



October 19, 2023

The Honorable Kimberly D. Bose  
Secretary  
Federal Energy Regulatory Commission  
888 First Street, NE  
Washington, DC 20426

**Re: California Independent System Operator Corporation**

**Amendment to Pending Compliance Filing of the Tariff  
Amendment to Adjust Shift Factor Threshold and Enhance Market  
Parameter Change Process**

**Docket No. ER23-2020-\_\_\_\_**

Dear Secretary Bose:

The California Independent System Operator Corporation (CAISO) submits this amendment to the pending filing in compliance with the Federal Energy Regulatory Commission's Order on Tariff Revisions and Directing Compliance issued on August 24, 2023 in the above-captioned docket.<sup>1</sup> The CAISO requests that the Commission accept the proposed tariff revisions, effective September 13, 2023, as compliant with the August 24 Order.<sup>2</sup>

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<sup>1</sup> *Calif. Indep. Sys. Operator Corp.* 184 FERC ¶ 61,119 (2023) (August 24 Order). Capitalized terms not otherwise defined herein have the meaning set forth in the CAISO tariff, and references to specific sections, articles, and appendices are references to sections, articles, and appendices in the CAISO tariff.

<sup>2</sup> The CAISO has included an effective date of September 13, 2023 for the tariff records in this filing.

## **I. Background**

On May 31, 2023, the CAISO submitted a tariff amendment in this proceeding to (1) adjust the threshold it applies for considering the effectiveness of a resource in managing congestion, and (2) propose a new process to permit temporary changes to parameter values the CAISO market uses to reflect relative scheduling priorities and constraints. The CAISO included redline changes to Section 27.4.3.5, and proposed a new section 31.4.1. The CAISO requested an effective date no later than September 30, 2023, subject to the CAISO filing a notice with the Commission within 5 days of the actual effective date.

In the August 24 Order, the Commission accepted in part, subject to condition, and rejected in part the proposed tariff revisions. The Commission directed the CAISO to submit a compliance filing within 30 days of the date of the order making specific changes to proposed sections 27.4.3.5 and 31.4.1.<sup>3</sup> In the September 13 compliance filing, the CAISO submitted the tariff revisions to section 31.4.1 as directed in the August 24 order. However, the CAISO inadvertently failed to include the directed amendments to section 27.4.3.5. The CAISO regrets this oversight and includes the unintentionally omitted edit in this amendment to the September 13 compliance filing.

## **II. Materials Provided in this Compliance Filing**

In addition to this transmittal letter, this compliance filing includes:

|              |  |
|--------------|--|
| Attachment A | Clean CAISO tariff sheets reflecting the tariff revisions described above    |
| Attachment B | Red-line CAISO tariff sheets reflecting the tariff revisions described above |

<sup>3</sup>

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August 24 Order at PP 27 & 37.

**III. Conclusion**

The CAISO requests that the Commission accept this amendment to pending filing to be effective the same date as the compliance filing, September 13, 2023.

Respectfully submitted,

**By: /s/ David Zlotlow**

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Counsel for the California Independent  
System Operator Corporation

## CERTIFICATE OF SERVICE

I certify that I have served the foregoing document upon the parties listed on the official service list in the captioned 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 19th day of October, 2023.

*/s/ Jacqueline Meredith*

Jacqueline Meredith  
An employee of the California ISO

**Attachment A – Clean Tariff**  
**Amendment to Pending Filing – Market Parameter**  
**California Independent System Operator Corporation**  
**October 19, 2023**

#### **27.4.3.4 Protection of TOR, ETC and Converted Rights Self-Schedules in the IFM**

In accordance with the submitted and accepted TRTC Instructions, valid Day-Ahead TOR Self-Schedules, Day-Ahead ETC Self-Schedules and Day-Ahead Converted Rights Self-Schedules shall not be adjusted in the IFM in response to an insufficiency of Effective Economic Bids. The scheduling parameters associated with the TOR, ETC, or Converted Rights Self-Schedules will be set to values higher than the scheduling parameter associated with relaxation of an enforced internal and Intertie Transmission Constraint as specified in Section 27.4.3.2, so that when there is a congested Transmission Constraint that would otherwise subject a Supply or Demand resource submitted in a valid and balanced ETC, TOR or Converted Rights Self-Schedule to adjustment in the IFM, the IFM software will relax the Transmission Constraint rather than curtail the TOR or ETC Self-Schedule. This priority will be adhered to by the operation of the IFM Market Clearing software, and if necessary, by adjustment of Schedules after the IFM has been executed and the results have been reviewed by the CAISO operators.

#### **27.4.3.5 Effectiveness Threshold**

The CAISO Markets software includes a lower effectiveness threshold setting that governs whether the software will consider a bid “effective” for managing congestion on a congested Transmission Constraint, which in the case of Nomograms will be applied to the individual flowgates that make up the Nomogram, rather than to the Nomogram itself. The CAISO sets this threshold at two-tenth of a percent (.2%) for Trading Hubs and Default LAPs. The CAISO sets the threshold at two percent (2%) for all other Nodes.

**Attachment B – Marked Tariff**  
**Amendment to Pending Filing – Market Parameter**  
**California Independent System Operator Corporation**  
**October 19, 2023**

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