Before Commissioners: Neil Chatterjee, Chairman; Richard Glick, Bernard L. McNamee, and James P. Danly.

California Independent System Operator Corporation

Docket No. ER19-1950-001

ORDER ON COMPLIANCE

(Issued July 16, 2020)

1. In a filing submitted on April 21, 2020 (April Compliance Filing), the California Independent System Operator Corporation (CAISO) proposed revisions to its Open Access Transmission Tariff (Tariff) in compliance with the requirements of Order Nos. 845 and 845-A and the order on compliance issued on February 20, 2020. As discussed below, we find that the April Compliance Filing partially complies with the Commission’s directives in the February 2020 Order. Accordingly, we accept the filing, effective February 20, 2020, and direct CAISO to submit a further compliance filing within 120 days of the date of this order.

I. Background

2. Order Nos. 845 and 845-A amended the Commission’s pro forma Large Generator Interconnection Agreement (LGIA) and pro forma Large Generator Interconnection Procedures (LGIP) to improve certainty for interconnection customers, promote more informed interconnection decisions, and enhance the interconnection process. In Order Nos. 845 and 845-A, the Commission adopted 10 different reforms to improve the interconnection process and required transmission providers to submit compliance filings to incorporate those reforms into their tariffs.

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1 Reform of Generator Interconnection Procedures and Agreements, Order No. 845, 163 FERC ¶ 61,043 (2018), errata notice, 167 FERC ¶ 61,123, order on reh’g, Order No. 845-A, 166 FERC ¶ 61,137, errata notice, 167 FERC ¶ 61,124, order on reh’g, Order No. 845-B, 168 FERC ¶ 61,092 (2019).

3. In the February 2020 Order, the Commission explained that CAISO’s requested variations from the requirements in Order Nos. 845 and 845-A would be reviewed under the same standard allowed by Order No. 2003. In Order No. 2003, the Commission permitted Regional Transmission Organizations/Independent System Operators (RTOs/ISOs) to seek “independent entity variations” for pricing and non-pricing provisions, and that RTOs/ISOs “shall have greater flexibility to customize [their] interconnection procedures and agreement to fit regional needs.” The Commission stated that this approach recognizes that an RTO/ISO is less likely to act in an unduly discriminatory manner than a transmission provider that is a market participant. The Commission has granted independent entity variations from rulemakings where an RTO/ISO demonstrates that the proposed variation: (1) is just and reasonable, and not unduly discriminatory or preferential; and (2) accomplishes the purposes of the final rule. It is not a sufficient justification to state that a variation conforms to current RTO/ISO practices or to the RTO’s/ISO’s tariff definitions and terminology. Even if the transmission provider is an RTO/ISO, it must still justify its variations in light of the Commission’s pro forma LGIP and/or pro forma LGIA.

4. In the February 2020 Order, the Commission found that CAISO’s May 22, 2019 compliance filing partially complied with the directives of Order Nos. 845 and 845-A. The February 2020 Order directed further revisions to CAISO’s Tariff with respect to the following reforms: Interconnection Customer’s Option to Build; Identification and Definition of Contingent Facilities; Transparency Regarding Study Models and

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4 Order No. 2003, 104 FERC ¶ 61,103 at P 827.


7 February 2020 Order, 170 FERC ¶ 61,112 at P 15.

8 Id. PP 27-31.
Assumptions;\(^9\) Interconnection Study Deadlines;\(^{10}\) Requesting Interconnection Service below Generating Facility Capacity;\(^{11}\) Provisional Interconnection Service;\(^{12}\) Surplus Interconnection Service;\(^{13}\) and Material Modifications and Incorporation of Advanced Technologies.\(^{14}\)

II. Notice of Filing and Responsive Pleadings

5. Notice of CAISO’s April Compliance Filing was published in the Federal Register, 85 Fed. Reg. 23,351 (Apr. 27, 2020), with comments due on or before May 12, 2020. No comments were submitted.

III. Discussion

6. CAISO proposes, in its April Compliance Filing, several independent entity variations. We will evaluate those variations consistent with the standards articulated in Order No. 2003, outlined above.

A. Identification and Definition of Contingent Facilities

7. In the February 2020 Order, the Commission accepted CAISO’s request for an independent entity variation to allow CAISO to identify contingent facilities at the conclusion of both the Phase I and Phase II interconnection studies. The Commission also found that CAISO’s use of cost caps accomplishes the purpose of Order No. 845, with respect to reliability network upgrades and local delivery network upgrades, by providing the interconnection customer with transparency and cost certainty inasmuch as the cost caps establish an interconnection customer’s maximum cost responsibility and eliminate the possibility of restudies or cost shifts.\(^{15}\) However, the Commission found that CAISO had not supported its assertion that area delivery network upgrades are cost-capped and that costs above these caps must be financed by the transmission owner.

\(^9\) Id. P 35.

\(^{10}\) Id. PP 41-43.

\(^{11}\) Id. PP 54-57.

\(^{12}\) Id. PP 67-69.

\(^{13}\) Id. PP 80-84.

\(^{14}\) Id. PP 95-99.

\(^{15}\) Id. P 27.
Therefore, the Commission required CAISO to submit a further compliance filing explaining which Tariff provisions CAISO relied on to support the assertion that area delivery network upgrades are cost capped.16

8. The Commission also found that Appendix DD,17 section 6.3.2 of CAISO’s Tariff lacked the requisite transparency required by Order Nos. 845 and 845-A because it did not detail the specific technical screens or analyses and the specific thresholds or criteria that CAISO would use as part of its method to identify contingent facilities that may impact an interconnection customer’s assigned area delivery network upgrades. Therefore, the Commission required CAISO to submit a further compliance filing to include, in Appendix DD, section 6.3.2, the method it will use to determine contingent facilities that may affect the costs or timing associated with an interconnection customer’s assigned area delivery network upgrades, including the technical screens or analyses it proposes to use to identify these facilities. The Commission also required CAISO to include in Appendix DD, section 6.3.2, the specific thresholds or criteria it would use in its technical screens or analysis to achieve the level of transparency required by Order No. 845.18

9. In addition, the Commission found that CAISO’s Tariff did not expressly require CAISO to provide, upon the interconnection customer’s request, information on contingent facilities’ estimated costs and in-service completion time when this information is readily available and not commercially sensitive. Therefore, the Commission required CAISO to submit a further compliance filing that adds the language from pro forma LGIP section 3.8 to CAISO’s Tariff to make clear that CAISO shall also provide, upon request of the interconnection customer, the estimated interconnection facility and/or network upgrade costs and estimated in-service completion time of each identified contingent facility when this information is readily available and not commercially sensitive.19

16 Id. P 28.

17 Id. P 15. Appendix A is CAISO’s Tariff Master Definitions Supplement. Appendix DD is the Generator Interconnection and Deliverability Allocation Procedures (GIDAP), which harmonizes its generator interconnection study process with its transmission planning process, which enables interconnection studies to account for new transmission capacity created by transmission projects. Appendix EE is CAISO’s LGIA for Interconnection Requests Under the GIDAP. Id. P 6 n.14.

