

178 FERC ¶ 61,182
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Richard Glick, Chairman;
James P. Danly, Allison Clements,
Mark C. Christie, and Willie L. Phillips.

California Independent System Operator Corporation Docket No. ER22-906-000

ORDER ACCEPTING TARIFF REVISIONS

(Issued March 15, 2022)

1. On January 27, 2022, the California Independent System Operator Corporation (CAISO) filed (1) revisions to its Open Access Transmission Tariff (Tariff) regarding capacity that is eligible to back high-priority non-recallable exports,¹ (2) Tariff revisions to extend the provisions related to scheduling priority for wheeling through transactions that were accepted on an interim basis by the Commission in an order issued June 25, 2021² (Interim Tariff Revisions), and (3) Tariff revisions that remove the Interim Tariff Revisions, effective June 1, 2024. In this order we accept CAISO's proposed Tariff revisions and direct CAISO to file quarterly informational reports, as discussed below.

I. Background

2. CAISO relies upon parameter values, also referred to as penalty prices, to determine the priority order in which it will curtail self-schedules³ when there is insufficient transmission capacity to accommodate all self-scheduled supply or demand. Prior to the Interim Tariff Revisions, penalty prices were not included in the Tariff but were instead

¹ High-priority non-recallable exports are self-schedules of exports explicitly sourced by non-resource adequacy resources that have the same priority as CAISO load and a higher priority than low-priority recallable exports. See CAISO, Tariff, § 31.4 (CAISO Market Adjustments to Non-Priced Quantities In The IFM) (5.0.0).

² *Cal. Indep. Sys. Operator Corp.*, 175 FERC ¶ 61,245 (2021) (June 2021 Order).

³ A self-schedule is a market bid that a scheduling coordinator submits to CAISO that indicates a MW quantity but does not specify a price, which indicates that the scheduling coordinator is a price-taker.

set forth in CAISO's business practice manuals. Further, the Tariff did not specify the scheduling priorities associated with wheeling through transactions.⁴ As a result of wheeling through transactions being accounted for as a combined import and export transaction, wheeling through transactions were given priority higher than transactions that serve load internal to CAISO.⁵ According to CAISO, its scheduling framework⁶ had worked well in the past but the heat-related events in August 2020 in California and the Western United States, which included rolling electricity outages on August 14 and 15, 2020, prompted CAISO to reconsider its approach in order to mitigate reliability issues starting in summer 2021.⁷

3. To address increasingly tight supply conditions in the West, and to help maintain reliable service in CAISO's balancing authority area, CAISO proposed Tariff revisions to modify how it sets scheduling priorities for load, exports, and wheeling through transactions. The first set of Tariff revisions addressed the scheduling priority for exports to reduce the risk of cutting schedules for native load when conditions change between the day-ahead time frame and real-time, and to preserve CAISO's access to resource adequacy capacity under stressed system conditions.⁸ The second set of revisions, the Interim Tariff Revisions, which expire on May 31, 2022, addressed the effects wheeling through transactions can have on CAISO's ability to serve native load. Specifically, CAISO proposed to establish two categories of wheeling through self-schedule transactions: (1) a priority wheeling through, which will receive the same priority as CAISO load, and (2) a non-priority wheeling through, which will have a lower priority than priority wheeling through transactions and CAISO load. The Interim Tariff Revisions also included three requirements for priority wheeling through transactions, which CAISO claimed were necessary to show that an external entity wheeling through CAISO depends on and is committed to using CAISO's transmission system regularly to serve its load, similar to CAISO load serving entities' dependence on the system to meet their customers' needs. All other wheeling through transactions that do not satisfy the

⁴ June 2021 Order, 175 FERC ¶ 61,245 at P 6.

⁵ *Id.* P 48.

⁶ The CAISO Tariff differs from the Commission's *pro forma* Open Access Transmission Tariff (OATT). For example, CAISO offers only "new transmission service," and does not offer network, firm point-to-point, or non-firm point-to-point service.

⁷ June 2021 Order, 175 FERC ¶ 61,245 at P 5.

