



February 20, 2020

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

**Re: California Independent System Operator Corporation
Compliance Filing
Docket No. ER19-2727-002**

Dear Secretary Bose:

The California Independent System Operator Corporation (CAISO) submits this filing in compliance with the Commission's January 21, 2020 order in this proceeding.¹

I. Compliance Filing Tariff Changes

In the January 21 Order, the Commission conditionally accepted (subject to the compliance filing discussed below) tariff revisions the CAISO submitted to permanently implement tariff language the Commission previously accepted on an interim basis to address the limited operability of the Aliso Canyon natural gas storage facility (Aliso Canyon).² Among the Aliso Canyon-related tariff revisions the Commission accepted were the deletion of existing tariff sections 30.4.1.2(b) and 31.6.1(v).³ The CAISO had proposed to delete those tariff sections in the transmittal letter for its tariff amendment filing in this proceeding,⁴ but had inadvertently not included a red-lined document showing their deletion.⁵

¹ *Cal. Indep. Sys. Operator Corp.*, 170 FERC ¶ 61,015 (2020) (January 21 Order).

² *Id.* at PP 55-56.

³ *Id.* at P 56.

⁴ Transmittal letter for CAISO tariff amendment filing, Docket No. ER19-2727-000, at 54-55 & n.184 (Aug. 30, 2019).

⁵ As stated in the January 21 Order, the CAISO noted the inadvertent omission of the red-lined deletion of existing tariff section 31.6.1(v) in its answer to comments on the tariff amendment. January 21 Order at P 54 & n.65. However, the CAISO discovered the omission of the red-lined deletion of existing tariff section 30.4.1.2(b) only after it submitted the answer.

The January 21 Order directed the CAISO to submit a compliance filing within 30 days to delete existing tariff section 31.6.1(v).⁶ The instant compliance filing includes that tariff change. In addition, because the January 21 Order accepted the deletion of existing tariff section 30.4.1.2(b), the CAISO is also including that tariff change in this compliance filing.

All of the Aliso Canyon-related tariff revisions went into effect on January 28, 2020.⁷ Accordingly, the CAISO requests that the Commission accept the deletion of existing tariff sections 30.4.1.2(b) and 31.6.1(v) effective as of January 28.

II. Contents of Filing

Besides this transmittal letter, this filing includes the following attachments:

- Attachment A Clean CAISO tariff language incorporating the proposed changes in this compliance filing; and
- Attachment B Marked CAISO tariff language in red-line showing the proposed changes in this compliance filing.

⁶ *Id.* at P 56.

⁷ See CAISO notification of actual effective date of accepted tariff revisions implementing components of August 30, 2019 tariff amendment, Docket No. ER19-2727-000 (Feb. 4, 2020).

III. Conclusion

The CAISO respectfully requests that the Commission accept the CAISO's proposed tariff changes as fully compliant with the January 21 Order, effective as of January 28, 2020. If there are any questions regarding this filing, please contact the undersigned.

Respectfully submitted,

/s/ Anna A. McKenna

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Attachment A – Clean Tariff

Commitment Costs and Default Energy Bid Enhancements Compliance Filing

California Independent System Operator Corporation

February 20, 2020

30.4.1 Start-Up and Minimum Load Costs

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30.4.1.2 Registered Cost Methodology