18 Id. P 29.

19 Id. P 30.
10. The Commission also found that CAISO had failed to provide a justification for not including in its Tariff the pro forma definition of contingent facilities or the new pro forma LGIP section 3.8, and explained that defining the term “Contingent Facilities” would provide certainty about the scope of the potential facilities as required by Order No. 845. Therefore, the Commission required CAISO to submit a further compliance filing to incorporate in its Tariff both the definition of contingent facilities and pro forma LGIP section 3.8, as directed by Order Nos. 845 and 845-A, or provide justification for not adopting these revisions.

1. CAISO’s Compliance Filing

11. CAISO requests an independent entity variation with respect to the Identification and Definition of Contingent Facilities. CAISO explains that its Tariff provisions describing how cost caps apply to reliability network upgrades and local delivery network upgrades omit discussion of area delivery network upgrades because such costs are not assigned to interconnection customers. CAISO indicates that it provides area delivery network upgrade cost estimates to interconnection customers on an informational basis to help interconnection customers understand the scope of the area delivery constraint. In support of this assertion, CAISO refers to Appendix DD, section 10.1, of its Tariff, which states: “The [Area Delivery Network Upgrade] cost estimates provided in any Interconnection Study report are estimates only and do not provide a maximum value for cost responsibility to an Interconnection Customer for [Area Delivery Network Upgrades].” CAISO adds that area delivery network upgrades are policy-driven transmission planning upgrades that are triggered, identified, scoped, and sponsored entirely through CAISO’s transmission planning process. According to CAISO, the transmission planning process uses a competitive solicitation process to select a project sponsor for each area delivery network upgrade and that the project sponsor then finances and constructs the area delivery network upgrade.

20 Contingent Facilities are “those unbuilt Interconnection Facilities and Network Upgrades upon which the Interconnection Request’s costs, timing, and study findings are dependent, and if delayed or not built, could cause a need for Re-Studies of the Interconnection Request or a reassessment of the Interconnection Facilities and/or Network Upgrades and/or costs and timing.” Pro Forma LGIP, § 1 (Definitions).


22 April Compliance Filing at 3. CAISO explains that an interconnection customer may elect to finance its share of local delivery network upgrades and area delivery network upgrades on a merchant basis (without reimbursement) to guarantee a transmission plan deliverability allocation. CAISO indicates that this option is referred to as “Option (B)” throughout Appendix DD; however, in the many years this option has
12. In response to the Commission directive that CAISO incorporate language from *pro forma* LGIP section 3.8 into its Tariff, CAISO proposes to add the language from *pro forma* LGIP section 3.8 to Appendix DD, section 6.5 to clarify that CAISO will provide, upon the interconnection customer’s request, the estimated interconnection facility and network upgrade costs and estimated in-service completion times when this information is readily available and not commercially sensitive. Specifically, CAISO proposes language that states:

> The CAISO and Participating [Transmission Owner] will provide, upon request of the Interconnection Customer, its estimated Interconnection Facility and/or Network Upgrade costs and estimated in-service completion time of each Assigned Network Upgrade, Conditionally Assigned Network Upgrade, or Precursor Network Upgrade when this information is readily available and not commercially sensitive.”

CAISO indicates that its proposed Tariff revisions differ from the *pro forma* LGIP language only to list the different categories of assigned and contingent facilities that CAISO identifies, as explained below.23

13. CAISO explains that subsequent to its May 22, 2019 initial Order No. 845 compliance filing, it filed Tariff revisions in a separate proceeding that it believes address

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been available, no interconnection customer has ever elected to use it. CAISO adds that if an interconnection customer elected to do so, Appendix DD, section 8.2.2 describes how CAISO would assign the interconnection customer’s area network delivery upgrades, and Appendix DD, section 8.4 describes how CAISO would allocate the option (B) interconnection customer’s share of local delivery network upgrades and area network delivery upgrades costs (as these upgrades generally are shared with other interconnection customers who trigger them). April Compliance Filing at 3, n.12. Appendix DD, section 8.2.2 indicates that area network delivery upgrades shall be assigned to option (B) generating facilities based upon their flow impacts. Appendix DD, section 8.4 indicates that the cost responsibility for area delivery network upgrades identified in the on-peak deliverability assessment as part of phase II interconnection study shall be assigned to interconnection customers who have selected option (B) based on the flow impact of each generating facility on each area delivery network upgrade as determined by the generation distribution factor methodology set forth in the on-peak deliverability assessment methodology.

23 April Compliance Filing at 4.
contingent facilities and ensure compliance with Order No. 845. The August 2019 Filing Tariff revisions created new defined terms in CAISO’s Tariff to identify contingent facilities and required CAISO to identify these facilities and their potential cost impacts in all interconnection studies. The defined terms from the August 2019 Filing are assigned network upgrades, conditionally assigned network upgrades and precursor network upgrades. In addition, the Tariff revisions divided the interconnection customer’s cost responsibility into three categories: current cost responsibility; maximum cost responsibility; and maximum cost exposure. CAISO explains that, while its previous processes and adherence to cost caps already obviated any need for serial restudies, these terms provide an additional level of clarity so that interconnection customers can understand how contingent facilities may impact their financial obligations.

14. CAISO states that it previously categorized network upgrades by function, but the August 2019 Filing Tariff revisions created additional terms to categorize network upgrades by cost responsibility. CAISO explains that the first set of terms describe whether an interconnection customer has, may have, or will not have cost responsibility for network upgrades (but still requires them for interconnection). In the August 2019 Filing, CAISO defined an assigned network upgrade as reliability network upgrades and local delivery network upgrades currently assigned to the interconnection customer. Assigned network upgrades exclude: (1) conditionally assigned network upgrades unless they become assigned network upgrades; and (2) precursor network upgrades. CAISO defined conditionally assigned network upgrades as reliability network upgrades and local delivery network upgrades currently assigned to an earlier interconnection customer, but which may be assigned to the interconnection customer. CAISO defined precursor network upgrades as network upgrades required for the interconnection customer consisting of: (1) network upgrades assigned to an interconnection customer in an earlier queue cluster, independent study process, or fast-track process, that has

24 These Tariff revisions were filed in Docket No. ER19-2679-000 on August 23, 2019 (August 2019 Filing) and accepted effective October 23, 2019 via a delegated letter order issued on October 18, 2019.