⁸ These Tariff revisions were proposed by CAISO and accepted by the Commission without an expiration date.

three requirements would be considered “non-priority” and would have a lower priority than priority wheeling through transactions and CAISO load.⁹

4. CAISO explained that establishing priorities among wheeling through self-schedules and CAISO native load self-schedules “was contentious, and stakeholders were deeply divided.”¹⁰ Accordingly, although asserting that the Interim Tariff Revisions were a just and reasonable approach to balancing reasonable native load protections against the recognition that external balancing authority areas may rely on wheeling through transactions to serve their own native load, CAISO proposed to sunset them effective May 31, 2022 in light of stakeholder concerns and the fact that the Interim Tariff Revisions resulted from an expedited stakeholder process.¹¹ CAISO asserted that, “for the next year, the interim approach allows the CAISO both to fulfill its obligations to provide reliable service to native load and to accommodate external [load serving entities] that have entered into supply arrangements with the expectation they could rely on wheeling through the CAISO.”¹² CAISO argued that the Interim Tariff Revisions also provide “needed time for the CAISO to work closely with stakeholders to develop a more durable solution.”¹³

5. The June 2021 Order accepted CAISO’s proposal as a just and reasonable and not unduly discriminatory or preferential prioritization of the use of CAISO’s transmission system that embodies a permissible native load priority.¹⁴ The Commission found that CAISO’s proposed prioritization will result in a just and reasonable interim solution that will reconcile the needs of both CAISO load and external load.¹⁵ With regard to the Tariff revisions pertaining to exports, the June 2021 Order found that the changes will help ensure that resource adequacy capacity intended to support CAISO load is available when needed and that the requirements for high-priority non-recallable exports will ensure that the capacity supporting such exports is contracted exclusively to an external

⁹ CAISO Transmittal at 6-9.

¹⁰ *Id.* at 9.

¹¹ *Id.*

¹² *Id.*

¹³ *Id.*

¹⁴ June 2021 Order, 175 FERC ¶ 61,245 at P 140.

¹⁵ *Id.* P 141.

load-serving entity, and is physically available in real time.¹⁶ With regard to the Interim Tariff Revisions, the Commission agreed with CAISO that the proposed requirements for a priority wheeling through transaction are appropriate proxies for determining whether external load serving entities are relying on CAISO's grid in a manner comparable to how resource adequacy imports rely on CAISO's grid to serve internal CAISO load.¹⁷ The Commission found that CAISO's proposal allows for its transmission capacity to be allocated in a balanced and fair manner for the interim period while CAISO develops a more comprehensive solution.¹⁸

II. CAISO Filing

6. CAISO proposes to enhance its requirements regarding the resources backing high-priority non-recallable exports by requiring that variable energy resources (VER) supporting such exports have sufficient capacity to support the export throughout the entire hour, based on the resource's most recent forecast for that hour. CAISO explains that under the current requirement, the verification of the resource's available capacity is based on the forecast at the time a bid is submitted. CAISO states that a resource's forecasted capabilities can differ drastically from the resource's actual capabilities based on the resource's latest output forecast before the real-time market closes. CAISO asserts that this change reduces the risk that CAISO will need to support the high-priority non-recallable exports with resource adequacy capacity. CAISO states that it also proposes a clarifying Tariff revision to reflect CAISO's intent to require high-priority non-recallable exports to designate an internal resource to support an export transaction.¹⁹

7. CAISO also proposes to extend the duration of the Interim Tariff Revisions from May 31, 2022 to May 31, 2024. CAISO states that it examined potential comprehensive long-term solutions and modifications to the Interim Tariff Revisions with its stakeholders in a recent stakeholder process, but concluded that it could not develop and implement either a comprehensive long-term framework alternative or short-term measures by the summer of 2022. Thus, CAISO determined the best approach was to extend the Interim Tariff Revisions for another two years and focus its efforts on developing a more durable, long-term framework.²⁰ CAISO asserts that maintaining the Interim Tariff Revisions until

¹⁶ *Id.* PP 43, 45.

¹⁷ *Id.*

¹⁸ *Id.* P 142.

¹⁹ CAISO Transmittal at 5-6, 26-28.

²⁰ CAISO indicates that the stakeholder process established working groups to consider (1) how to calculate native load needs and available transfer capability, (2) the types of transmission products that can be offered in CAISO's market and the process for

May 31, 2024 balances the need to provide certainty regarding the rules for wheeling through CAISO's system with the continued need for native load protections while CAISO and its stakeholders work on a long-term solution. CAISO requests that the Commission maintain the Interim Tariff Revisions for an additional two years for the same reasons it accepted them in the June 2021 Order.²¹

8. CAISO requests an effective date of June 1, 2022 and also requests that the Commission issue an order maintaining the Interim Tariff Revisions by March 14, 2022 in order to provide certainty regarding the rules for wheeling through CAISO's transmission system and to allow parties in the western United States to undertake supply planning and contracting for the upcoming summers. CAISO notes that the proposed Tariff revisions regarding high-priority non-recallable exports are severable from each other and from the Interim Tariff Revisions.²²

9. CAISO also submitted a second set of Tariff records to remove the Interim Tariff Revisions from the Tariff effective June 1, 2024. CAISO requests waiver of the Commission's 120-day advance notice requirement to allow the June 1, 2024 effective date.

