176 FERC ¶ 61,136 UNITED STATES OF AMERICA FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Richard Glick, Chairman; James P. Danly, Allison Clements, and Mark C. Christie.

California Independent System Operator Corporation Docket No. ER21-1790-004

ORDER GRANTING WAIVER

(Issued August 30, 2021)

1. On July 28, 2021, the California Independent System Operator Corporation (CAISO) filed a petition for a limited tariff waiver to modify the effective date of the tariff provisions pertaining to scheduling priorities for load, export, and wheeling through transactions, which were accepted in the Commission's June 25, 2021 order in this proceeding.¹ Specifically, CAISO seeks to delay the effective date of these tariff provisions from no later than July 30, 2021, until no later than August 31, 2021.² In this order, we grant CAISO's waiver request.

I. <u>Waiver Request</u>

2. CAISO states that it will not be able to implement the specified tariff revisions by July 30, 2021. To provide additional implementation flexibility and to avoid burdening

² On August 11, 2021, CAISO submitted a report notifying the Commission that it implemented the revisions and specifying an actual effective date of August 4, 2021. *See* Cal. Indep. Sys. Operator Corp., Docket No. ER21-1790-000, August 11, 2021 Filing at 2.

¹ Cal. Indep. Sys. Operator Corp., 175 FERC ¶ 61,245 (2021) (June 25 Order). The tariff provisions consisting of a new defined term "Priority Wheeling Through" and an eligibility notification provision became effective June 28, 2021. The waiver requested here applies only to the remainder of the tariff provisions accepted in the June 25 Order. We note that on July 29, 2021, the Commission also granted CAISO's request for waiver to allow these provisions to become effective from July 15, 2021 to no later than July 30, 2021. Cal. Indep. Sys. Operator Corp., 176 FERC ¶ 61,054 (2021). As discussed herein, CAISO now seeks a further waiver to delay the effective date of these tariff provisions until no later than August 31.

the Commission with further filings, CAISO requests waiver of the effective date of those tariff provisions from no later than July 30, 2021 until no later than August 31, 2021.³

3. CAISO argues that its waiver request satisfies the Commission's requirements for granting waiver. First, CAISO states that it has acted in good faith because it promptly filed this waiver request with the Commission when it determined it would not be able to meet the targeted July 30, 2021 date. Second, CAISO asserts that the waiver is limited in scope because it will apply for no more than 32 days. Third, CAISO contends that the waiver will solve the concrete problem that CAISO cannot implement the tariff revisions by July 30, 2021 without risking implementation of potentially flawed systems. Finally, CAISO argues that the waiver will not have undesirable consequences because CAISO can continue to operate under the status quo during the interim period.⁴

II. <u>Notice and Responsive Pleadings</u>

4. Notice of CAISO's compliance filing was published in the *Federal Register*, 86 Fed. Reg. 41,834 (Aug. 3, 2021), with interventions and protests due on or before August 18, 2021. None was filed.

III. <u>Discussion</u>

5. We grant CAISO's request for waiver. Specifically, we grant CAISO's request to delay the effective date of its scheduling priorities tariff provisions from no later than July 30, 2021, until no later than August 31, 2021. The Commission has granted waiver of tariff provisions where: (1) the applicant acted in good faith; (2) the waiver is of limited scope; (3) the waiver addresses a concrete problem; and (4) the waiver does not have undesirable consequences, such as harming third parties.⁵ We find that the circumstances of CAISO's unopposed waiver request satisfy these criteria.

6. First, we find that CAISO has acted in good faith because it promptly filed this waiver request with the Commission when it determined it would not be able to meet the targeted July 30, 2021 implementation date. Second, we find that CAISO's request is limited in scope, because it is a one-time extension that will apply until no later than August 31, 2021, and CAISO will maintain the *status quo* during this limited period. Third, we find that this waiver addresses the concrete problem that CAISO cannot feasibly implement the tariff revisions by July 30, 2021, without risking the

⁴ *Id.* at 2-3.

⁵ See, e.g., Citizens Sunrise Transmission LLC, 171 FERC ¶ 61,106, at P 10 (2020); Midcontinent Indep. Sys. Operator, Inc., 154 FERC ¶ 61,059, at P 13 (2016).

³ Waiver Request at 2.

implementation of flawed systems. Fourth, we find that CAISO's request for waiver will not have undesirable consequences, such as harming third parties, and instead will prevent undesirable consequences by ensuring that CAISO and market participants have sufficient time to fully test the processes associated with these changes prior to implementation.

7. We note, however, that this requested waiver could have been avoided had CAISO simply adopted a more realistic target for the implementation date of its scheduling priorities tariff provisions. In the future, CAISO should make every effort to target realistic implementation dates.

The Commission orders:

CAISO's waiver request is hereby granted, as discussed in the body of this order.

By the Commission.

(SEAL)

Kimberly D. Bose, Secretary.