25 April Compliance Filing at 4-5.

26 CAISO Tariff, app. A, definition of “Assigned Network Upgrade” (version 0.0.0).

27 CAISO Tariff, app. A, definition of “Conditionally Assigned Network Upgrade” (version 0.0.0).

28 CAISO Tariff, app. A, definition of “Precursor Network Upgrades” (version 0.0.0).
executed its generator interconnection agreement pursuant to section 14.2.2 of the GIDAP; and (2) network upgrades in the approved CAISO transmission plan.  

15. CAISO states that the term assigned network upgrade describes the set of network upgrades for which the interconnection customer has cost responsibility at present and this set excludes conditionally assigned network upgrades and precursor network upgrades. CAISO explains that conditionally assigned network upgrades are the first set of contingent facilities identified in all study reports. CAISO states that they are network upgrades assigned to earlier interconnection customers (giving them cost responsibility) that may fall to the interconnection customer and become assigned network upgrades if the earlier interconnection customers assigned the network upgrade withdraw their interconnection requests without having executed a generator interconnection agreement. CAISO indicates that precursor network upgrades are the second set of contingent facilities identified in all study reports. CAISO states that they are network upgrades that the interconnection customer requires for interconnection, but whose costs cannot fall to the interconnection customer. CAISO clarifies that precursor network upgrades include network upgrades assigned to earlier interconnection customers that have executed generator interconnection agreements, and network upgrades approved in CAISO’s transmission planning process, such as area delivery network upgrades. CAISO explains that although the interconnection customer will not assume cost responsibility for precursor network upgrades, it is important that the interconnection customer understand these network upgrades may affect the timing of its interconnection or deliverability status.  

16. CAISO states that it will apply these labels to all facilities identified in the interconnection customer’s study reports. In addition, CAISO indicates that its study reports will describe how the upgrades were assigned to the interconnection customer and how they relate to the interconnection. CAISO explains that it will also update study results as network upgrades change classifications or are removed.  

17. CAISO states that the August 2019 Filing Tariff revisions also implemented new terms to assist interconnection customers in understanding how assigned and contingent facilities may impact their cost responsibilities as they progress through the queue.

29 April Compliance Filing at 5-6.

30 Id. at 6-7.

31 Id. at 7. CAISO references app. DD, sections 6.2, 6.3.2.2, 7.4.3, 8.1.1 and 11.3.2.5.

32 April Compliance Filing at 7. CAISO references app. DD, sections 7.4.3, 8.1.1 and 11.3.2.5.
CAISO notes that the defined terms are current cost responsibility, maximum cost responsibility and maximum cost exposure. CAISO defined current cost responsibility\(^{33}\) as the interconnection customer’s current allocated costs for assigned network upgrades, not to exceed the maximum cost responsibility. CAISO states that interconnection customers will post interconnection financial security based on this figure. CAISO defined maximum cost responsibility\(^{34}\) as the lower sum of the interconnection customer’s: (1) full cost of assigned interconnection reliability network upgrades; and (2) allocated costs for all other assigned network upgrades, from its phase I or phase II interconnection studies, not to exceed the maximum cost exposure. CAISO defined maximum cost exposure\(^{35}\) as the sum of: (1) the interconnection customer’s maximum cost responsibility; and (2) the conditionally assigned network upgrades from its phase I or phase II interconnection study.\(^{36}\)

18. CAISO states that maximum cost responsibility and maximum cost exposure both describe the interconnection customer’s potential total costs due to contingent facilities. CAISO explains that maximum cost responsibility consists of the interconnection customer’s currently allocated costs for assigned network upgrades, and the full costs of assigned interconnection reliability network upgrades. CAISO clarifies that, compared to the current cost responsibility, the maximum cost responsibility allows interconnection customers to understand how changes to their own interconnection cluster may affect their costs. As an example, CAISO states that, if other interconnection customers in their interconnection cluster that share an interconnection reliability network upgrade withdraw, the interconnection customer’s current cost responsibility could rise to its maximum cost responsibility. CAISO adds that the maximum cost exposure consists of the interconnection customer’s maximum cost responsibility plus the costs of conditionally assigned network upgrades. CAISO clarifies that, compared to the maximum cost responsibility, the maximum cost exposure helps interconnection customers understand the costs they may inherit based on the actions of earlier interconnection customers.\(^{37}\)

\(^{33}\) CAISO Tariff, app. A, definition of “Current Cost Responsibility” (version 0.0.0).

\(^{34}\) CAISO Tariff, app. A, definition of “Maximum Cost Responsibility” (version 0.0.0).

\(^{35}\) CAISO Tariff, app. A, definition of “Maximum Cost Exposure” (version 0.0.0).

\(^{36}\) April Compliance Filing at 7-8.

\(^{37}\) Id. at 8.
19. CAISO states that none of the aforementioned terms resulted in substantial changes to previous CAISO policy because they simply introduced labels designed to help interconnection customers, financiers, and load serving entities understand how a project’s contingent facilities may affect its assigned costs as it progresses through the queue. According to CAISO, the maximum cost responsibility is still capped by the lower of the figures provided in the interconnection customer’s phase I and phase II interconnection studies. The maximum cost exposure will be capped by the figure provided in the interconnection customer’s phase II interconnection study. 38 CAISO notes that any costs from network upgrades included in these terms that exceed those caps would be borne by the transmission owner.

2. Commission Determination

20. We find that CAISO’s existing Tariff and its proposed revision to Appendix DD, section 6.5 partially comply with the requirements of Order Nos. 845 and 845-A and the compliance directive in the February 2020 Order, as discussed below.

21. We find that CAISO complies with the requirements of Order Nos. 845 and 845-A and the compliance directive in the February 2020 Order with respect to addressing how contingent facilities may affect the costs or timing associated with an interconnection customer’s assigned area delivery network upgrades. CAISO has explained that area delivery network upgrades are not assigned to an interconnection customer in the interconnection process, but are instead triggered, identified, scoped, and sponsored entirely through CAISO’s transmission planning process. Therefore, we find that there is no need for CAISO to detail the specific technical screens or analyses and the specific thresholds or criteria to identify contingent facilities that may impact an interconnection customer’s assigned area delivery network upgrades, because the interconnection customer is not assigned any area delivery network upgrades that could be impacted.

