# UNITED STATES OF AMERICA BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

California Independent System	)	Docket Nos. ER23	000
Operator Corporation	)	RM05-5	-029
		RM05-5	-030

## PETITION OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION FOR WAIVER OF CERTAIN BUSINESS PRACTICE STANDARDS ADOPTED IN ORDER NO. 676-J

The California Independent System Operator Corporation (CAISO)<sup>1</sup> submits this petition for waiver of certain business practice standards promulgated by the Wholesale Electric Quadrant (WEQ) of the North American Electric Standards Board (NAESB) and adopted in Order No. 676-J.<sup>2</sup> As the CAISO has explained in previous petitions for waiver of NAESB standards and in other fillings with the Commission, the CAISO's ancillary service and imbalance energy markets and transmission services differ significantly from the business model and the transmission services contemplated in the Commission's *pro forma* Open Access Transmission Tariff (OATT). The Commission has acknowledged these differences and granted the CAISO a series of waivers from specific NAESB standards. This petition seeks to extend these waivers to both updated and new NAESB standards adopted in Order No. 676-J that continue to

Capitalized terms not otherwise defined herein have the meanings set forth in appendix A to the CAISO tariff.

Standards for Business Practices and Communication Protocols for Public Utilities, Order No. 676-J, 175 FERC ¶ 61,139 (2021) ("Order No. 676-J"). The CAISO submits this petition for waiver pursuant to Rule 207 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.207, and the procedures set forth in Order No. 676-J.

be, or are, inapplicable to and incompatible with the CAISO's markets and transmission services.

While the Commission directed public utilities to make their compliance filings related to the WEQ Version 003.3 Standards no sooner than October 27, 2022, the Commission also directed utilities to submit their compliance filings regarding certain cybersecurity and Parallel Flow Visualization (PFV) standards<sup>3</sup> by March 2, 2022.

With respect to the cybersecurity standards, the CAISO seeks leave to submit this part of its waiver petition out of time. Due to an administrative oversight, and the fact that the CAISO currently has a waiver of the NAESB requirements that present the changes required by the March 2 deadline, a waiver petition was not submitted at that time.

The CAISO also respectfully requests that the Commission grant the other waivers requested in this petition consistent with the waivers of NAESB standards that the Commission has previously granted to the CAISO.

#### I. Background

#### A. NAESB WEQ Version 003.3

In Order No. 676-J, the Commission amended its regulations to incorporate by reference the latest version (Version 003.3) of specified business practice standards that NAESB filed with the Commission on March 30, 2020.

The Version 003.3 NAESB standards include updates to standards that the

The PFV standards contained in WEQ-008 Transmission Load Relief (TLR) – Eastern Interconnection Business Practice Standards are inapplicable to the CAISO, which is not situated in the Eastern Interconnection.

Commission previously incorporated by reference into its regulations.

Specifically, the Version 003.3 standards include revisions related to the surety assessment on cybersecurity performed by Sandia National Laboratories (Sandia) designed to strengthen the practices and cybersecurity protections established within the standards.4 The standards also include revisions to support new OASIS functionality that will allow for the posting of third party offers of planning redispatch services as well as providing additional information regarding the curtailment of firm transmission service.<sup>5</sup> The standards also include changes that were made to support consistency with the North American Electric Reliability Corporation (NERC) Reliability Standards. The standards also include additions, revisions, and reservations made to the WEQ-008 Transmission Load Relief (TLR) – Eastern Interconnection Business Practice Standards, which NAESB advises completes the standards development effort for the Parallel Flow Visualization enhanced congestion management process.<sup>7</sup> The standards also include five additional revisions to the OASIS suite of standards that were not made in response to Commission orders.<sup>8</sup> In addition, the standards include revisions to the NAESB WEQ-023 Modeling Business

Order No. 676-J at P 11.

<sup>5</sup> *Id.* at P 12.

<sup>6</sup> *Id.* at P 13.