III. Notice and Responsive Pleadings

10. Notice of CAISO's January 27, 2022 filing was published in the *Federal Register*, 87 Fed. Reg. 5811 (Feb. 2, 2022), with interventions and protests due on or before February 17, 2022. Timely motions to intervene were filed by Calpine Corporation; Salt River Project Agricultural Improvement and Power District; Brookfield Renewable Trading and Marketing LP; Balancing Authority of Northern California; the City of Santa Clara, California; San Diego Gas & Electric Company; California Community Choice Association; Imperial Irrigation District; Modesto Irrigation District; the Cities of Anaheim, Azusa, Banning, Colton, Pasadena, and Riverside, California; Pacific Gas and Electric Company; and Vistra Corp. Timely motions to intervene and comments were filed by Sacramento Municipal Utility District (SMUD), CAISO's Department of Market

reserving transmission service, and (3) how to integrate into CAISO's existing transmission planning process study requests for long-term transmission service that it cannot otherwise accommodate. CAISO also indicates that it expects to have a final proposal by the end of 2022 and submit a Tariff amendment in 2023 to be effective by June 1, 2024 at the latest. However, CAISO also indicates that it may seek an extension of the Interim Tariff Revisions or submit other interim measures if it cannot develop and implement the proposal by June 1, 2024. *Id.* at 15, 24, and n.85.

²¹ *Id.* at 4-5, 17-25.

²² *Id.* at 2.

Monitoring (DMM), NV Energy, and Powerex Corp (Powerex). The California Public Utilities Commission (CPUC) filed a notice of intervention and limited protest. On February 25, 2022, CAISO filed an answer.

IV. Discussion

A. Procedural Matters

11. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2021), the notice of intervention and timely, unopposed motions to intervene serve to make the entities that filed them parties to this proceeding.

12. Rule 213(a)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.213(a)(2) (2021), prohibits an answer to a protest unless otherwise ordered by the decisional authority. We accept the answer submitted by CAISO because it has provided information that assisted us in our decision-making process.

B. Revisions to High-Priority Non-Recallable Export Rules

1. CAISO Proposal

13. CAISO states that the June 2021 Order accepted Tariff revisions that required both the scheduling coordinator for the resource supporting a high-priority non-recallable export and the scheduling coordinator for the export to verify that there is sufficient available capacity to support the export quantity throughout the hour. CAISO explains that the purpose of this requirement is to ensure that resources unable to sustain their scheduled MW quantity for the entire hourly block are not supporting a high-priority non-recallable export because CAISO would be forced to support the export from resource adequacy capacity, to the detriment of CAISO load, if the designated resource fails to sustain an hourly block schedule.²³

14. CAISO states that there were instances in summer 2021 where VERs supporting high-priority non-recallable exports had output less than the hourly export schedule. CAISO explains that this situation can arise because the current rules are based on the forecast of the VER at the time of bid submission. CAISO states that VERs' capabilities at the time of bid submission can differ from the resource's actual capabilities for the hour when the export transaction is scheduled. For example, CAISO notes that a scheduling coordinator might submit a real-time market bid the day before, based on the forecast available at that time, but the real-time forecast might be different. CAISO asserts that a scheduling coordinator for a VER should not be able to satisfy the Tariff requirements for a resource supporting a high-priority non-recallable export by

²³ *Id.* at 26.

submitting an early bid and relying on a forecast that is subsequently revised before real-time.²⁴

15. To remedy this problem, CAISO proposes a Tariff revision that will require the scheduling coordinators to verify that the output forecast for a VER supporting a high-priority non-recallable export is greater than or equal to the self-schedule export quantity in the applicable hour for which the bid has been submitted, based on the most recent forecast for that hour.²⁵ CAISO asserts that this change is just and reasonable because it will ensure high-priority non-recallable exports supported by a VER reflect the most recent forecast of capacity from that VER before market close, thereby reducing the likelihood that CAISO will need to support that export with resource adequacy capacity.²⁶

