

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

**EDF Trading North America, LLC, on)
behalf of)**

**AES Alamosa, LLC)
AES Huntington Beach, LLC and)
AES Redondo Beach, LLC)**

Docket No. ER19-458-000

**MOTION TO INTERVENE AND PROTEST OF THE CALIFORNIA INDEPENDENT
SYSTEM OPERATOR CORPORATION**

The California Independent System Operator Corporation (CAISO) respectfully files this motion to intervene and protest in response to EDF Trading North America, LLC's (EDF) November 29, 2018 filing to recover fuel-related costs EDF asserts are not covered through CAISO market settlements.¹

I. BACKGROUND

By notice dated August 10, 2018, EDF notified the CAISO of its intention to seek fuel-related cost recover at the Commission pursuant to CAISO Tariff Section 30.12 for trading days for the July 20, 2018 through August 10, 2018. Section 30.12 provides scheduling coordinators with the opportunity to recover "actual margin[a] fuel procurement costs that cannot be recovered through CAISO market revenues" in any of the following conditions:

1. When resource's energy bids are mitigated to the resource's default energy bid or the competitive locational marginal price (LMP).
2. If the resource is issued an exceptional dispatch subject to CAISO Tariff Section 39.10 as the energy is settled at the resource's default energy bid

¹ The CAISO moves to intervene and submits these comments pursuant to Rules 212 and 215 of the Commission's Rules of Practice and Procedure, 18 C.F.R. §§ 385.212, 385.214 (2018).

or LMP.

3. When the scheduling coordinator is obligated to submit bids capped at the level of the applicable default energy bid; or
4. For intervals when the CAISO generates cost based bids on behalf of the resource.

The purpose of this section is to allow a scheduling coordinator to recover fuel-related costs associated with specific intervals where the scheduling coordinator cannot reflect its actual fuel costs in its energy bids.

Once it receives notice of a scheduling coordinators intention to file for cost recovery, the CAISO is obligated by section 30.12.2, to prepare a report summarizing the market circumstances and fuel market conditions that the CAISO observed and which may have affected the ability of a resource to recover its gas costs. The CAISO prepared and delivered that report on October 16, 2018 and EDF included it as Attachment B its publicly available filing. The report indicates that the July 20 through August 10, 2018 time reflected high gas prices at times and gas price volatility that could have resulted in an inability to recover costs in the CAISO markets based on how the CAISO calculates the gas prices pursuant to CAISO Tariff.

II. PROTEST

EDF's filing does not identify its actual costs for fuel-related costs reflected in energy settlements for intervals that meet any of the four conditions for recovery specified in Section 30.12 of the CAISO tariff listed above. Nor does EDF provide sufficient documentation to support its fuel-actual costs. Further, EDF appears to request recovery for fuel-related costs associated with commitment costs during this same period, which are recoverable in filings made pursuant to CAISO Tariff Section 30.11, which EDF did not request by notice to the CAISO as required by CAISO Tariff Section 30.11. However, in footnote 2 of its filing, EDF states that it reserves the right to recover costs under Section 30.11 of the CAISO Tariff "[t]o the extent that any

unrecovered costs identified in this Application are determined recoverable” under that section. Separate from the requirements in Section 30.12, Section 30.11 requires that the scheduling coordinator notify the CAISO within 30 days of the operating day that it intends to file for recovery of commitment-related fuel costs. EDF did not provide the CAISO such notice. Therefore, EDF’s application is limited to recovery for marginal fuel-related costs under CAISO Tariff Section 30.12 as discussed above.

III. MOTION TO INTERVENE

Because EDF is requesting fuel cost recovery under the CAISO Tariff, the CAISO has a substantial and direct interest in the proceeding that no other party can adequately represent. The CAISO’s intervention is in the public interest and should be granted.

IV. COMMUNICATIONS

In accordance with Rule 203(b)(3) of the Commission’s Rules of Practice and Procedure,² the CAISO respectfully requests that service of all pleadings, documents, and all communications regarding this proceeding be addressed to the following individuals:

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² 18 C.F.R. § 385.203(b)(3).

V. CONCLUSION

For the foregoing reasons, the CAISO request the Commission grant the its motion to intervene; rule that the cost relief requested by EDF has not been shown to be just and reasonable; and establish settlement judge procedures.

Respectfully submitted,

By: /s/ Sidney L. Mannheim

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*Counsel for California Independent
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Dated: December 21, 2018

CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing document upon the parties listed on the official service lists in the above-referenced proceedings, in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.2010).

Dated at Folsom, California, this 21st day of December, 2018.

1st Grace Clark

Grace Clark