<sup>&</sup>lt;sup>7</sup> *Id.* at P 14.

<sup>8</sup> *Id.* at P 15.

Practice Standards.<sup>9</sup> Finally, the Commission also revised 18 CFR § 37.6(b)(2)(i) to codify that the calculation of Available Transfer Capability (ATC) must be conducted in manner that is transparent, consistent with system conditions and outages for the relevant timeframe, and not unduly discriminatory or preferential.<sup>10</sup>

Order No. 676-J directed public utilities to revise their OATTs to incorporate the following NAESB standards by reference:

- WEQ-000, Abbreviations, Acronyms, and Definition of Terms (WEQ Version 003.1, September 30, 2015) (including only the definitions of Interconnection Time Monitor, Time Error, and Time Error Correction);
- WEQ-000, Abbreviations, Acronyms, and Definition of Terms (WEQ Version 003.3, March 30, 2020);
- WEQ-001, Open Access Same-Time Information Systems (OASIS), (WEQ Version 003.3, March 30, 2020);
- WEQ-002, Open Access Same-Time Information Systems (OASIS)
   Business Practice Standards and Communication Protocols (S&CP),
   (WEQ Version 003.3, March 30, 2020);
- WEQ-003, Open Access Same-Time Information Systems (OASIS) Data Dictionary, (WEQ Version 003.3, March 30, 2020);
- WEQ-004, Coordinate Interchange (WEQ Version 003.3, March 30, 2020);
- WEQ-005, Area Control Error (ACE) Equation Special Cases (WEQ Version 003.3, March 30, 2020);
- WEQ-006, Manual Time Error Correction (WEQ Version 003.1, Sept. 30, 2015);

<sup>9</sup> *Id.* at P 16.

<sup>10</sup> *Id.* at P 38.

- WEQ-007, Inadvertent Interchange Payback (WEQ Version 003.3, March 30, 2020);
- WEQ-008, Transmission Loading Relief (TLR)—Eastern Interconnection (WEQ Version 003.3, March 30, 2020);
- WEQ-011, Gas/Electric Coordination (WEQ Version 003.3, March 30, 2020);
- WEQ-012, Public Key Infrastructure (PKI) (WEQ Version 003.3, March 30, 2020);
- WEQ-013, Open Access Same-Time Information Systems (OASIS)
   Implementation Guide, (WEQ Version 003.3, March 30, 2020);
- WEQ-015, Measurement and Verification of Wholesale Electricity Demand Response (WEQ Version 003.3, March 30, 2020);
- WEQ-021, Measurement and Verification of Energy Efficiency Products (WEQ Version 003.3, March 30, 2020);
- WEQ-022, Electric Industry Registry (WEQ Version 003.3, March 30, 2020); and
- WEQ-023, Modeling. (WEQ Version 003.3, March 30, 2020).

The Commission directed public utilities to submit their Order No. 676-J compliance filings by October 27, 2022,<sup>12</sup> and to make the OATT revisions in those filings with an indeterminant effective date of 12/31/9998.<sup>13</sup> The Commission stated that if a public utility seeks either to renew an existing waiver or to request a new waiver of any of the NAESB standards listed above, it must

<sup>&</sup>lt;sup>11</sup> *Id.* at P 51. The Commission also incorporated those NAESB standards into its regulations by reference. *Id.* 

<sup>12</sup> *Id.* at P 48.

