Attachment A – Clean Tariff

Deficiency Response – Subscriber Participating Transmission Owner Model

California Independent System Operator Corporation

January 12, 2024
Appendix F
Schedule 3
Regional Access Charge and Wheeling Access Charge

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7 Determination of and Updates to the Non-Subscriber Usage Rate

7.1 Each Subscriber Participating TO shall develop a Non-Subscriber Usage Rate in accordance with its TO Tariff, including a $/MWh charge that will be no greater than the applicable Regional Access Charge rate at the time the Subscriber Participating TO files its Non-Subscriber Usage Rate for approval by FERC.

7.2 If the applicable Regional Access Charge rate later decreases below the $/MWh charge contained in a Subscriber Participating TO’s FERC-approved Non-Subscriber Usage Rate, the CAISO will limit the disbursement of revenues pursuant to Section 15 of this Schedule 3 to the applicable Regional Access Charge rate until the Subscriber Participating TO refiles its Non-Subscriber Usage Rate to be no greater than the applicable Regional Access Charge rate.

8 Updates to Regional Access Charges.

8.1 Regional Access Charges and Regional Wheeling Access Charges shall be adjusted: (1) on January 1 and July 1 of each year when necessary to reflect the addition of any New Participating TO and (2) on the date FERC makes effective a change to the Regional Transmission Revenue Requirements of any Participating TO or Approved Project Sponsor. Using the Regional Transmission Revenue Requirement accepted or authorized by FERC, consistent with Section 9 of this Schedule 3, for each Participating TO and Approved Project Sponsor, the CAISO will recalculate on a monthly basis the Regional Access Charge applicable during such period.
Revisions to the Transmission Revenue Balancing Account adjustment shall be made effective annually on January 1 based on the principal balance in the TRBA as of September 30 of the prior year and a forecast of Transmission Revenue Credits for the next year. If a Subscriber Participating TO joins the CAISO, the Non-Subscriber Usage Payment Amount will be adjusted in accordance with Section 8.4 of this Schedule 3. The CAISO will not adjust or recalculate Regional Access Charges or Regional Wheeling Access Charges to account for FERC-approved Non-Subscriber Usage Rates.

8.2 Any refund associated with a Participating TO’s or Approved Project Sponsor’s Transmission Revenue Requirement that has been accepted by FERC, subject to refund, shall be provided as ordered by FERC. Such refund shall be invoiced in the CAISO Market Invoice.

8.3 If the Participating TO withdraws one or more of its transmission facilities from the CAISO Operational Control in accordance with Section 3.4 of the Transmission Control Agreement, then the CAISO will no longer collect the TRR for that transmission facility through the CAISO’s Access Charge effective upon the date the transmission facility is no longer under the Operational Control of the CAISO. The withdrawing Participating TO shall be obligated to provide the CAISO with all necessary information to implement the withdrawal of the Participating TO’s transmission facilities and to make any necessary filings at FERC to revise its TRR. The CAISO shall revise its transmission Access Charge to reflect the withdrawal of one or more transmission facilities from CAISO Operational Control.

8.4 After receiving notice of a change to the Non-Subscriber Usage Rates of any Subscriber Participating TO, the CAISO will recalculate on a monthly basis the Non-Subscriber Usage Payment Amount, if necessary, as of the date on which FERC makes effective a change to the Non-Subscriber Usage Rates.

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15 Payments by Non-Subscribers for Use of Subscriber Participating TO Facilities.

