BEFORE THE PUBLIC UTILITIES COMMISSION OF THE
STATE OF CALIFORNIA

Order Instituting Rulemaking to Establish Policies, Processes, and Rules to Ensure Safe and Reliable Gas Systems in California and perform Long-Term Gas System Planning

Rulemaking 20-01-007 (Filed January 16, 2020)

COMMENTS OF THE
CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION

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March 19, 2021
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I. Introduction

Pursuant to the February 26, 2021 Assigned Administrative Law Judge’s Ruling Seeking
Comment (Ruling), the California Independent System Operator Corporation (CAISO) provides
comments on the questions in Attachment 1 related to the scope of issues outlined in Phase 1.

II. Discussion

The CAISO’s response is limited to the questions outlined in Track 1B, Scoping Memo
Issue 3. The CAISO first includes the relevant questions below.

Track 1B, Scoping Memo Issue 3

Should pipeline operating procedures, such as those for curtailments and operational flow
orders (OFO), be uniform across the state? Would there be any market and reliability
impact if pipeline operating procedures were not uniform?

Questions:
1. Should the Commission align SoCalGas’ summer OFO structure with its winter
OFO structure with its winter OFO structure when the current rules expire on
October 31, 2021?
   a. If not, should it extend the summer OFO structure currently in place when the
current rules expire on October 31, 2021?

The CAISO reiterates its support for Energy Division Staff’s recommendation to extend
SoCalGas’ current winter OFO penalty structure, which caps the Stage 4 and Stage 5 OFO non-
compliance penalties from $25/dth to $5/dth. The current rules will otherwise expire on October
31, 2021.1 The Commission should extend the current rules based on experience from 2018

1 D.19-05-030.
when OFO noncompliance penalties increased electricity market prices but it was unclear whether those higher prices provided any commensurate reliability benefit for the gas system. ²

III. Conclusion

The CAISO appreciates the opportunity to submit comments in this proceeding.

Respectfully submitted,

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² CAISO, Response to Joint Motion for Expedited Relief, A.14-06-021, A.14-12-017, September 4, 2018. See also comments from Department of Market Monitoring of the California Independent System Operator Corporation, Response to Joint Motion for Expedited Relief, A.14-06-021, A.14-12-017, September 4, 2018