<sup>&</sup>lt;sup>13</sup> *Id.* at P 51.

file its request for waiver at the same time with its compliance filing.<sup>14</sup>

In addition, the Commission directed public utilities to submit their compliance filings related to the Version 003.3 revisions regarding cybersecurity and Parallel Flow Visualization by March 2, 2022 and to make the OATT revisions in those filings effective as of June 2, 2022.<sup>15</sup>

#### B. Prior CAISO Waivers

As the CAISO explained in its petitions for waiver of NAESB standards implemented in Order Nos. 676, 676-C, 676-E, 676-H and 676-I, the CAISO's ancillary service and imbalance energy markets and financial transmission model differ significantly from the business model and the physical transmission services articulated in Order No. 888 and later in the Order No. 890 *pro forma* OATT, upon which many of the NAESB standards are based. These differences have meant the Commission found it appropriate to grant the following waivers to the CAISO:

• The Commission granted the CAISO an interim waiver of OASIS requirements when it authorized the CAISO's operation as an independent system operator. The Commission cited as relevant factors in this determination the lack of reserved firm and non-firm point-to-point transmission service under the CAISO tariff and the incompatibility of the CAISO computer communication system with the OASIS standards and protocols incorporated into the Commission's regulations.<sup>16</sup>

<sup>&</sup>lt;sup>14</sup> *Id*.

<sup>15</sup> *Id.* at PP 49-50.

Pac. Gas & Elec. Co., 81 FERC ¶ 61,122, at 61,459-60 (1997). Although the Commission granted interim waiver, it also found that the CAISO's communication system "meets the needs of . . . Market Participants, including the [CAISO's] transmission customers." *Id.* at 61,460.

- The Commission extended the interim waiver of the OASIS requirements upon approval of the CAISO's firm transmission rights proposal.<sup>17</sup>
- The Commission accepted the CAISO's request for a comprehensive waiver of OASIS-related standards WEQ-001, WEQ-002, and WEQ-003 adopted in Order No. 676. This waiver was limited to the period prior to implementation of the CAISO's new market design based on locational marginal pricing.<sup>18</sup>
- The Commission accepted the CAISO's filing to comply with Order No. 890, including waivers of the OASIS posting requirements and associated NAESB business practice standards pertaining to denials of service, the designation of network resources, and the posting of system impact studies, facilities studies, and studies performed for the transmission provider's own network resources.<sup>19</sup>
- The Commission granted the CAISO's requests for waiver of the revised OASIS requirements and associated NAESB standards adopted in Order No. 676-C, including waiver of WEQ-001, WEQ-002, WEQ-003, WEQ-008 and WEQ-013, and limited waiver of WEQ-012.<sup>20</sup>
- The Commission granted the CAISO's request for waiver of OASISrelated standards and communication protocols set forth in the Commission's regulations that would be inapplicable to and incompatible with operations under the CAISO's market design based on locational marginal pricing that would be implemented on April 1, 2009.<sup>21</sup>
- The Commission granted the CAISO's requests for waiver of certain of the new and revised standards adopted in Order No. 676-E, including waiver of specified standards under WEQ-001, WEQ-002, WEQ-003, WEQ-008, and WEQ-013.<sup>22</sup>

<sup>&</sup>lt;sup>17</sup> Cal. Indep. Sys. Operator Corp., 89 FERC ¶ 61,153, at 61,437-38 (1999).

<sup>&</sup>lt;sup>18</sup> Cal. Indep. Sys. Operator Corp., 117 FERC ¶ 61,196 (2006).

<sup>&</sup>lt;sup>19</sup> Cal. Indep. Sys. Operator Corp., 123 FERC ¶ 61,180 (2008).

<sup>&</sup>lt;sup>20</sup> Cal. Indep. Sys. Operator Corp., 125 FERC ¶ 61,380 (2008).

<sup>&</sup>lt;sup>21</sup> Cal. Indep. Sys. Operator Corp., 126 FERC ¶ 61,260 (2009).

<sup>&</sup>lt;sup>22</sup> Commission Letter Order, Docket No. ER11-3099-000 (Feb. 15, 2013); Commission Letter Order, Docket Nos. ER11-3096-000 and ER11-3096-001 (Mar. 13, 2013).

