

# Memorandum

**To:** ISO Board of Governors

**From:** Roger Collanton, Vice President, General Counsel, Chief Compliance Officer,  
and Corporate Secretary

**Date:** December 9, 2021

**Re:** **Regulatory update since last report dated October 27, 2021**

---

***This memorandum does not require Board action.***

## **Highlights**

- *U.S. Senate confirmed Willie Phillips as FERC Commissioner*
- *FERC issued a Notice of Inquiry regarding reactive power capability compensation*
- *The CPUC granted a certificate of public convenience and necessity for the Ten West Link transmission project*
- *FERC issued an order approving the ISO's Hybrid/Co-Located Resources tariff amendment*

## **Federal Energy Regulatory Commission**

- **Hybrid/Co-Located Resources (ER21-2853)**

On November 30, 2021, FERC approved the ISO's tariff revisions to (1) enhance market participation by hybrid and co-located resources, and (2) allow the use of multiple aggregate capability constraints by co-located resources at a single generating facility. The tariff revisions establish the framework for obtaining the high sustainable limit from hybrid and co-located resources and allows hybrid resources to submit dynamic limits in real-time.

- **Luna Valley Solar I, LLC v. PG&E/ISO (EL21-70)**

On November 18, 2021, FERC denied the complaint filed by Luna Valley Solar I, LLC against PG&E and the ISO in connection with PG&E's demand that Luna post additional financial security to interconnect a proposed solar and battery energy project in Fresno, California.

- **esVolta, LP (ER21-2605)**

On November 18, 2021, the ISO filed supplemental comments objecting to esVolta's petition

for limited waiver of certain interconnection procedures in the ISO tariff. The petition pertained to esVolta's late submission of generation interconnection requests for projects in cluster 14. The ISO argued that esVolta's substantial delay in seeking the waiver was without cause and would unduly delay the interconnection study process.

- **Advanced Notice of Proposed Rulemaking (ANOPR) – Building for the Future through Electric Regional Transmission Planning and Cost Allocation and Generator Interconnection (RM21-17)**

On November 15, 2021, the ISO submitted a prepared statement of Neil Millar, Vice President, Infrastructure and Operations Planning, in connection with a FERC technical conference. Mr. Millar's comments primarily addressed the subject matter of his technical conference panel – *Identifying Geographic Zones with High Renewable Resource Potential for Use in Regional Transmission Planning Processes*.

On November 30, 2021, the ISO filed reply comments, in response to the ANOPR. Among other arguments, the ISO urged FERC to reject (1) proposals to require the ISO to review all PTO maintenance and asset management projects that do not expand the grid in its regional planning process; (2) requests to require an independent transmission monitor for all planning regions; and (3) requests to make transmission projects down to 100 kV subject to competitive solicitation.

- **Notice of Inquiry– Reactive Power Capability Compensation (RM22-2)**

On November 18, 2021, FERC issued a notice of inquiry seeking comments on issues regarding compensation for reactive power capabilities.

- **Business Day Clarification (ER21-2854)**

On November 4, 2021, FERC issued an order accepting the ISO's September 8, 2021, tariff amendment to use the undefined term "business day" in the tariff sections related to settlements and invoicing.

- **FERC Order No. 2222 (ER21-2455)**

On November 2, 2021, the ISO filed a response to FERC's October 1, 2021, letter requesting additional information to process the ISO's compliance filing. The ISO response provided additional details regarding the participation of distributed energy resource aggregations in ISO markets.

## **Non-Conforming Regulatory Agreements**

- **EIM Implementation Agreement – Balancing Authority of Northern California-Phase 1 (ER22-45)**

On November 29, 2021, FERC issued an order accepting the notice of cancellation of the agreement, effective December 5, 2021. The tariff revisions and service agreements needed to implement BANC's Phase 1 participation in the EIM have gone into effect.

- **Transferred Frequency Response Agreement – Tucson Electric Power Co. (ER21-2913)**

On November 23, 2021, FERC issued an order accepting the Transferred Frequency Response Agreement for the 2021-2022 compliance year under NERC Reliability Standard BAL-003.

- **Oakland Power Company, LLC – Reliability Must Run Agreement (ER22-290)**

On November 18, 2021, the ISO filed a protest regarding Oakland Power's proposed changes to the 2022 rate schedule for its Reliability Must Run agreement.

- **Transferred Frequency Response Agreement – Bonneville Power Administration (ER21-2932)**

On November 18, 2021, FERC issued an order accepting the Transferred Frequency Response Agreement for the 2021-2022 compliance year under NERC reliability standard BAL-003.