15.1 Subscriber Participating TO Facilities Used to Provide Subscriber Rights.
**Provision of Non-Subscriber Usage Payment Amounts.** The CAISO will provide Non-Subscriber Usage Payment Amounts to a Subscriber Participating TO for Non-Subscriber use of the Subscriber Participating TO’s transmission assets and Entitlements and Subscriber Encumbrances used to provide Subscriber Rights each month. The Non-Subscriber Usage Payment Amounts will be funded first by using Wheeling Access Charge revenue received by the CAISO pursuant to this Section 15.1(a) of Schedule 3 and, if the Wheeling Access Charge revenue is insufficient to fully pay the Non-Subscriber Usage Payment Amounts, second by using Access Charge revenue received by the CAISO. Each Non-Subscriber Usage Payment Amount equals (i) the applicable Non-Subscriber Usage Rate, not to exceed the applicable Regional Access Charge rate, multiplied by (ii) the sum of the absolute value of the MWh flow of a Non-Subscriber’s imports at the applicable Scheduling Point plus the sum of the absolute value of the MWh flow of a Non-Subscriber’s exports at the applicable Scheduling Point. If any Subscriber Participating TO’s Non-Subscriber Usage Rate exceeds the then-applicable Regional Access Charge rate, that Subscriber Participating TO will promptly file for FERC acceptance of an update to its Non-Subscriber Usage Rate so it is no greater than the decreased applicable Regional Access Charge rate and will propose that the decreased $/MWh charge become effective as of the same date the decreased applicable Regional Access Charge rate went into effect. The CAISO will limit the disbursement of the Non-Subscriber Usage Payment Amounts to a maximum rate of the applicable Regional Access Charge as of the date the FERC-approved decreased Non-Subscriber Usage Rate is made effective.

**Treatment of Excess Amounts.** For each month and Subscriber Participating TO,

(i) If the total Regional Access Charge and Wheeling Access Charge revenue received by the CAISO pursuant to this Section 15.1 of Schedule 3 exceeds the total calculated Non-Subscriber Usage Payment Amounts, then the excess amount will be added back to the RAC for allocation to the other Participating TOs besides the Subscriber Participating TO.
15.2 **Subscriber Participating TO Facilities Not Used to Provide Subscriber Rights.** Each Non-Subscriber that uses Subscriber Participating TO transmission assets, Entitlements, or **Subscriber Encumbrances** other than those used to provide Subscriber Rights will pay for such use pursuant to the applicable provisions of the CAISO Tariff rather than this Section 15.1 of Schedule 3.
Attachment B – Marked Tariff

Deficiency Response – Subscriber Participating Transmission Owner Model

California Independent System Operator Corporation

January 12, 2024
Appendix F

Schedule 3

Regional Access Charge and Wheeling Access Charge

[NOT USED] Determination of and Updates to the Non-Subscriber Usage Rate

7.1 Each Subscriber Participating TO shall develop a Non-Subscriber Usage Rate in accordance with its TO Tariff, including a $/MWh charge that will be no greater than the applicable Regional Access Charge rate at the time the Subscriber Participating TO files its Non-Subscriber Usage Rate for approval by FERC.

7.2 If the applicable Regional Access Charge rate later decreases below the $/MWh charge contained in a Subscriber Participating TO’s FERC-approved Non-Subscriber Usage Rate, the CAISO will limit the disbursement of revenues pursuant to Section 15 of this Schedule 3 to the applicable Regional Access Charge rate until the Subscriber Participating TO refiles its Non-Subscriber Usage Rate to be no greater than the applicable Regional Access Charge rate.

8 Updates to Regional Access Charges.

8.1 Regional Access Charges and Regional Wheeling Access Charges shall be adjusted: (1) on January 1 and July 1 of each year when necessary to reflect the addition of any New Participating TO; and (2) on the date FERC makes effective a change to the Regional Transmission Revenue Requirements of any Participating TO or Approved Project Sponsor; and (3) on the date FERC makes effective a change to the Non-Subscriber Usage Rate of any Subscriber Participating TO.
Using the Regional Transmission Revenue Requirement accepted or authorized by FERC, consistent with Section 9 of this Schedule 3, for each Participating TO and Approved Project Sponsor, or the Non-Subscriber Usage Rate of any Subscriber Participating TO, the CAISO will recalculate on a monthly basis the Regional Access Charge applicable during such period. Revisions to the Transmission Revenue Balancing Account adjustment shall be made effective annually on January 1 based on the principal balance in the TRBA as of September 30 of the prior year and a forecast of Transmission Revenue Credits for the next year. If a Subscriber Participating TO joins the CAISO, the Non-Subscriber Usage Payment Amount will be adjusted in accordance with Section 8.4 of this Schedule 3. The CAISO will not adjust or recalculate Regional Access Charges or Regional Wheeling Access Charges to account for FERC-approved Non-Subscriber Usage Rates.