- The Commission granted the CAISO's requests for waiver of certain of the new and revised standards adopted in Order No. 676-H, including waiver of specified standards under WEQ-001, WEQ-002, WEQ-003, WEQ-012, and WEQ-013.<sup>23</sup>
- The Commission granted the CAISO's requests for waiver of certain of the new and revised standards adopted in Order No. 676-I, including waiver of specified standards under WEQ-001, WEQ-002, WEQ-003, WEQ-012, WEQ-013, and WEQ-023, and a limited waiver of WEQ-006 to the extent certain requirements related to manual time error correction are inconsistent with the Western Interconnection's use of automatic time error correction.<sup>24</sup>

# II. The Commission Should Grant Waiver of Those NAESB Business Practice Standards that Are Inapplicable to and Incompatible with the CAISO's Business Model

### A. Request for Renewed Waivers

In Order No. 676, the Commission stated that public utilities with existing waivers of certain NAESB standards may reapply for such waivers using simplified procedures. These procedures require an applicant to identify the specific standards from which it seeks waiver and provide the caption, date, and docket number of the proceeding in which the entity received the waiver. In addition, the applicant must certify that the circumstances warranting the waivers have not changed.<sup>25</sup> The Commission reiterated these requirements in Order No. 676-J.<sup>26</sup>

<sup>&</sup>lt;sup>23</sup> Cal. Indep. Sys. Operator Corp., 151 FERC ¶ 61,151 (2015).

<sup>&</sup>lt;sup>24</sup> Cal. Indep. Sys. Operator Corp., 178 FERC ¶ 61,158 (2022).

Standards for Bus. Practices & Commc'n Protocols for Pub. Utils, Order No. 676, FERC Stats. & Regs. ¶ 31,216, at P 79 (2006).

<sup>&</sup>lt;sup>26</sup> Order No. 676-J at P 51.

The CAISO respectfully requests renewed waivers of the Version 003.3 NAESB standards consistent with prior waivers the Commission granted the CAISO for earlier versions of these NAESB standards. Specifically, the CAISO requests comprehensive renewed waivers of WEQ-002, WEQ-003, and WEQ-013, and waiver of the provisions of WEQ-001, WEQ-012 and WEQ-023, consistent with prior waivers of these standards that the Commission has granted.<sup>27</sup> While some of the earlier versions of the NAESB standards have been modified in Version 003.3, the revised standards remain strictly focused on transmission providers that offer physical reservation transmission service. As discussed below and in its prior waiver requests, the CAISO does not offer physical reservation transmission service.

The CAISO also requests a renewed limited waiver of WEQ-006-5 and WEQ-006-9 pertaining to the time monitoring and time error notification, respectively. The Western Interconnection continues to utilize automatic Time Error Correction, under NERC Reliability Standard BAL-004, rather than the manual Time Error Correction contemplated in WEQ-006-5 and WEQ-006-9. The CAISO maintains that these provisions conflict with the Western Interconnection practices, and that its current procedures maintain interconnection frequency at an acceptable limit of true time, ultimately satisfying the purpose of WEQ-006.

See 125 FERC  $\P$  61,380; 126 FERC  $\P$  61,260. In the latter order, the Commission found that "the standards at issue are incompatible with the transmission services provided under both the CAISO's current tariff and the [revised market design], for the reasons the CAISO states. We also find that the CAISO's proposed alternative OASIS postings are consistent with our OASIS standards and business practices." *Id.* at P 29.

For these reasons, the CAISO hereby certifies that the circumstances warranting Commission waiver of the NAESB standards discussed above have not changed. The Version 003.3 standards for which the CAISO seeks waiver continue to be inapplicable to, and incompatible with, the CAISO's markets and transmission service, and CAISO compliance with those NAESB standards would not serve to enhance information available to CAISO market participants.