22. Just as the Commission found that CAISO’s use of cost caps accomplishes the purpose of Order No. 845 with respect to reliability network upgrades and local delivery

38 The maximum cost responsibility and maximum cost exposure provide distinct caps for different types of costs. Although the maximum cost exposure will provide the highest figure, the interconnection customer’s costs cannot rise to that level unless conditionally assigned network upgrades are assigned to the interconnection customer (e.g., if all previously assigned interconnection customers withdraw without having executed an interconnection agreement). If the costs of assigned network upgrades eventually exceed the interconnection customer’s maximum cost responsibility (without the conversion of conditionally assigned network upgrades), the interconnection customer would not inherit those costs. Examples are included as Attachment C of the August 2019 Filing. April Compliance Filing at 8 n.26.
network upgrades by providing the interconnection customer with transparency and cost certainty, we similarly find here that not assigning area delivery network upgrade costs to interconnection customers, or what amounts to having a cost cap of zero for area delivery network upgrades, achieves the same result.\(^{39}\) We therefore accept CAISO’s proposed independent entity variation because its existing Tariff provisions regarding area delivery network upgrades are just and reasonable and not unduly discriminatory, and accomplish the purposes of the final rule. They provide the interconnection customer with transparency and cost certainty because the interconnection customer is not assigned area delivery network upgrade costs, and therefore, the area delivery network upgrade costs have no impact on an interconnection customer’s maximum cost responsibility and present no concerns about cost shifts.

23. We also find that CAISO’s proposed language in Appendix DD, section 6.5 of its Tariff complies with the requirements of Order Nos. 845 and 845-A and the compliance directive in the February 2020 Order because it largely mirrors the pro forma LGIP section 3.8 language, except that it lists the categories of network upgrades identified in CAISO’s Tariff that are not present in the pro forma LGIP or LGIA. We therefore accept CAISO’s proposed independent entity variation and find that CAISO’s proposed revision to Appendix DD, section 6.5 is just and reasonable and not unduly discriminatory, and accomplishes the purposes of the final rule by adopting language that requires CAISO to provide, upon the interconnection customer’s request, information on contingent facilities’ estimated costs and in-service completion time when this information is readily available and not commercially sensitive.\(^{40}\)

24. We also find CAISO’s use of the terms conditionally assigned network upgrades and precursor network upgrades instead of the term contingent facilities complies with the requirements of Order Nos. 845 and 845-A and the compliance directive in the February 2020 Order, with respect to network upgrades. Pursuant to CAISO’s explanation, CAISO has two categories of contingent facilities, conditionally assigned network upgrades and precursor network upgrades, and we find that these terms adequately identify contingent facilities with respect to network upgrades. We therefore accept CAISO’s proposed independent entity variation and find that use of these terms, instead of contingent facilities, is just and reasonable and not unduly discriminatory, and accomplishes the purposes of the final rule by providing certainty about the scope of the potential facilities as required by Order No. 845.\(^{41}\)

\(^{39}\) February 2020 Order, 170 FERC ¶ 61,112 at P 27.

\(^{40}\) Order No. 845, 163 FERC ¶ 61,043 at PP 192, 199.

\(^{41}\) February 2020 Order, 170 FERC ¶ 61,112 at P 31.
25. However, we find CAISO’s use of the terms conditionally assigned network upgrades and precursor network upgrades instead of the term contingent facilities does not comply with the requirements of Order Nos. 845 and 845-A and the compliance directive in the February 2020 Order with respect to interconnection facilities. While CAISO states that it will apply the terms conditionally assigned network upgrades and precursor network upgrades to all facilities identified in the interconnection customer’s study reports, it is unclear how these terms, which by their own names and definitions relate to network upgrades, address interconnection facilities that may also be contingent facilities pursuant to the pro forma LGIP definition of contingent facilities. We therefore direct CAISO to submit a further compliance filing within 120 days of the date of this order addressing how CAISO will identify interconnection facilities that are contingent facilities in light of the fact that the two terms with which CAISO proposes to replace the term contingent facilities do not by definition include interconnection facilities.

26. We also find that CAISO must incorporate into its Tariff the revisions to Appendix DD, sections 6, 7 and 8 from the August 2019 Filing. As explained above, CAISO references Appendix DD, sections 6.2, 6.3.2.2, 7.4.3, 8.1.1 and 11.3.2.5 to explain how it labels all the facilities identified in the interconnection customer’s study reports as they relate to supporting its compliance filing regarding contingent facilities in this docket. As also explained above, these sections were part of the August 2019 Filing and were accepted effective October 23, 2019. However, the revisions to Appendix DD, sections 6, 7 and 8 from the August 2019 Filing were superseded when the Commission assigned an effective date of February 20, 2020 to pending revisions to these sections in the February 2020 Order. We therefore direct CAISO to submit a further compliance filing within 120 days of the date of this order to reincorporate the revisions to Appendix DD, section 6, 7 and 8 from the August 2019 Filing into CAISO’s Tariff, with an effective date of February 20, 2020, consistent with the effective date assigned to the Tariff revisions in this proceeding, to ensure continuity of these provisions since they were initially accepted effective October 23, 2019.

B. Transparency Regarding Study Models and Assumptions

27. In the February 2020 Order, the Commission found that CAISO had not adopted the language from pro forma LGIP section 2.3 stating that a transmission provider must maintain the required information “on either its [Open Access Same-Time Information System] site or a password-protected website” and that “[i]f Transmission Provider posts

42 See supra n.20 (defining contingent facilities).

43 February 2020 Order, 170 FERC ¶ 61,112 at P 1.

44 See supra n.24.
this information on a password-protected website, a link to the information must be
provided on Transmission Provider’s OASIS site.” Therefore, the Commission directed
CAISO to submit a further compliance filing to either add the language from pro forma
LGIP section 2.3 requiring CAISO to maintain the required information on OASIS, or if
CAISO chooses to maintain the required information on a password-protected site,
provide a link on OASIS to that site, or support an independent entity variation to omit
this language from CAISO’s Tariff.45

1. CAISO’s Compliance Filing

28. CAISO proposes to revise Appendix DD, section 2.3 to include the following
provision: “The CAISO will maintain a link on OASIS to the secured section of the
CAISO website with the Interconnection Base Case Data.”46

2. Commission Determination

29. We find that CAISO’s proposed revision to Appendix DD, section 2.3 complies
with the requirements of Order Nos. 845 and 845-A and the compliance directive in the
February 2020 Order.47

