

163 FERC ¶ 61,027
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

April 16, 2018

In Reply Refer To:
California Independent System
Operator Corporation
Docket No. ER18-862-000

California Independent System
Operator Corporation
250 Outcropping Way
Folsom, CA 95630

Attention: John E. Spomer
Senior Counsel

Dear Mr. Spomer:

1. On February 15, 2018, the California Independent System Operator Corporation (CAISO) filed an executed Planning Coordinator Agreement (Agreement) with the City of Santa Clara, California, doing business as Silicon Valley Power (SVP).¹ CAISO states that the Agreement sets forth the terms under which the CAISO will serve as the Planning Coordinator² for SVP's transmission facilities, and generation units connected

¹ The Agreement is designated as California Independent System Operator Corporation, FERC Electric Rate Schedule No. 104.

² The term "Planning Coordinator" is defined in the North American Electric Reliability Corporation (NERC) Reliability Functional Model. The NERC Reliability Functional Model (Version 5) defines Planning Coordinator as "The functional entity that coordinates, facilitates, integrates and evaluates (generally one year and beyond) transmission facility and service plans, and resource plans within a Planning Coordinator area and coordinates those plans with adjoining Planning Coordinator areas." *NERC Reliability Functional Model, Function Definitions and Functional Entities*, Version 5, at 22 (Nov. 30, 2009).

to those transmission facilities, that are part of the bulk electric system located within CAISO's Balancing Authority Area, as well as those that are not part of the bulk electric system.³

2. The proposed Agreement reflects the contractual terms, including the scope of work and the annual service fee, under which CAISO will provide planning coordinator services to SVP. The proposed Agreement sets forth the responsibilities of both CAISO and SVP. For example, the Agreement provides that CAISO must maintain its registration as a planning coordinator with NERC and serve as the planning coordinator of SVP's Bulk Electric System and non-Bulk Electric System facilities (collectively, SVP's facilities). Also, CAISO will be responsible for compliance with all reliability standards applicable to the planning coordinator for SVP's facilities. Further, SVP is responsible for maintaining its registration as a transmission planner with NERC and, as such, is responsible for ensuring compliance with all reliability standards for its facilities.⁴

3. Under the proposed Agreement, CAISO and SVP will coordinate efforts, including the sharing of the assessment of data related to interconnections, transmission planning, transfer capability and stability limits, modeling, uninstructed flow limits, and transmission relay loadability.⁵ The proposed Agreement also sets the annual service fee that CAISO will charge SVP in exchange for CAISO's planning coordinator services. Specifically, section 4.1.1 reflects that SVP will pay CAISO an annual fee of \$60,000 for its services as Planning Coordinator.⁶ Additionally, the proposed Agreement includes provisions addressing confidentiality, termination, dispute resolution, and limitations of liability.⁷

4. CAISO states that the annual fee was determined using the same cost allocation methodology as used in Planning Coordinator agreements between CAISO and other

³ CAISO Transmittal at 1.

⁴ CAISO Transmittal at 4-5 and Attachment A, Agreement at Section II, General Responsibilities of the Parties.

⁵ CAISO Transmittal at 5 and Attachment A, Agreement at Section III, Procedures and Compliance.

⁶ CAISO Transmittal at 5-6 and Attachment A, Agreement at Section IV, General Terms and Conditions.

⁷ CAISO Transmittal at 6.

entities that were accepted by the Commission.⁸ CAISO requests that the Commission accept the Agreement with an effective date of April 17, 2018.

5. Notice of CAISO's filing was published in the *Federal Register*, 83 Fed. Reg. 8070 (2018), with protests and interventions due on or before March 8, 2018. SVP filed a timely motion to intervene and comment.

6. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2017), the timely, unopposed motions to intervene serve to make the entities that filed them parties to this proceeding.

7. SVP states that it supports CAISO's request for the Commission to accept the Agreement for filing, with an effective date of April 17, 2018. However, SVP also states that certain statements made by CAISO in its transmittal letter require clarification. First, SVP questions whether a reference by CAISO to "adjacent systems" as entities that have facilities or systems that are connected to the transmission network under CAISO operational control, but are not within CAISO's Planning Coordinator boundary, accurately describes SVP. SVP states its transmission plans have always been subsumed into those of Pacific Gas and Electric Company, a Participating Transmission Owner in CAISO.⁹ SVP acknowledges that the Agreement, once accepted by the Commission, may make its concern moot.¹⁰ Second, SVP objects to CAISO's statement that it "identified several adjacent systems who are not represented by a Planning Coordinator with respect to some or all of their systems or facilities under CAISO operational control."¹¹ SVP points out that none of its systems or facilities are under CAISO's operational control, notwithstanding this statement.

8. We find that the terms of the Agreement are just and reasonable and not unduly discriminatory or preferential. The Agreement establishes CAISO as the Planning Coordinator for SVP and, thus, furthers the NERC reliability objective that all applicable transmission owners have a Planning Coordinator for their bulk electric system facilities. The Agreement also establishes the responsibilities of SVP as a transmission planner, in coordination with CAISO. Accordingly, we accept the Agreement for filing, effective April 17, 2018, as requested.

⁸ *Id.* at 5 and n.9.

⁹ SVP Comment at 5.

¹⁰ *Id.*

¹¹ *Id.* (quoting CAISO Transmittal at 4).

9. In its comments, SVP raises two concerns about CAISO's statements contained in its transmittal letter. First, SVP questions the accuracy of CAISO's description, as it applies to SVP, that there are facilities or systems connected to the transmission network under CAISO's operational control, but that are not within CAISO's Planning Coordinator boundary. We find that because CAISO and SVP have agreed to the terms of the Agreement, whereby going forward CAISO will act as the Planning Coordinator for SVP's facilities, the issue raised by SVP concerning CAISO's Planning Coordinator boundary is moot. Second, SVP questions whether CAISO correctly characterized SVP's facilities as under CAISO's operational control. We find CAISO's statement in its transmittal letter addresses a manner in which CAISO identified a subset of counterparties for which to offer Planning Coordinator services and, thus, the statement has no bearing on the Agreement we hereby accept.

By direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.