#### B. Request for Waiver of Newly Adopted Standards

The newly adopted OASIS requirements within the NAESB standards are based on the transmission service model embodied in the *pro forma* OATT.<sup>28</sup>

That service model contemplates that electric utilities provide two types of transmission service: (1) point-to-point transmission service (which can be either firm or non-firm) and (2) network integration transmission service. Under the *pro forma* OATT service model, customers submit formal transmission service requests to the transmission provider in order to reserve capacity. Users may also, on a first-come, first-served basis, reserve available transmission capacity for the long term. The *pro forma* OATT service model also accommodates resale transactions (*i.e.*, reassignments) and transfers of transmission reservation rights, as well as firm and non-firm redirects.

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In the filing the CAISO submitted to comply with Order No. 890, it demonstrated that its "daily" transmission service model differs substantially from the transmission service model in the pro forma OATT and that the transmission service-related changes (e.g., changes related to network integration and point-to-point transmission services, capacity reassignments, and rollover rights) adopted in Order No. 890 did not apply to, and/or were incompatible with, the CAISO's service model. The CAISO also demonstrated that its transmission service model was consistent with or superior to the pro forma OATT service model as revised in Order No. 890. The Commission accepted the CAISO's compliance demonstration on these matters. 123 FERC ¶ 61,180, at P 18.

The CAISO does not offer the two distinct transmission services (*i.e.*, point-to-point service and network integration transmission service) contemplated in the *pro forma* OATT. Rather, the CAISO provides a form of service available to all eligible customers on a nondiscriminatory basis.<sup>29</sup> Energy transmitted under the CAISO tariff is treated as "new firm use" and scheduled on a day-to-day basis by transmission customers (with the exception of certain transactions scheduled pursuant to grandfathered contracts that preceded the existence of the CAISO). All users of the CAISO controlled grid must schedule their use each day and cannot reserve available transmission capacity beyond the day-ahead timeframe.<sup>30</sup> There are no long-term reservations of physical transmission capacity under the CAISO's service model, and there is no application process for transmission service requests, use of capacity benefit margins, or performance of transmission service request studies.<sup>31</sup>

The open access transmission service provided by the CAISO is essentially a network-type service, but with more flexibility than the network integration transmission service provided under the *pro forma* OATT.

Under the CAISO's Commission-approved service model, there are no long-term reservations of transmission capacity or rollover rights. As the Commission recognized, the CAISO's "proposal to schedule transmission on a day-ahead and hour-ahead basis is not compatible with the long-term reservation of discrete physical transmission rights." 81 FERC ¶ 61,122, at 61,472. Accordingly, the Commission has ordered customers with grandfathered contracts to take service under the CAISO tariff upon expiration of such contracts. *Id.* at 61,463-65. The Commission found that the right-of-first-refusal provision under Order No. 888 does not apply to customers in the CAISO service territory because the service model under the Order No. 888 *pro forma* OATT does not apply to the CAISO. *Sacramento Mun. Util. Dist. v. Pac. Gas & Elec. Co.*, 105 FERC ¶ 61,237 (2004), *aff'd sub nom. Sacramento Mun. Util. Dist. v. FERC*, 428 F.3d 294 (D.C. Cir. 2005).

The CAISO tariff does have two categories of wheeling through self-schedule transactions: (1) a priority wheeling through, which receives 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. *Cal. Indep. Sys. Operator Corp.*, 175 FERC ¶ 61,245 (2021). Although priority wheeling through status requires notification to the CAISO 45 days in advance of the applicable month, it does not constitute a long-term reservation of physical

Under the CAISO's existing market service model, scheduling coordinators submit bids (including self-schedules) for the supply or demand for energy to the CAISO. Scheduling coordinators have equal access to all available capacity every day and can make changes to their bids on an hourly basis. In contrast to transmission services provided under the *pro forma* OATT, customers that take service under the CAISO's market need not formally designate network resources. The CAISO utilizes a bid-based, security constrained economic dispatch and re-dispatch process to balance real-time control area requirements, utilize the full capability of the grid to maximize the transmission service that can be provided to eligible customers, provide customers with maximum flexibility to schedule transactions, and ration capacity when demand for transfer capability exceeds supply. Thus, the CAISO's transmission service provides comparable treatment to all customers and encourages efficient and flexible use of the transmission system.