C. Interconnection Study Deadlines

30. In the February 2020 Order, the Commission found that CAISO failed to include
in its Tariff, without justification, the language from pro forma LGIP sections 3.5.2, 3.5.3
and 3.5.4(ii) stating that, if the transmission provider posts the required information on its
website, a link to the information must be provided on transmission provider’s OASIS
site. Therefore, the Commission directed CAISO to submit a further compliance filing to
support an independent entity variation or include the pro forma LGIP language
regarding the requirement to post study metrics or a link to a website with study metrics
on OASIS from pro forma LGIP sections 3.5.2, 3.5.3 and 3.5.4(ii) in CAISO’s
Appendix DD, sections 3.6.1, 3.6.2 and 3.6.3. Additionally, the Commission found that
CAISO had revised and failed to explain its reasons for omitting language in its Tariff
from pro forma LGIP sections 3.5.2, 3.5.3, and 3.5.4. Therefore, the Commission

45 February 2020 Order, 170 FERC ¶ 61,112 at P 35.

46 April Compliance Filing at 9.

47 Order No. 845, 163 FERC ¶ 61,043 at PP 236, 238; February 2020 Order,
170 FERC ¶ 61,112 at P 35.
directed CAISO to submit a further compliance filing to explain each variation or include the *pro forma* LGIP sections 3.5.2, 3.5.3 and 3.5.4 language.\(^{48}\)

1. **CAISO’s Compliance Filing**

31. CAISO proposes to revise Appendix DD, section 3.6.1 to incorporate the language from the *pro forma* LGIP sections 3.5.2, 3.5.3 and 3.5.4(ii) requiring CAISO to maintain a link on OASIS to the public website where CAISO maintains its interconnection statistics.\(^{49}\) The proposed language states:

   The CAISO will maintain on its website summary statistics related to processing Interconnection Studies pursuant to Interconnection Requests, updated quarterly. On a quarterly basis, the CAISO will publish to the CAISO Website summary quarterly statistics related to processing Interconnection Studies pursuant to Interconnection Requests. The CAISO will maintain a link on OASIS to the CAISO website with the interconnection statistics.

32. CAISO also proposes to revise Appendix DD, section 3.6.3 to include the word “end” in the last sentence of Appendix DD, section 3.6.3(i) and included the word “calendar” in Appendix DD, section 3.6.3(ii), consistent with *pro forma* LGIP sections 3.5.4(i) and 3.5.4(ii).\(^{50}\)

2. **Commission Determination**

33. We find that CAISO’s proposed Tariff revisions to Appendix DD, sections 3.6.1, 3.6.3(i) and 3.6.3(ii) comply with the requirements of Order Nos. 845 and 845-A and the compliance directive in the February 2020 Order.\(^{51}\)

D. **Provisional Interconnection Service**

34. In the February 2020 Order, in response to CAISO’s proposal to substitute its limited operation study for provisional interconnection service, the Commission found

\(^{48}\) February 2020 Order, 170 FERC ¶ 61,112 at P 43.

\(^{49}\) April Compliance Filing at 10.

\(^{50}\) *Id.*

\(^{51}\) Order No. 845, 163 FERC ¶ 61,043 at PP 305, 313; February 2020 Order, 170 FERC ¶ 61,112 at PP 42-43.
that CAISO’s limited operation study Tariff provisions in Appendix DD, section 14.2.4.1 were inconsistent with Order Nos. 845 and 845-A because they limit a customer’s ability to have a limited operation study only when “the Participating T[ransmission] O[wner]’s Interconnection Facilities or Network Upgrades are not reasonably expected to be completed prior to the Commercial Operation Date of the Generating Unit.”

Therefore, the Commission directed CAISO to submit a further compliance filing to revise its Tariff to allow interconnection customers to seek this service when available studies or additional studies indicate that there is a level of interconnection service that can occur to accommodate an interconnection request without the construction of any additional interconnection facilities and/or network upgrades. The Commission explained that CAISO could, for example, eliminate the restriction that limits a customer’s ability to have a limited operation study to only when “the Participating T[ransmission] O[wner]’s Interconnection Facilities or Network Upgrades are not reasonably expected to be completed prior to the Commercial Operation Date of the Generating Unit.” The Commission explained that alternatively, CAISO could file Tariff revisions that adopt the pro forma LGIP and LGIA language provided in Order Nos. 845 and 845-A.

35. The Commission also found that CAISO’s limited operation study provisions did not include language outlining the frequency at which CAISO would update limited operation studies, as required by Order No. 845. Accordingly, the Commission also directed CAISO to submit a further compliance filing to revise its LGIA to state the frequency at which CAISO will update provisional interconnection studies.53

1. **CAISO’s Compliance Filing**

36. CAISO proposes to revise Appendix DD, section 14.2.4.1 of its Tariff to remove the language restricting the limited operation study to instances where the transmission owner is not able to complete facilities by the interconnection customer’s commercial operation date. CAISO also added the following language to Appendix DD, section 14.2.4: “To the extent study assumptions change, the CAISO and Participating T[ransmission] O[wner] will update study results as needed.” CAISO states that it will update limited operation study results whenever study assumptions change in a way that impacts the initial limited operation study results.54

52 February 2020 Order, 170 FERC ¶ 61,112 at P 67 (citing CAISO Tariff, app. DD, § 14.2.4.1).

53 Id. PP 67-69.

54 April Compliance Filing at 11.
2. **Commission Determination**

37. We find that CAISO’s proposed Tariff revisions to Appendix DD, section 14.2.4.1 comply with the requirements of Order Nos. 845 and 845-A and the compliance directive in the February 2020 Order. In addition, we find that CAISO’s proposed Tariff revisions to Appendix DD, section 14.2.4 to include the frequency at which CAISO would update limited operation studies complies with the requirements of Order Nos. 845 and 845-A and the compliance directive in the February 2020 Order. Specifically, we find that, based on CAISO’s explanation, the proposed language in Appendix DD, section 14.2.4 that states, “To the extent study assumptions change, the CAISO and Participating T[ransmission] O[wner] will update study results as needed” means that CAISO will update limited operation study results whenever study assumptions change in a way that impacts the initial limited operation study results.

