

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

California Independent System Operator Corp.)))	Docket No. ER06-615-000
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MOTION FOR RELIEF FROM REPORTING REQUIREMENT

The California Independent System Operator Corporation (“CAISO”) respectfully submits this motion for relief of the annual reporting requirement on demand response providers. The requirement resulted from the CAISO’s filing to implement the Market Redesign and Technology Upgrade (“MRTU”) tariff 17 years ago.¹ The CAISO has satisfied the intent of the reporting requirement, which was to ensure the CAISO enabled third party demand response aggregators and load-serving entities to provide market services via demand response. The report requires significant time and labor to produce, and relieving the CAISO of the requirement will enable CAISO staff to focus on more critical efforts.

I. Background

As part of the CAISO’s MRTU tariff, the CAISO enabled demand response providers to participate fully in the CAISO’s markets. Because demand response was relatively new to organized markets, many commenters were apprehensive about it, and requested that the Commission institute reporting requirements to monitor its success.²

The Commission agreed, finding:

Joint Parties suggest that the CAISO report back to the Commission on the product standards and markets that could be served by demand

¹ *California Independent System Operator Corp.*, 119 FERC ¶ 61,313, at P 226 (2007).

² *Id.* at P 225.

response, so that, after the CAISO files its report, commenters can submit proposals for incorporating price-responsive demand in MRTU. We recognize that the CAISO is uniquely positioned to identify and define needs for demand response. We also find that the MRTU Tariff should not bar market participation by demand response resources aggregated through LSEs, or through third-party aggregators. In general, third-party aggregators can complement demand response programs offered through the LSEs to maximize the potential of demand response resources. Further, we highlight that such information is necessary to bridge wholesale and retail demand response efforts. . . .

Finally, we direct the CAISO to file annual reports evaluating its demand response programs, including the amount of demand response it has elicited. The CAISO should file the first report January 15, 2008. At a minimum, the CAISO's report must include: (a) information on customer enrollment for each demand response program in terms of the number of customers and total potential in load reduction in MWs; and (b) information on total load reductions achieved per program per event during the prior year, including the CAISO's system load at time of curtailments, total MWs reduced, total payments for reductions and effects of the demand response programs on wholesale prices.³

The Commission rejected commenters' requests for a biannual report, finding "an annual report balances the need to gather data for baseline assessments and oversight without overburdening the CAISO with reporting requirements at the initial stages of MRTU."⁴ Since the Commission's order, the CAISO has filed the report annually in this docket.⁵

II. The CAISO has Satisfied the Intent of the Reporting Requirement

Demand response is no longer new, and the CAISO is well beyond the initial stages of MRTU. Since the reporting requirement was established in 2007, the Commission issued Order Nos. 719 and 745 to eliminate barriers to demand response

³ *Id.* at PP 225-6.

⁴ *Id.* at P 227.

⁵ See, e.g., the report filed in 2023, <https://www.aiso.com/Documents/Jan30-2023-Annual-Demand-Response-Report-for-2022-ER06-615.pdf>.

participation in organized markets and ensure ISO/RTOs pay a demand response resource the market price for energy when the demand response resource can balance supply and demand as an alternative to a generation resource and dispatch of the demand response resource is cost-effective.⁶ The CAISO now has over 2,000 MW of demand response capacity in its markets, and they provide resource adequacy capacity, energy, and ancillary services.⁷ The CAISO also has diligently enhanced its demand response models to keep up with technology.⁸ The CAISO now has seven different demand response calculation methodologies, including specific methodologies for demand response with behind-the-meter generation, energy storage, and electric vehicles.⁹ Additionally, it is clear that the CAISO tariff does not impose barriers to third-party aggregators, which outnumber load-serving entities in both number of aggregators and number of demand response resources as of the most recent report.¹⁰

III. Conclusion

The Commission should approve the CAISO's motion for relief of the reporting requirement. Preparing the report requires significant time and labor for CAISO staff, and the intent of the reporting requirement is fulfilled.¹¹ Relieving the CAISO of this

⁶ <https://www.ferc.gov/power-sales-and-markets/demand-response>

⁷ <https://www.caiso.com/participate/Pages/Load/Default.aspx>.

⁸ See, e.g., *California Independent System Operator Corp.*, 156 FERC ¶ 61,110 (2016); *California Independent System Operator Corp.*, Letter Order, ER18-2242-000 (Oct. 24, 2018); *California Independent System Operator Corp.*, Letter Order, ER19-2733-000 (Nov. 6, 2019); *California Independent System Operator Corp.*, 177 FERC ¶ 61,051 (2021).

⁹ See Section 4.13.4 of the CAISO tariff.

¹⁰ <https://www.caiso.com/Documents/Jan30-2023-Annual-Demand-Response-Report-for-2022-ER06-615.pdf>.

¹¹ The Commission still would have the ability to monitor demand response participation through the market data the CAISO provides the Commission under Order No. 760.

reporting requirement will enable CAISO staff to focus on critical efforts and demand response enhancements, and is in the public interest.

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Dated: January 8, 2024

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, 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, CA this 8th day of January, 2024.

/s/ Ariana Rebancos

Ariana Rebancos