The CAISO does not offer conditional firm transmission service. Order No. 890 did not require it to do so.<sup>32</sup> Further, in contrast to traditional transmission services provided under the *pro forma* OATT, CAISO customers

transmission capacity.

In Order No. 890, the Commission stated that it would be inappropriate to require independent system operators and regional transmission organizations with real-time energy markets to provide conditional firm point-to-point service. *Preventing Undue Discrimination & Preference in Transmission Serv.*, Order No. 890, FERC Stats. & Regs. ¶ 31,241, at P 992 (2007). Because the CAISO has a real-time energy market, it is not required to provide conditional firm point-to-point service. The Commission accepted this aspect of the CAISO's compliance demonstration in approving the CAISO's filing to comply with Order No. 890. See 123 FERC ¶ 61,180, at PP 9, 18.

that take service need not formally designate and un-designate network resources.

In short, the CAISO's transmission service model does not have any of the following features typically associated with *pro forma* OATT transmission service: separate network integration and point-to-point transmission services; non-firm transmission services; formal transmission service requests (and applications); transmission service reservations; re-sales (or reassignments); redirects; network resources; or transfers of transmission reservation rights, capacity benefit margins, or rollover rights.

Consistent with the foregoing discussion, the CAISO respectfully requests that the Commission grant waivers of the newly adopted OASIS requirements in the Version 003.3 NAESB standards, including:

(1) The modifications in WEQ-001 to support new OASIS functionality that will allow for the posting of third party offers of planning redisptach services.<sup>33</sup> These modifications are inapplicable to CAISO because it redispatches the transmission system to meet load and support requests for firm transmission service using its bid-based, security-constrained economic dispatch/redispatch process, which is different from the limited redispatch services included in the pro forma OATT.

See Standards for Bus. Practices & Commc'n Protocols for Pub. Utils., Notice of Proposed Rulemaking, 172 FERC ¶ 61,047, at P 31 (2020).

- (2) With the exception of WEQ-001-28-1.3 and 1.3.1, the modifications in WEQ-001 that require transmission providers to post information related to the curtailment of non-firm transmission in order to provide transmission customers with complete transparency regarding all firm transmission curtailments.<sup>34</sup> As set forth above, the CAISO's transmission service model does not include non-firm transmission services, and Order No. 890 determined that the CAISO's alternative OASIS postings are consistent with the Commission's OASIS standards and business practices. However, in its role as a Reliability Coordinator, the CAISO will comply with the new requirements in WEQ-001-28-1.3 and 1.3.1.
- (3) The modifications in WEQ-001, WEQ-002, WEQ-003, and WEQ013 related to improve OASIS query functionalities for transmission service requests and reservations.<sup>35</sup> As explained above, the CAISO's transmission service model does not have formal transmission service requests.
- (4) The modifications in WEQ-001, WEQ-002, WEQ-003, and WEQ-013 related to new OASIS functionality to fully document all encumbrances to unconditional firm transmission service, such as untagged pseudo-ties.<sup>36</sup> Under the CAISO's existing transmission

<sup>&</sup>lt;sup>34</sup> See id. at P 32.

<sup>&</sup>lt;sup>35</sup> See WEQ Version 003.3 NOPR at P 78.

See WEQ Version 003.1 NOPR at P 79.

service model, pseudo ties do not encumber its transmission services. Because such encumbrances of unconditional firm transmission service do not exist, these requirements are inapplicable to the CAISO.