- **EIM Service Agreements – Bonneville Power Administration (ER22-25)**

On November 17, 2021, FERC issued an order accepting service agreements to facilitate Bonneville's participation in the Energy Imbalance Market in 2022.

- **EIM Implementation Agreement – Western Area Power Administration (ER21-2950)**

On November 17, 2021, FERC issued an order accepting the agreement to facilitate WAPA Desert Southwest Region's entry into the Energy Imbalance Market in 2023.

- **Transferred Frequency Response Agreement – City of Seattle (ER21-2921)**

On November 16, 2021, FERC issued an order accepting the Transferred Frequency Response Agreement for the 2021-2022 compliance year under NERC Reliability Standard BAL-003.

- **Large Generator Interconnection Agreement – Pacific Gas & Electric/Calpine Greenleaf holdings/ISO (ER21-2898)**

On November 15, 2021, FERC issued an order accepting the first amendment to the November 30, 2011, non-conforming large generator interconnection agreement. The amendment pertained to interconnecting two repowered generators following Governor Newsom's July 30, 2021, emergency proclamation authorizing measures to mitigate stressed grid conditions.

### **California Public Utilities Commission and other State Agencies**

- **Aliso Canyon (I.17-02-002)**

On November 10, 2021, the ISO filed comments on the November 3, 2021 workshop requesting further analysis of the transmission impacts and local capacity associated with reduced use or closure of the Aliso Canyon storage facility.

- **Ensure Reliable Electric Service in CA (R.20-11-003)**

On November 10, 2021, the ISO filed comments on the proposed Phase 2 decision to direct actions to prepare for potential extreme weather in summers 2022 and 2023. The ISO supported the proposed decision's authorization of additional resource procurement to address peak and net peak needs, continued funding for the Flex Alert media campaign, and demand response program provisions.

- **Safe and Reliable Gas Systems in California (R.20-01-007)**

On November 2, 2021, the ISO filed comments on the Administrative Law Judge's amended scoping memo and ruling. The ISO encouraged coordination with other state agencies, coordination of assumptions, data and analyses to better understand gas needs of the electric system, consideration of gas demand due to state electrification goals, and consideration of electric generation reliability and gas system reliability together.

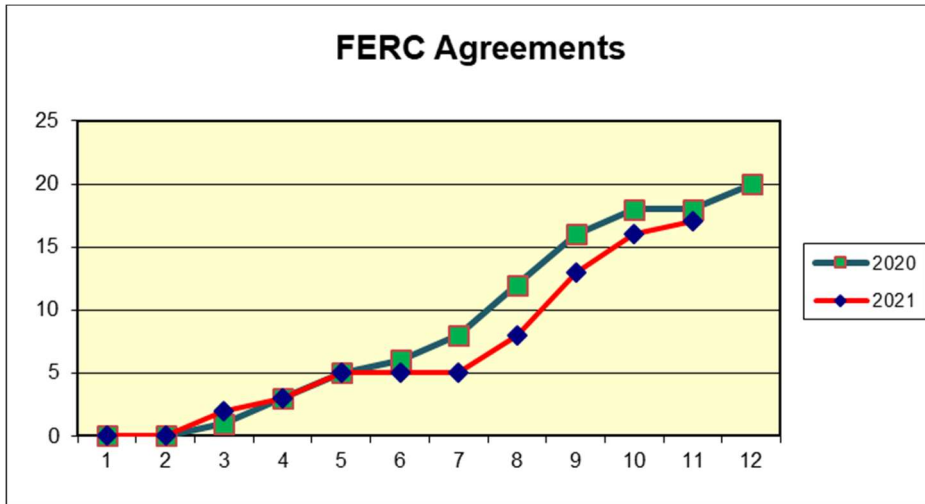
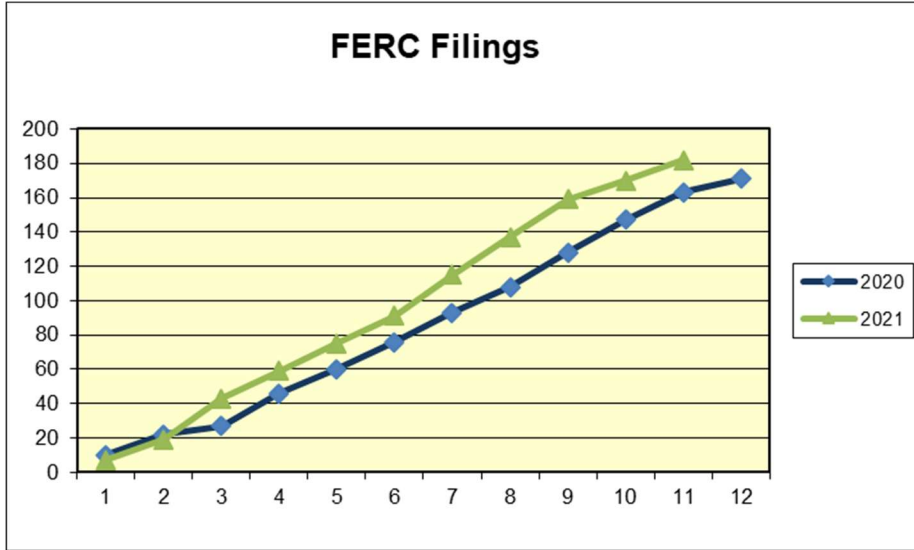
- **Resource Adequacy Program (R.21-10-002)**