E. **Surplus Interconnection Service**

38. In the February 2020 Order, the Commission found that CAISO failed to include Tariff revisions that explicitly require the transmission provider, original interconnection customer, and surplus interconnection service customer to file a surplus interconnection service agreement with the Commission that includes the terms and conditions of surplus interconnection service. Therefore, the Commission directed CAISO to submit a further compliance filing that includes language in its Tariff to explicitly require the transmission provider, original interconnection customer, and surplus interconnection service customer to file a surplus interconnection service agreement with the Commission that includes the terms and conditions of surplus interconnection service.\(^{55}\)

1. **CAISO’s Compliance Filing**

39. CAISO requests an independent entity variation pursuant to which CAISO will rely on its existing Tariff to comply with Order Nos. 845 and 845-A and the February 2020 Order. CAISO states that with respect to implementing surplus interconnection service transfers, stakeholders and CAISO preferred to memorialize these transfers by amending the assignor’s generator interconnection agreement, and the assignee’s new generator interconnection agreement. For this reason, CAISO did not include Tariff provisions requiring the parties to execute a four-party surplus interconnection service agreement, and instead referenced the following two provisions stating:

The Interconnection Customer may assign Surplus Interconnection Service pursuant to Section 3.4 of the GIDAP. The CAISO, Participating T[ransmission] O[wner],

\(^{55}\) February 2020 Order, 170 FERC ¶ 61,112 at P 84.
and original Interconnection Customer will work in good faith to amend this [Generator Interconnection Agreement (GIA)] to reflect the transfer of Surplus Interconnection Service before the execution of the assignee’s GIA. The assignee must execute a separate GIA with the CAISO and Participating TO to memorialize its Interconnection Service.\(^{56}\)

and

The CAISO, Participating T[ransmission] O[wner], and original Interconnection Customer will work in good faith to amend the original Interconnection Customer’s GIA to reflect the transfer of Surplus Interconnection Service before the execution of the assignee’s GIA.”\(^{57}\)

CAISO contends that these Tariff requirements are consistent with Order No. 845’s intent to ensure that the new terms of service, after the transfer, are memorialized and then filed with the Commission.\(^{58}\)

40. CAISO contends that its proposal has two benefits. First, it avoids the need to negotiate, execute, and file a separate agreement whose terms can, and should, be set forth in the generator interconnection agreements. CAISO explains that both interconnection customers need their own generator interconnection agreements, and these generator interconnection agreements should acknowledge the surplus interconnection service, so another redundant agreement is unnecessary. Second, CAISO asserts that its approach avoids future issues enforcing an agreement with two interconnection customers. Instead, CAISO states that it and the transmission owner can address any issues with the individual interconnection customer under the customer’s own, separate generator interconnection agreement. This avoids affecting the other interconnection customer, and it avoids potential conflicts between the terms of the generator interconnection agreement and the terms of a surplus interconnection agreement.\(^{59}\)

41. CAISO adds that, if interconnection customers use surplus interconnection service, the result is identical to situations where multiple generation owners share the

\(^{56}\) CAISO Tariff, app. EE, art. 19.1.

\(^{57}\) CAISO Tariff, app. DD, § 3.4.

\(^{58}\) April Compliance Filing at 12-13.

\(^{59}\) Id. at 13.
same interconnection facilities, which is a common occurrence under the existing Tariff. CAISO asserts that transmission owners, developers, and CAISO frequently negotiate and execute generator interconnection agreements for these situations and CAISO has extensive experience negotiating terms among the parties to ensure safe and reliable interconnections. Thus, according to CAISO, this proposal treats similarly situated parties similarly by treating interconnections separately rather than tying them into a multi-party agreement.\textsuperscript{60}

2. **Commission Determination**

42. We find that CAISO’s existing Tariff complies with the requirements of Order Nos. 845 and 845-A and the compliance directive in the February 2020 Order as it relates to the filing of surplus interconnection agreements.\textsuperscript{61} In Order No. 845, the Commission explained that, with respect to surplus interconnection service, it would give transmission providers flexibility to establish agreements appropriate for their region.\textsuperscript{62} Under CAISO’s approach, the interconnection agreements for both the original interconnection customer and the interconnection customer that is assigned surplus interconnection capacity reflect the terms and conditions necessary for the provision of surplus interconnection service and the transfer of that service, as set forth in Order No. 845. We accept CAISO’s proposed independent entity variation because CAISO’s existing Tariff provisions regarding the filing of surplus interconnection service agreements are just and reasonable and not unduly discriminatory, and accomplish the purposes of the final rule by requiring that the provisions for surplus interconnection service are part of each customer’s interconnection agreement, which is filed with the Commission.\textsuperscript{63}

F. **Material Modifications and Incorporation of Advanced Technologies**

43. In the February 2020 Order, the Commission found that CAISO’s proposed definition of permissible technological change and associated procedures partially complied with Order No. 845 and 845-A. The Commission found that CAISO’s proposed definition of permissible technological advancements met the Commission’s requirement to provide a category of technological changes that did not constitute a material modification.

\textsuperscript{60} Id.

\textsuperscript{61} Order No. 845, 163 FERC ¶ 61,043 at P 499; February 2020 Order, 170 FERC ¶ 61,112 at P 84.

\textsuperscript{62} Order No. 845, 163 FERC ¶ 61,043 at P 500.

\textsuperscript{63} Id. PP 499-500.
However, the Commission also found that CAISO’s Tariff provision requiring a written request to evaluate a technological advancement lacked sufficient detail. The Commission explained that CAISO’s proposal that an interconnection customer’s written request to evaluate technological advancements must include the “technical data required to assess the request.” Therefore, the Commission directed CAISO to submit a further compliance filing to revise Appendix DD, section 6.7.2.4 to explain what type of technical data an interconnection customer should submit as part of its written request.  

In addition, the Commission found that CAISO’s proposed Tariff did not explain how it would evaluate the technological advancement request to determine whether it is a material modification. Therefore, the Commission directed CAISO to submit a further compliance filing to provide a more detailed explanation of the studies that CAISO would conduct to determine whether the technological advancement request would result in a material modification.

Further, the Commission found that CAISO’s proposal to notify the interconnection customer within 30 days of its request whether the interconnection customer’s request is an approved permissible technological advancement, or if the interconnection customer must instead submit a material modification assessment request and $10,000 assessment deposit, did not satisfy the independent entity standard because it failed to demonstrate how this proposal would accomplish the purposes of Order Nos. 845 and 845-A. Therefore, the Commission directed CAISO to submit a further compliance filing to revise its proposed technological change procedure to provide that CAISO will determine whether a technological advancement is a material modification within 30 calendar days of receipt of the initial request. The Commission also found that, with regard to CAISO’s $2,500 flat fee, it was not clear whether the work or costs for a technological assessment are duplicated in the subsequent modification assessment. Therefore, the Commission directed CAISO to submit a compliance filing further justifying the flat fee approach.

1. **CAISO’s Compliance Filing**

CAISO proposes no specific Tariff revisions in response to the February 2020 Order. Instead, CAISO provides additional discussion to justify its prior proposal.

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64 February 2020 Order, 170 FERC ¶ 61,112 at PP 91-92, 96.

65 *Id.* P 97.