16. In addition, CAISO proposes a clarifying edit to prevent wheeling through transactions from being scheduled as exports. CAISO states that the revisions accepted in the June 2021 Order were intended to require a high-priority non-recallable export to designate a resource internal to CAISO to support the export transaction. CAISO explains that its intent was to ensure that imports are not used to support high-priority non-recallable export transactions because such transactions should be scheduled as wheeling through transactions, which have their own specific requirements. CAISO states that, upon review of the revised Tariff language during the stakeholder process, it discovered that the Tariff language did not clearly reflect this intent. Therefore, CAISO proposes to revise Tariff section 30.5.1(ee) to more clearly state this requirement.²⁷

2. Comments and Protests

17. CPUC, DMM, and SMUD support CAISO's proposal to enhance the requirements for VERs backing high-priority non-recallable exports.²⁸

3. Commission Determination

18. We accept CAISO's Tariff revision that requires the scheduling coordinators to verify that the output forecast for a VER supporting a high-priority non-recallable export

²⁴ *Id.* at 27.

²⁵ CAISO, Tariff, Proposed § 30.5.1(General Bidding Rules)(aa).

²⁶ CAISO Transmittal at 28.

²⁷ *Id.* at 29.

²⁸ CPUC Limited Protest at 11; DMM Comments at 5-6; SMUD Comments at 4-6.

is greater than or equal to the self-schedule export quantity in the applicable hour for which the bid has been submitted, based on the most recent forecast for that hour. This change will ensure high-priority non-recallable exports supported by a VER reflect the most recent forecast of capacity from that VER before market close, thereby reducing the likelihood that CAISO will need to support that export with resource adequacy capacity. We also accept CAISO's clarifying revision to Tariff section 30.5.1(ee) to prevent wheeling through transactions from being scheduled as exports, for the reason explained by CAISO.

C. Extension of Interim Tariff Revisions

1. CAISO Proposal

19. CAISO proposes to maintain the Interim Tariff Revisions accepted in the June 2021 Order for an additional two years until June 1, 2024. Specifically, CAISO proposes to maintain the categories of priority wheeling through and non-priority wheeling through transactions, as well as the criteria for qualifying as a priority wheeling through transaction. Consistent with the Interim Tariff Revisions accepted in the June 2021 Order, CAISO proposes that priority wheeling through transactions must continue to meet the following three criteria: (1) a firm power supply contract to serve the load of an external load serving entity for the entire calendar month; (2) monthly firm transmission from the source to CAISO's border; and (3) confirmation 45 days in advance of the month in which the priority wheeling through transaction will start that the monthly power supply and monthly firm transmission requirements have been met. CAISO states that transactions that meet these three criteria will continue to have scheduling priority equal to that of CAISO native load and all other wheeling through transactions will be non-priority wheeling through transactions.²⁹

20. CAISO also proposes to maintain its process for allocating transmission capacity on a *pro rata* basis in instances where the hour-ahead scheduling process cannot fully accommodate CAISO forecast demand and priority wheeling through transactions.³⁰ CAISO asserts that this process ensures a proportionate allocation of capacity between priority wheeling through transactions and supply needed to serve CAISO load during stressed system conditions. CAISO proposes a clarifying revision to this process by replacing the term "CAISO Load" with "Load within the CAISO Balancing Authority Area" because "CAISO Load" is not a defined term in the Tariff.³¹

²⁹ CAISO Transmittal at 18-20.

³⁰ CAISO, Tariff, § 34.12.3.

³¹ CAISO Transmittal at 21-22.

21. CAISO states that it expects tight supply conditions to persist in California and the western United States for the next several years and, therefore, expects that external entities will continue to rely on wheeling through CAISO's transmission system to serve their load. CAISO asserts that maintaining the Interim Tariff Revisions until June 1, 2024 balances the need to provide certainty regarding the rules for wheeling through CAISO's transmission system with the need for continued native load protections while CAISO and stakeholders work to develop a long-term solution. Thus, CAISO contends that maintaining the Interim Tariff Revisions is appropriate and necessary for the same reasons the Commission accepted them for summer 2021.³²

