 18 C.F.R. § 35.11, the CAISO respectfully requests waiver of the notice requirement contained in section 35.3(a)(1) of the Commission’s regulations, 18 C.F.R. § 35.3(a)(1), to allow the tariff revision to go into effect on February 17.


20 The CAISO is exploring whether it can accelerate full implementation with Order No. 831 to an earlier date but that effort requires additional system testing.
period. In that same proceeding, the Commission also explained that interested parties had received notice that the Commission already was considering the sort of remedy accepted in the proceeding.\textsuperscript{21} Similarly, the tariff provision the CAISO proposes to implement on an accelerated basis in this filing has (with the adjustments described above) been previously accepted in the Order No. 831 Compliance Order. As such, interested parties have already had an opportunity to comment on the approach to allowing cost recovery after-the-fact for suppliers with costs in excess of the applicable cap. The exigent circumstances described above require an acceleration of the effectiveness of that approved tariff revision as modified in this filing.

To the extent the Commission elects not to forego establishing a comment period, the CAISO requests the Commission set a shortened comment period of no more than five days.

IV. Communications

Pursuant to Rule 203(b)(3) of the Commission’s Rules of Practice and Procedure,\textsuperscript{22} the individuals listed below are to receive correspondence and other communications regarding this filing:

<table>
<thead>
<tr>
<th>Roger E. Collanton</th>
<th>Sean Atkins</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Counsel</td>
<td>Michael Kunselman</td>
</tr>
<tr>
<td>Anthony J. Ivancovich</td>
<td>Bradley R. Miliauskas</td>
</tr>
<tr>
<td>Deputy General Counsel</td>
<td>Davis Wright Tremaine LLP</td>
</tr>
<tr>
<td>Andrew Ulmer</td>
<td>1301 K Street, NW</td>
</tr>
<tr>
<td>Director, Federal Regulatory Affairs</td>
<td>Suite 500 East</td>
</tr>
<tr>
<td>California Independent System</td>
<td>Washington, DC 20005</td>
</tr>
<tr>
<td>Operator Corporation</td>
<td>Tel: (202) 973-4200</td>
</tr>
<tr>
<td>250 Outcropping Way</td>
<td>Fax: (202) 973-4489</td>
</tr>
<tr>
<td>Folsom, CA 95630</td>
<td>Email:</td>
</tr>
<tr>
<td>Tel: (916) 608-7144</td>
<td><a href="mailto:seanatkings@dwt.com">seanatkings@dwt.com</a></td>
</tr>
<tr>
<td>Fax: (916) 608-7222</td>
<td><a href="mailto:michaelkunselman@dwt.com">michaelkunselman@dwt.com</a></td>
</tr>
<tr>
<td>E-mail: <a href="mailto:aivancovich@caiso.com">aivancovich@caiso.com</a></td>
<td><a href="mailto:bradleymiliauskas@dwt.com">bradleymiliauskas@dwt.com</a></td>
</tr>
<tr>
<td><a href="mailto:aulmer@caiso.com">aulmer@caiso.com</a></td>
<td></td>
</tr>
</tbody>
</table>

\textsuperscript{21} Cal. Indep. Sys. Operator Corp., et al., 97 FERC at 62,231 (stating that “the Commission had already provided notice in the November 1[, 2000] Order that it was actively considering remedies of the sort included in that Amendment,” \textit{i.e.}, Amendment No. 33 to the CAISO tariff as filed, accepted, and made effective on December 8, 2000).

\textsuperscript{22} 18 C.F.R. § 385.203(b)(3).
V. Service

The CAISO has served copies of this filing on the California Public Utilities Commission, the California Energy Commission, and all parties with scheduling coordinator agreements under the CAISO tariff. The CAISO is also serving this filing on all parties in the CAISO’s Order No. 831 compliance proceeding. In addition, the CAISO has issued a market notice advising stakeholders of this filing and posted a copy of the filing on the CAISO website.

VI. Contents of Filing

In addition to this transmittal letter, this filing includes the following attachments:

Attachment A  Clean CAISO tariff sheet incorporating the tariff provision to go into effect today under this filing
Attachment B  Red-lined document showing the revision to a previously accepted tariff provision necessary to implement the relief requested in this filing

VII. Conclusion

For the reasons set forth in this filing, the CAISO requests that the Commission either forego a comment period or set a shortened comment period and issue an order as soon as possible that authorizes this request to accept the tariff revision contained in the filing effective as of February 17, 2021.

Respectfully submitted,

Roger E. Collanton  Sean Atkins
General Counsel  Michael Kunselman
Anthony J. Ivancovich  Bradley R. Miliauskas
Deputy General Counsel  Davis Wright Tremaine LLP
Andrew Ulmer  1301 K Street, NW
Director, Federal Regulatory Affairs  Suite 500 East
California Independent System  Washington, DC  20005
Operator Corporation
250 Outcropping Way
Folsom, CA  95630

Counsel for the California Independent System Operator Corporation
Attachment A – Clean Tariff

Expedited Request to Accelerate Implementation of and Modify Previously Accepted Tariff Provision

California Independent System Operator Corporation

February 17, 2021
30.12.1 Applicability

Scheduling Coordinators may request an additional uplift payment to cover a resource’s actual fuel costs or fuel-equivalent costs associated with Start-Up Bid Costs, Minimum Load Bid Costs, Transition Bid Costs, and Energy Bid Costs used in the Bid Cost Recovery mechanism, and that are for:

(a) amounts in a Reference Level Change Request that were not approved pursuant to Section 30.11; or

(b) amounts that exceed the maximum Energy Bid price set forth in Section 39.6.1.1.

Scheduling Coordinators may not request additional uplift payments under this section to cover costs associated with gas company imbalance penalties.
Attachment B – Marked Tariff

Expedited Request to Accelerate Implementation of and Modify Previously Accepted Tariff Provision

California Independent System Operator Corporation

February 17, 2021
30.12.1 Applicability

Scheduling Coordinators may request an additional uplift payment to cover a resource’s actual fuel costs or fuel-equivalent costs associated with Start-Up Bid Costs, Minimum Load Bid Costs, Transition Bid Costs, and Energy Bid Costs used in the Bid Cost Recovery mechanism, and that are for:

(a) amounts in a Reference Level Change Request that were not approved pursuant to Section 30.11; or

(b) amounts in a Reference Level Change Request for a Default Energy Bid or Default Minimum Load Bid that exceed the maximum Energy Bid price set forth in Section 39.6.1.1 Hard Energy Bid Cap or the Minimum Load Cost Hard Cap, respectively.

Scheduling Coordinators may not request additional uplift payments under this section to cover costs associated with gas company imbalance penalties.