66 *Id.* PP 98-99.
a. **Technical Data**

48. CAISO explains that it allows modifications through its material modification assessment process without the interconnection customer losing its queue position. CAISO also states that it designed its permissible technological advancement process to be a faster, cheaper option for simple and straightforward modifications. Rather than create a limited, rigid list of permissible technological advancements, CAISO created a list of known permissible advancements, and allowed for any other advancements that meet CAISO’s definition of permissible technological advancement.\(^{67}\)

49. CAISO states that, as it explained in its initial compliance filing, CAISO expects the list of known permissible changes to grow as interconnection customers find modifications that meet its definition. To ensure that interconnection customers know all modifications that constitute permissible technological advancements, CAISO included a Tariff requirement to update its business practice manual to list any additional permissible technological advancements approved but not already specifically enumerated in the Tariff. CAISO adds that this allows interconnection customers to make permissible technological advancements in the future more quickly and less expensively than through the material modification assessment process.\(^{68}\)

50. To those ends, CAISO states that it intentionally only included a broad requirement that permissible technological advancement requests include the technical data required to assess the request. According to CAISO, this Tariff requirement provides flexibility to cover the various types of requests that CAISO may see, which may require significantly different technical data. Some proposed modifications may require no data, while others may require a variety of diagrams, models, and technical information. Consistent with its existing practices and the Tariff requirement to continue to update the business practice manual on permissible technological advancement, CAISO intends to describe what technical data will be required to assess different types of known advancements in its business practice manual. According to CAISO, prescribing in the Tariff the exact technical data needed for every permissible technological advancement only makes the process inflexible and less useful for interconnection customers. For this reason, CAISO contends that the Commission should find that CAISO’s Tariff language is consistent with Order No. 845’s intent to allow interconnection customers to make a variety of technological advancements while in the queue.\(^{69}\)

\(^{67}\) April Compliance Filing at 14-15.

\(^{68}\) *Id.* at 15.

\(^{69}\) *Id.* at 15-16.
b. **Assessing Permissible Technological Advancements**

51. In response to the Commission requirement that CAISO provide a more detailed explanation of the studies that CAISO will conduct to determine whether the technological advancement request will result in a material modification, CAISO reiterates that its intent in assessing permissible technological advancements is to provide a faster, cheaper option for simple and straightforward modifications. Through the material modification assessment process, interconnection customers already can make virtually any change to their projects while in the queue, including generating technology changes. CAISO contends that, if the permissible technological advancements process is indistinguishable from CAISO’s material modification assessment process (which only requires a $10,000 deposit and finishes within 45 days), this separate process would provide no incremental benefit to interconnection customers.\(^7^0\)

52. CAISO states that it would be misleading to suggest that CAISO and the transmission owner will study permissible technological advancement requests, which would duplicate the material modification assessment process, and thus defeat the purpose of a separate, faster process. Instead, CAISO and the transmission owner will review the request simply to assess that the request meets the definition of permissible technological advancement, without any study. CAISO states that the definition itself states that a permissible technological advancement is a change that would not require: (1) a material modification assessment; or (2) a new interconnection request. Pursuant to CAISO’s Tariff, a material modification is a change that negatively impacts the cost or timing of another interconnection request.\(^7^1\) And, pursuant to CAISO’s Tariff, new interconnection requests are required for capacity increases at the point of interconnection\(^7^2\) or for substantial changes to electrical characteristics, namely, short-circuit duty, stability, and voltage.\(^7^3\) CAISO explains that, in reviewing a permissible technological advancement request, CAISO engineers and transmission owner engineers will use their experience and engineering judgment to review the proposed changes. This review will simply determine whether it is clear without

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\(^7^0\) *Id.* at 16.

\(^7^1\) CAISO Tariff, app. A, definition of “Material Modification”; app. DD, § 6.7.2.2.

\(^7^2\) CAISO Tariff, § 25.1(b).

\(^7^3\) CAISO Tariff, § 25.1(c).
performing any study that the changes have little or no potential to require a material modification assessment or new interconnection request.\textsuperscript{74}

53. CAISO explains that, in its initial compliance filing, it included in Appendix DD, section 6.7.2.4 of its Tariff the following permissible technological advancements CAISO and its stakeholders knew would not require a new interconnection request or material modification assessment: removing equipment; aligning the commercial operation date with an executed power purchase agreement; and adding less than five MW of energy storage without increasing the net output at the point of interconnection. CAISO adds that it explored other possibilities with stakeholders during the stakeholder process but discovered no additional changes that would not require a material modification assessment to determine whether they would affect other interconnection customers. Nevertheless, CAISO states that it and its stakeholders were open to expanding the list as they gained more experience, and therefore included the broad language “other changes that have little or no potential to affect other Interconnection Customers or Affected Systems, require a new Interconnection Request, or otherwise require re-study or evaluation.”\textsuperscript{75} CAISO states that, as it approves other permissible technological advancements requests, CAISO will update its business practice manual to include them.\textsuperscript{76}

c. Flat Fee and Timing

54. CAISO also explains that interconnection customers’ initial interconnection study deposits are used for their phase I and phase II interconnection studies and annual reassessments. They do not cover any elective study or modification; hence, all elective studies and modifications require deposits or fees to cover study expenses. These funds offset operating expenses for CAISO and the transmission owners for the interconnection study work.\textsuperscript{77}

55. CAISO explains that it selected the flat fee of $2,500 for permissible technological advancements based on its analysis of the study costs of prior modification requests that, in conceptual terms, most resemble permissible technological advancements. CAISO states that it proposed a flat fee instead of a deposit to avoid the need to track time and expenses, thereby increasing the speed and ease of processing such requests for interconnection customers. CAISO adds that, if it proposed to use a study deposit, the amount would have to be higher because both CAISO and transmission owner staff

\begin{footnotesize}
\begin{itemize}
\item \textsuperscript{74} April Compliance Filing at 16.
\item \textsuperscript{75} CAISO Tariff, app. DD, § 6.7.2.4.
\item \textsuperscript{76} April Compliance Filing at 17.
\item \textsuperscript{77} Id. at 18.
\end{itemize}
\end{footnotesize}
would need to create a specific charge code for that interconnection customer’s request, then track their time and bill against it, a process which itself takes more time and, thus, costs more. CAISO explains that it and its stakeholders believed that doing so was inconsistent with the intent of Order No. 845 and would be too similar to the material modification assessment process to provide any incremental value. In addition, CAISO adds that, because the permissible technological advancement is a flat fee, it would not offset other deposits, including if the request needs a subsequent material modification assessment. CAISO indicates that it will clarify this accounting rule in its business practice manual. According to CAISO, offsetting potential future study deposits would require CAISO and transmission owners to track their time against the $2,500, which would defeat the purpose of the flat fee, delay the assessment, and curb the efficiency of the permissible technological advancement.\(^\text{78}\)