22. CAISO states that entities outside of its balancing authority area have emphasized the importance of certainty in advance of summer regarding the rules that will be in place so that they can effectively plan and make contractual arrangements to serve their load reliably. CAISO contends that maintaining the Interim Tariff Revisions for another two years will provide this certainty and help to minimize disruptions to energy procurement planning and contracting activities. In addition, CAISO states that stakeholders have emphasized the need to develop a long-term transmission framework that would provide an opportunity for wheeling through customers to reserve transmission capacity in advance. CAISO asserts that maintaining the Interim Tariff Revisions for an additional two years will allow CAISO and stakeholders to focus efforts on the complex task of developing and implementing such a long-term transmission reservation process and addressing the challenges of transitioning to a new transmission framework.³³

2. Comments, Protests and Answer

23. CPUC supports the extension request to allow time for the development of new scheduling priority Tariff provisions, even though it continues to have concerns with the Interim Tariff Revisions. However, CPUC is opposed to sunsetting the Interim Tariff Revisions, which it asserts could result in a reversion to the prior paradigm where wheeling through transactions had priority over native load. CPUC argues that the sunset "threat," including reversion to the prior paradigm, is unnecessary as the Commission has other tools at its disposal to ensure the Interim Tariff Revisions are intended to be interim, not permanent.³⁴ CPUC suggests that the Commission could make a minor modification to CAISO's proposal by directing CAISO to submit a long-term proposal by a date certain, such as June 1, 2024 or it could reject the tariff records that sunset the Interim Tariff Revisions and order CAISO to submit compliance filings at regular

³² *Id.* at 23.

³³ *Id.* at 23-26.

³⁴ CPUC Limited Protest at 7-8.

intervals, detailing its progress toward a durable solution, until such time as the solution is proposed in a Section 205 tariff amendment filing.³⁵

24. DMM supports the extension of the Interim Tariff Revisions to prevent reversion to the scheduling priorities that existed prior to the Interim Tariff Revisions and because extending the effectiveness of the Interim Tariff Revisions for an additional two years provides market and regulatory certainty. DMM indicates that it has also urged CAISO to place a high priority on developing a long-term wheeling and transmission scheduling process that better aligns with the practices of other balancing authority areas in the West.³⁶

25. NV Energy supports the extension of the Interim Tariff Revisions. However, NV Energy emphasizes that this does not mean the current wheel through paradigm is consistent with transmission service in the rest of the West under the Commission's *pro forma* OATT. According to NV Energy, the lack of any firm transmission product shorter than a month-ahead basis limits the ability of entities in the Desert Southwest to respond to unexpected weather, address generation or transmission outages, or engage in short-term economic purchases from Northwestern suppliers, with their own load service obligations, who might not be comfortable with month-long sales arranged at least 45 days in advance. Nonetheless, NV Energy expresses support for the extension because it believes that having definitive rules in place for the upcoming summer is important and allows CAISO and stakeholders time to develop a long-term transmission reservation process to establish scheduling priorities.³⁷

26. Powerex explains that it does not object to an extension of the Interim Tariff Revisions, even though it alleges numerous shortcomings with CAISO's existing transmission priority framework, including that it is inconsistent with open access, fails to ensure comparable access to transmission for wheeling through transactions, and is unduly discriminatory. Powerex also argues that the lack of a framework that ensures that external load serving entities receive access to CAISO's grid that is comparable to the access provided to CAISO's load serving entities on external transmission systems is highly disruptive, undermines competitive wholesale electricity markets, and continues to create reliability risks for neighboring balancing authority areas. Powerex emphasizes that the Interim Tariff Revisions should not be permitted to become permanent, but states that it is equally important that external load serving entities have clarity regarding the rules that will be in place for the upcoming summer so that they can take these rules into account when securing the supply necessary to meet their system needs. Powerex

³⁵ *Id.* at 8-11.

³⁶ DMM Comments at 4-5, 6-10.

³⁷ NV Energy Comments at 3-4.

indicates that CAISO's proposed extension of the Interim Tariff Revisions for a defined additional period, coupled with their expiration and reversion to the framework in place prior to the June 2021 Order, accomplishes the foregoing objectives. Powerex argues that in accepting the proposal, the Commission should direct CAISO to move forward with development and implementation of a long-term solution that is consistent with open access and ensures that external entities have access to non-discriminatory transmission service over CAISO's grid.³⁸

27. SMUD supports the extension of the Interim Tariff Revisions. SMUD explains that although the interim wheeling through Tariff provisions are imperfect, impacted entities need more time to both develop longer term solutions and conduct appropriate resource planning to address reliability needs.³⁹

