

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

California Independent System) Docket No. ER22-844-000
Operator Corporation)

**MOTION FOR LEAVE TO ANSWER AND ANSWER OF THE
CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION**

I. Introduction

The California Independent System Operator Corporation (CAISO)¹ submits this motion for leave to answer and answer to the comments filed by the Imperial Irrigation District (IID)² in this proceeding. The CAISO filed tariff amendments to enhance its maximum import capability allocation process on January 19, 2022. With this answer, the CAISO clarifies that IID correctly interprets the CAISO’s proposed tariff amendments to allow third parties to request a maximum import capability (MIC) expansion in the event such third parties own upgrades to existing transmission. For the reasons explained below and in the tariff amendments, the Commission should accept the tariff amendments as filed.

¹ Capitalized terms not otherwise defined herein have the meanings set forth in appendix A to the CAISO tariff. References herein to specific tariff sections are references to sections of the CAISO tariff.

² The CAISO submits this motion for leave to answer and answer pursuant to Rules 212 and 213 of the Commission’s Rules of Practice and Procedure, 18 C.F.R. §§ 385.212, 385.213. The CAISO respectfully moves for waiver of Rule 213(a)(2), 18 C.F.R. § 385.213(a)(2), to permit it to answer to comments. Good cause for this waiver exists here because the answer will aid the Commission in understanding the issues in the proceeding, provide additional information to assist the Commission in the decision-making process, and help to ensure a complete and accurate record in the proceeding. See, e.g., *Equitrans, L.P.*, 134 FERC ¶ 61,250 at P 6 (2011); *Cal. Indep. Sys. Operator Corp.*, 132 FERC ¶ 61,023 at P 16 (2010); *Xcel Energy Servs., Inc.*, 124 FERC ¶ 61,011 at P 20 (2008).

II. Answer

The CAISO proposed tariff amendments to (1) allow market participants to submit MIC expansion requests in the transmission planning process and (2) refine the available import capability allocation process to prioritize requests for unassigned available import capacity to entities with existing resource adequacy (RA) contracts. The tariff amendments also include minor modifications to the CAISO's 13-step import allocation process, to describe more accurately the existing processes for posting import allocation data.

IID's substantive comments relate to the CAISO's proposal to allow market participants to request the CAISO study a MIC increase through the transmission planning process if they have a vested interest in increased import capability on an intertie. The CAISO's proposed tariff amendments allow the following entities request an increase in MIC:

- (a) Load Serving Entities with existing Resource Adequacy import contracts not fully accounted for as Pre-RA Import Commitment or New Use Import Commitment during the relevant study year(s) of the request;
- (b) Owners of new transmission projects connecting to the ISO grid from an external Balancing Authority Area or connecting into a neighboring Balancing Authority Area immediately adjacent to the CAISO Controlled Grid; or
- (c) Other Market Participants demonstrating financial commitments for serving CAISO internal load.³

IID supports the CAISO's proposal to allow MIC expansion requests from third parties, but filed comments requesting the CAISO to clarify that requests for upgrades to existing transmission are also eligible to support a request for MIC expansion.⁴

³ Proposed Tariff Section 24.3.5.

⁴ IID Comments, p. 6.

The CAISO confirms the circumstances identified in IID's requested clarification are covered by the proposed tariff revisions. As the CAISO explained in its transmittal letter,

Limiting [MIC expansion] request submissions to market participants with a vested interest in increasing the import capability available for assignment ensures the CAISO will only have to conduct the studies for those interties that will be used to import additional resources. These entities have a unique interest in maximizing transmission system availability for imports, as they either serve CAISO load or own transmission that could be used to serve CAISO load.⁵

Entities upgrading existing transmission have an interest in maximizing transmission system availability for imports, and the proposed tariff language allows such entities to submit a MIC expansion request. The proposed tariff language states "owners of new transmission projects" may submit a MIC expansion request.

Transmission projects include upgrades to existing facilities.⁶ This language does not limit MIC expansion requests to owners of new transmission *lines*, and the CAISO agrees that such a reading would be inconsistent with both the plain language and the intent of the proposed tariff amendments.

To remove any potential ambiguity, the CAISO will also ensure its proposed business practice manual language implementing the tariff amendment specifies that owners of transmission upgrades are eligible to request a MIC expansion. This clarification combined with the latitude provided by the proposed tariff language will remove any doubt regarding an entity's ability to request a MIC expansion to account for an upgrade to existing transmission.

⁵ CAISO Transmittal Letter, p. 6.

⁶ For example, see CAISO tariff section 24.4, which describes various categories of transmission projects approved through the CAISO's planning process, including upgrades to existing facilities.

III. Conclusion

For the foregoing reasons and for the reasons explained in the tariff amendments, the Commission should accept the tariff amendment as filed.

Respectfully submitted,

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Dated: February 18, 2022

CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing document upon all of the parties listed on the official service list for the above-referenced proceeding, pursuant to the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.2010).

Dated at Folsom, CA this 18rd day of February, 2022.

/s/ Jacqueline Meredith
Jacqueline Meredith