8.2 Any refund associated with a Participating TO’s or Approved Project Sponsor’s Transmission Revenue Requirement that has been accepted by FERC, subject to refund, shall be provided as ordered by FERC. Such refund shall be invoiced in the CAISO Market Invoice.

8.3 If the Participating TO withdraws one or more of its transmission facilities from the CAISO Operational Control in accordance with Section 3.4 of the Transmission Control Agreement, then the CAISO will no longer collect the TRR for that transmission facility through the CAISO’s Access Charge effective upon the date the transmission facility is no longer under the Operational Control of the CAISO. The withdrawing Participating TO shall be obligated to provide the CAISO all necessary information to implement the withdrawal of the Participating TO’s transmission facilities and to make any necessary filings at FERC to revise its TRR. The CAISO shall revise its transmission Access Charge to reflect the withdrawal of one or more transmission facilities from CAISO Operational Control.

8.4 After receiving notice of a change to the Non-Subscriber Usage Rates of any Subscriber Participating TO, the CAISO will recalculate on a monthly basis the Non-Subscriber Usage Payment Amount, if necessary, as of the date on which FERC makes effective a change to the Non-Subscriber Usage Rates.
15 Payments by Non-Subscribers for Use of Subscriber Participating TO Facilities.

15.1 Subscriber Participating TO Facilities Used to Provide Subscriber Rights.

(a) **Provision of Non-Subscriber Usage Payment Amounts.** The CAISO will provide Non-Subscriber Usage Payment Amounts to a Subscriber Participating TO for Non-Subscriber use of the Subscriber Participating TO's transmission assets and Entitlements and Subscriber Encumbrances used to provide Subscriber Rights each month. The Non-Subscriber Usage Payment Amounts will be funded first by using Wheeling Access Charge revenue received by the CAISO pursuant to this Section 15.1(a) of Schedule 3 and, if the Wheeling Access Charge revenue is insufficient to fully pay the Non-Subscriber Usage Payment Amounts, second by using Access Charge revenue received by the CAISO pursuant to this Section 15.1(a) of Schedule 3. Each Non-Subscriber Usage Payment Amount equals (i) the applicable Non-Subscriber Usage Rate, not to exceed the applicable Regional Access Charge rate, multiplied by (ii) the sum of the absolute value of the MWh flow of a Non-Subscriber's imports at the applicable Scheduling Point plus the sum of the absolute value of the MWh flow of a Non-Subscriber's exports at the applicable Scheduling Point. If any Subscriber Participating TO's Non-Subscriber Usage Rate exceeds the then-applicable Regional Access Charge rate, that Subscriber Participating TO will promptly file for FERC acceptance of an update to its Non-Subscriber Usage Rate so it is no greater than the decreased applicable Regional Access Charge rate and will propose that the decreased $/MWh charge become effective as of the same date the decreased applicable Regional Access Charge rate went into effect. The CAISO will limit the disbursement of the Non-Subscriber Usage Payment Amounts to a maximum rate of the applicable Regional Access Charge as of the date the FERC-approved decreased Non-Subscriber Usage Rate is made effective.

(b) **Treatment of Excess Amounts.** For each month and Subscriber Participating TO, (i) If the total Regional Access Charge and Wheeling Access Charge revenue
received by the CAISO pursuant to this Section 15.1 of Schedule 3 exceeds the total calculated Non-Subscriber Usage Payment Amounts, then the excess amount will be added back to the RAC for allocation to the other Participating TOs besides the Subscriber Participating TO.

15.2 **Subscriber Participating TO Facilities Not Used to Provide Subscriber Rights.** Each Non-Subscriber that uses Subscriber Participating TO transmission assets, Entitlements, or Subscriber Encumbrances other than those used to provide Subscriber Rights will pay for such use pursuant to the applicable provisions of the CAISO Tariff rather than this Section 15.1 of Schedule 3.