56. CAISO states that, once it has received the request and the fee, it will notify the interconnection customer whether the request is approved within 30 days. CAISO notes that 30 days is a firm deadline.\(^\text{79}\) CAISO explains that, if an interconnection customer fails the permissible technological advancement process, and it still wants the modification, the interconnection customer can request a material modification assessment. CAISO states that its modification process allows the interconnection customer complete flexibility to request changes without loss of queue position. CAISO adds that shortening the material modification assessment from 45 days to 30 days after an unsuccessful permissible technological advancement request would only incentivize interconnection customers to submit all modifications to the permissible technological advancement process first, even if they are large, complex changes that require study. This would undermine the permissible technological advancement process and the material modification assessment, rendering one or the other redundant.\(^\text{80}\) Finally, CAISO adds that developers, transmission owners, and stakeholders all supported the flat fee as a requirement to begin the permissible technology request.\(^\text{81}\)

2. **Commission Determination**

57. We find that CAISO’s Tariff partially complies with the requirements of Order Nos. 845 and 845-A and the compliance directive in the February 2020 Order, as discussed below.

\(^{78}\) Id. at 17.

\(^{79}\) Id. at 19.

\(^{80}\) Id.

\(^{81}\) Id. at 20.
58. We find that CAISO complies with the requirements of Order Nos. 845 and 845-A and the compliance directive in the February 2020 Order with respect to the technical data an interconnection customer will submit as part of its written request for CAISO to evaluate a technological advancement. We are persuaded by CAISO’s explanation and we find that it is reasonable for CAISO to update its business practice manual to describe the technical data that will be required to assess different types of known technological advancements in its business practice manual, which is consistent with its practice and Tariff requirement to update its business practice manual to list additional technological advancements approved but not specifically enumerated in the Tariff. We therefore accept as an independent entity variation CAISO’s Tariff provisions in Appendix DD, section 6.7.2.4, regarding the technical data an interconnection customer should submit as part of its written request for CAISO to evaluate a technological advancement satisfy the independent entity standard because they are just and reasonable and not unduly discriminatory, and accomplish the purposes of the final rule by providing a procedure in the Tariff that informs the interconnection customer that technical data may be required to process the technological advancement request.

59. We accept CAISO’s justification of the $2,500 fee, but we find that CAISO has not complied with the requirements of Order Nos. 845 and 845-A and the compliance directives in the February 2020 Order with respect to the requirement that CAISO provide a more detailed explanation of the studies that CAISO will conduct to determine whether the technological advancement request will result in a material modification and determine whether or not a technological advancement is a material modification within 30 calendar days of receipt of the initial request. Order No. 845 requires transmission providers to establish a technological change procedure in their LGIPs to assess and, if necessary, study whether they can accommodate a technological advancement without the change being considered material. Order No. 845 also provides that a transmission provider must determine whether a change is a material modification “no later than 30 days after the interconnection customer submits a formal technological advancement request to the transmission provider.”

\[\textit{84 Order No. 845, 163 FERC }\parallel 61,043 \at P 521; \textit{February 2020 Order, 170 FERC }\parallel 61,112 \at P 97.\]

\[\textit{85 Order No. 845, 163 FERC }\parallel 61,043 \at PP 511, 518-522.\]

\[\textit{86 Id. P 535; see also Order No. 845-A, 166 FERC }\parallel 61,137 \at P 155.\]
60. We find that CAISO’s proposal does not accomplish these purposes of Order No. 845, and therefore, fails to satisfy the independent entity variation standard. We understand that CAISO may duplicate portions of its material modification assessment process in studying permissible technological advancement requests, but we disagree with CAISO that this duplication will defeat the purpose of a separate, faster process. The technological change procedure and material modification are two distinct processes and, therefore, for clarity, it is appropriate to outline the steps for each process even if there is some duplication. Accordingly, we direct CAISO to file, within 120 days of the date of this order, a further compliance filing that: (1) provides a more detailed explanation of the assessment, and if necessary, studies that CAISO will conduct to determine whether the technological advancement request will result in a material modification; and (2) provides that CAISO will determine whether or not a technological advancement is a material modification within 30 calendar days of receipt of the initial request.

G. Other Compliance Directives

1. Interconnection Customer’s Option to Build

61. In the February 2020 Order, the Commission found that CAISO omitted from its proposed LGIA article 5.1.4 the word “dates” as set forth in the first sentence of pro forma LGIA article 5.1.4, which states in part “[i]f the dates designated by the Interconnection Customer are not acceptable to the Transmission Provider.” Therefore, the Commission required CAISO to submit a further compliance filing to add the word “dates” to Appendix EE, article 5.1.4.

62. CAISO proposes to revise Appendix EE, article 5.1.4 to include the word “dates,” as directed.87

2. Requesting Interconnection Service below Generating Facility Capacity

63. In the February 2020 Order, the Commission found that CAISO’s proposed language in Appendix DD, section 3.1 of its Tariff incorporated language regarding potential penalties for exceeding the level of interconnection service capacity and explained that in Order No. 845, the Commission explicitly declined to adopt provisions requiring transmission providers to establish penalties for over-generation indicating that transmission providers could propose such penalties in a section 205 filing. The Commission found that CAISO’s proposed penalty language was beyond the scope of the

87 April Compliance Filing at 2.
proceeding. Therefore, the Commission directed CAISO to submit a further compliance filing to remove the penalty language from Appendix DD, section 3.1.  

64. The Commission also found that CAISO had filed section 8 twice in eTariff, once where it belongs and once where section 7 belongs. The Commission therefore directed CAISO to submit a further compliance filing to include section 7 in Appendix DD and to remove the unnecessary duplicate section 8.  

65. CAISO proposes to revise Appendix DD, section 3.1 to remove the reference to financial penalties. CAISO indicates that it has also corrected Appendix DD, section 7 in eTariff.  

3. **Commission Determination**

66. We find that CAISO’s proposed Tariff revisions regarding the Interconnection Customer’s Option to Build and Requesting Interconnection Service below Generating Facility Capacity comply with the directives in the February 2020 Order.  

The Commission orders:

(A) CAISO’s compliance filing is hereby accepted, to become effective February 20, 2020, as requested, subject to a further compliance filing, as discussed in the body of this order.

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88 February 2020 Order, 170 FERC ¶ 61,112 at P 56.

89 *Id.* P 57.

90 April Compliance Filing at 11.

(B) CAISO is hereby directed to submit a further compliance filing within 120 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.