- (5) The modifications in WEQ-001, WEQ-002, WEQ-003, and WEQ-013 to expand notice functionality and establish standards for providing dynamic notification to transmission customers of the renewal deadline for rollover rights for point-to-point transmission services.<sup>37</sup> As explained above, the CAISO does not offer rollover rights or point-to-point transmission services.
- (6) The modifications in WEQ-001 for use of Next Hour Market Service and the 0-NX transmission product codes.<sup>38</sup> The CAISO does not maintain an OASIS that offers the Next Hour Market Service contemplated in WEQ-001-7 or utilize 0-NX transmission product codes, and, thus, these modifications are incompatible with the CAISO's existing transmission service model.
- (7) The modifications in WEQ-001, WEQ-002, WEQ-003, and WEQ-013 to modify Network Integration Transmission Service ("NITS") requirements.<sup>39</sup> As explained above, the CAISO's transmission model does not offer a distinct network integration transmission

<sup>&</sup>lt;sup>37</sup> See id. at P 80.

<sup>&</sup>lt;sup>38</sup> See id. at P 81.

<sup>&</sup>lt;sup>39</sup> See id. at P 82.

service.

(8) Other modifications to standards to support consistency across the OASIS-related standards, to the extent the modifications are included in WEQ-002, WEQ-003, and WEQ-013, or in provisions of WEQ-001 and WEQ-012, for which the Commission has previously granted a CAISO petition for waiver.

#### 1. Request for Waiver of Revised Cybersecurity Standards

For the revised cybersecurity standards, NAESB modified the OASIS suite of standards, including WEQ-001 OASIS Business Practice Standards and WEQ-002 OASIS Standards and Communication Protocols Business Practice Standards to: (1) align the standards' security requirements with other cybersecurity guidelines and best practices; (2) remove legacy functionality that potentially provides a vehicle for cyber-attacks; and (3) incorporate more secure communication and encryption. Pecifically, NAESB revised WEQ-001-13.1.3 to include a reference to 18 CFR 37.7. NAESB also revised WEQ-002-5 to require transmission providers, or the agent to whom a transmission provider has delegated the responsibility of meeting any requirements associated with OASIS, to apply industry-recognized best practices in the implementation and maintenance of OASIS nodes and supporting infrastructure. Finally, NAESB revised WEQ-012 to help secure electronic commercial transactions via data encryption and entity authentication.

<sup>40</sup> See id. at PP 16-22.

As mentioned above, the Commission has granted the CAISO a comprehensive waiver for WEQ-002, including the requirements related to OASIS network infrastructure and cybersecurity. The CAISO also has a waiver of nearly all the requirements in WEQ-001, including WEQ-001-13.1.3. Finally, the CAISO has a waiver of WEQ-012 to the extent it applies to OASIS applications.

The new OASIS cybersecurity requirements are inapplicable to the CAISO because its market participants do not designate or un-designate resources via OASIS (because the CAISO does not have a traditional "network" transmission service like that offered under the pro forma OATT). Likewise, market participants do not exchange confidential or personal information with the CAISO (and vice-versa) via OASIS. The sole purpose of the CAISO's OASIS is for the CAISO to post public transmission and market operations-related data. All of the information posted on the CAISO's OASIS site is public information and, thus, does not require PKI protection or encryption.

While the CAISO inadvertently missed the March 2, 2022 compliance deadline due to an administrative oversight, it has been operating under the existing NAESB waivers and respectfully requests confirmation of these waivers as to the new cybersecurity standards in any order addressing this filing.

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<sup>41</sup> See, e.g., WEQ-002-2 and WEQ-002-5.1.

### III. Communications

Under Rule 203(b)(3),<sup>42</sup> the CAISO respectfully requests that all correspondence and other communications regarding this filing should be directed to:

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#### IV. Service

The CAISO has served copies of this filing on the California Public Utilities

Commission, the California Energy Commission, and all parties with scheduling

coordinator agreements under the CAISO tariff. In addition, the CAISO has

posted a copy of the filing on the CAISO website.

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<sup>42 18</sup> C.F.R. § 385.203(b)(3).

### V. Conclusion

For the reasons set forth in this filing, the CAISO respectfully requests that the Commission grant this petition for waiver.

Respectfully submitted,

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