On November 1, 2021, and November 10, 2021, ISO filed initial comments and reply comments, respectively, on the preliminary scoping memo. The ISO supported efforts to expedite central procurement entity issues, determine an appropriate planning reserve margin, evaluate currently-implemented resource adequacy import rules, and consider California Energy Commission recommendations for demand response qualifying capacity counting.

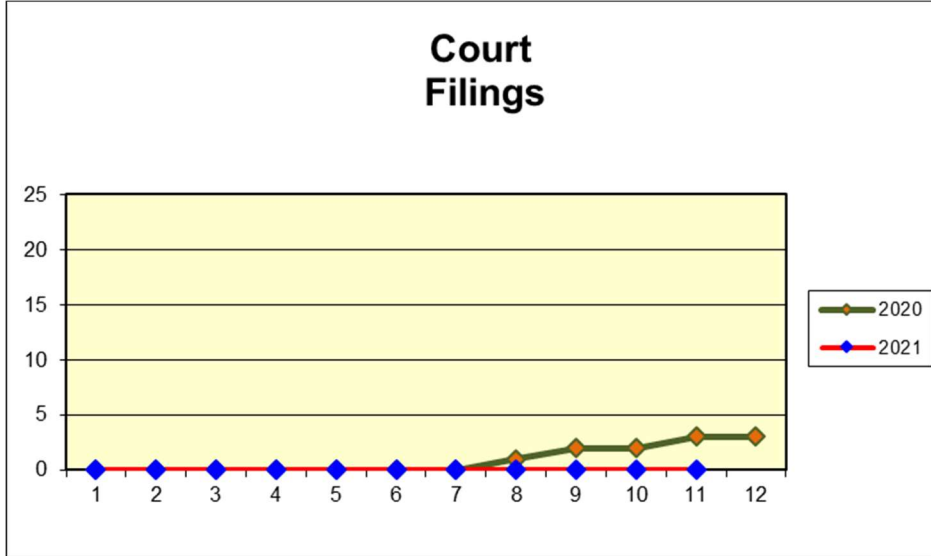
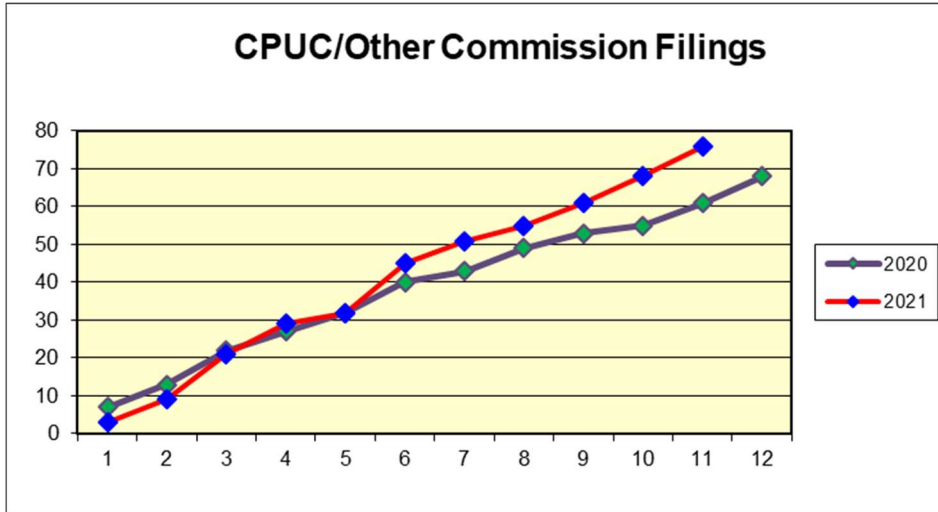
- **Ten West Link Transmission Project (A.16-10-002)**

On November 4, 2021, the Commission issued its final decision granting a certificate of public convenience and necessity for the project.

# Regulatory Filings Through November 30, 2021



# Regulatory Filings Through November 30, 2021



# Regulatory Filings Through November 30, 2021