28. In response to CPUC's concerns that the Interim Tariff Revisions have a sunset date, CAISO explains that it has no intention of reverting to the prior paradigm. CAISO explains that it intends to post a long-term solution straw proposal by the spring of 2022 for stakeholders to consider and expects to make a filing with the Commission in 2023. However, CAISO also explains that if it is unable to implement the long-term solution by June of 2024, it will either seek another extension of the Interim Tariff Revisions or implement other enhanced Tariff measures until the long-term solution can be implemented. Also, in response to CPUC, CAISO contends that the Commission does not have the authority to require CAISO to submit a future filing under section 205 of the FPA. CAISO indicates that the Commission can modify rates, terms, and conditions of service pursuant to section 206 of the FPA. However, CAISO contends that the CPUC has not made a section 206 filing, nor has it justified converting this proceeding into a section 206 proceeding. CAISO also states that it recognizes that a range of stakeholders have an interest in the progress being made towards a long-term solution, and therefore, commits to providing the Commission with informational filings every six months. In response to DMM, CAISO affirms that the further alignment of its practices with the practices of other balancing authorities in the West is an issue that is subject to the prioritization established in the stakeholder process.⁴⁰

3. Commission Determination

29. We accept CAISO's proposed Tariff revisions to extend the Interim Tariff Revisions through May 31, 2024. For the reasons discussed in the June 2021 Order, we find that extending the Interim Tariff Revisions is just and reasonable, and will provide

³⁸ Powerex Comments at 3-4.

³⁹ SMUD Comments at 3.

⁴⁰ CAISO Answer at 4-8.

certainty regarding the rules for wheeling through transactions, while CAISO and stakeholders develop a long-term solution that will clearly delineate rights across CAISO's transmission system for the reasons discussed in the June 2021 Order.⁴¹ However, we note that our June 2021 Order was premised in large part on CAISO's characterization of its approach as an interim one (i.e., for two years).⁴² We must remind CAISO here that we do not equate "interim" with "indefinite." But given the impact throughout the West of how CAISO allocates transmission capacity, as well as the importance of developing a durable solution, we urge CAISO and stakeholders to continue working expeditiously towards a long-term solution.

30. While we recognize CPUC's concern about reversion to the prior wheeling paradigm, as well as concerns raised regarding further extensions of the Interim Tariff Revisions, we do not require CAISO to file its replacement proposal by a date certain.⁴³ We also disagree with CPUC that requiring the extension of the Interim Tariff Revisions beyond June 1, 2024 constitutes a minor modification of the rate design proposed here by CAISO. Therefore, we accept the Tariff records that sunset the Interim Tariff Revisions effective June 1, 2024 and reinstate the prior wheeling paradigm.⁴⁴ We also grant CAISO's request for waiver of the Commission's prior notice requirement, 18 C.F.R. § 35.3(a)(1) (2021), to permit the proposed Tariff revisions to be tendered more than 120 days in advance of the requested effective date.

31. In addition, to encourage progress towards—and to reiterate to CAISO the importance of—a long-term solution, we also adopt CPUC's suggestion and direct CAISO to file quarterly informational reports to update the Commission on CAISO's progress toward a long-term solution and progress made in the stakeholder process. CAISO must file the reports beginning three months from the date of issuance of this order and every three months thereafter until a long-term solution is filed with the

⁴¹ June 2021 Order, 171 FERC ¶ 61,245 at PP 140-163, 177.

⁴² *Id.* P 142 (noting approval of CAISO's proposal "for the *interim period* as CAISO develops a more comprehensive solution) (emphasis added); *id.* P 177 ("[A]s noted by CAISO, this proposal is an interim solution") (emphasis added).

⁴³ FPA section 205 does not authorize the Commission to unilaterally require a new rate scheme of its own making without the consent of the affected utility. *NRG Power Mktg., LLC v. FERC*, 862 F.3d 108, 115 (D.C. Cir. 2017).

⁴⁴ *Id.* (finding that the Commission can suggest modifications, with the utility's consent, so long as the modification does not result in an "entirely different rate design.").

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Commission.⁴⁵ In these filings, CAISO must describe any long-term alternative solutions being considered in the stakeholder process, explain any potential impediments to implementing any particular solution, and provide an updated schedule for finalizing a proposal.

The Commission orders:

(A) CAISO's proposed Tariff revisions are accepted, as discussed in the body of this order.

(B) CAISO is hereby directed to file quarterly reports, as discussed in the body of this order.

By the Commission.

(S E A L)

Kimberly D. Bose,
Secretary.

⁴⁵ These informational filings will not be noticed for comment or require Commission action.

Document Content (s)

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