Under the Registered Cost methodology, the Scheduling Coordinator for a Use-Limited Resource that is eligible for Opportunity Costs and either (i) does not have at least twelve (12) consecutive months of fifteen-minute LMPs for Energy at the Use-Limited Resource's PNode or Aggregated PNode; or (ii) has at least twelve (12) consecutive months of such LMPs but has not yet reached the start of the second month after the end of the twelfth consecutive month of having such LMPs, may register values of its choosing for Start-Up Costs and/or Minimum Load Costs in the Master File subject to the maximum limit specified in Section 39.6.1.6. A Scheduling Coordinator for a Multi-Stage Generating Resource that is a Use-Limited Resource registering a Start-Up Cost must also register Transition Costs for each feasible MSG Transition, subject to the maximum limit specified in Section 39.6.1.7. For a Use-Limited Resource to be eligible for the Registered Cost methodology there must be sufficient information in the Master File to calculate the value pursuant to the Proxy Cost methodology, which will be used to validate the specific value registered using the Registered Cost methodology. Any such values will be fixed for a minimum of 30 days in the Master File unless: (a) the resource's costs for any such value, as calculated pursuant to the Proxy Cost methodology, exceed the value registered using the Registered Cost methodology, in which case the Scheduling Coordinator may elect to switch to the Proxy Cost methodology for the balance of any 30-day period, except as set forth in Section 30.4.1.2(b); or (b) any cost registered in the Master File exceeds the maximum limit specified in Section 39.6.1.6 or Section 39.6.1.7 after this minimum 30-day period, in which case the value will be lowered to the maximum limit specified in Section 39.6.1.6 or Section 39.6.1.7. If a Multi-Stage Generating Resource elects to use the Registered Cost methodology, that election will apply to all the MSG Configurations for that resource. The cap for the Registered Cost values for each MSG Configuration will be based on the Proxy Cost values calculated for each MSG Configuration, including for each MSG Configuration that cannot be directly started, which are also subject to the maximum limits specified in Sections 39.6.1.6 and 39.6.1.7.

* * * *

31.6.1 Criteria for Temporary Waiver of Timing Requirements

The CAISO may at its sole discretion implement any temporary variation or waiver of the timing requirements of this Section 31 and Section 6.5.3 (including the omission of any step) if any of the following criteria are met:

- (i) such waiver or variation of timing requirements is reasonably necessary to preserve System Reliability, prevent an imminent or threatened System Emergency or to retain Operational Control over the CAISO Controlled Grid during an actual System Emergency;
- (ii) because of error or delay, the CAISO requires additional time to fulfill its responsibilities;
- (iii) problems with data or the processing of data cause a delay in receiving or issuing Bids or publishing information on the CAISO's secure communication system; and
- (iv) problems with telecommunications or computing infrastructure cause a delay in receiving or issuing Day-Ahead Schedules or publishing information on the CAISO's secure communication system.

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Attachment B – Marked Tariff

Commitment Costs and Default Energy Bid Enhancements Compliance Filing

California Independent System Operator Corporation

February 20, 2020

30.4.1 Start-Up and Minimum Load Costs

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30.4.1.2 Registered Cost Methodology

~~(a)~~ Under the Registered Cost methodology, the Scheduling Coordinator for a Use-Limited Resource that is eligible for Opportunity Costs and either (i) does not have at least twelve (12) consecutive months of fifteen-minute LMPs for Energy at the Use-Limited Resource's PNode or Aggregated PNode; or (ii) has at least twelve (12) consecutive months of such LMPs but has not yet reached the start of the second month after the end of the twelfth consecutive month of having such LMPs, may register values of its choosing for Start-Up Costs and/or Minimum Load Costs in the Master File subject to the maximum limit specified in Section 39.6.1.6. A Scheduling Coordinator for a Multi-Stage Generating Resource that is a Use-Limited Resource registering a Start-Up Cost must also register Transition Costs for each feasible MSG Transition, subject to the maximum limit specified in Section 39.6.1.7. For a Use-Limited Resource to be eligible for the Registered Cost methodology there must be sufficient information in the Master File to calculate the value pursuant to the Proxy Cost methodology, which will be used to validate the specific value registered using the Registered Cost methodology. Any such values will be fixed for a minimum of 30 days in the Master File unless: (a) the resource's costs for any such value, as calculated pursuant to the Proxy Cost methodology, exceed the value registered using the Registered Cost methodology, in which case the Scheduling Coordinator may elect to switch to the Proxy Cost methodology for the balance of any 30-day period, except as set forth in Section 30.4.1.2(b); or (b) any cost registered in the Master File exceeds the maximum limit specified in Section 39.6.1.6 or Section 39.6.1.7 after this minimum 30-day period, in which case the value will be lowered to the maximum limit specified in Section 39.6.1.6 or Section 39.6.1.7. If a Multi-Stage Generating Resource elects to use the Registered Cost methodology, that election will apply to all the MSG Configurations for that resource. The cap for the Registered Cost values for each MSG Configuration will be based on the Proxy Cost values calculated for each MSG Configuration, including for each MSG Configuration that cannot be directly started, which are also subject to the maximum limits specified in Sections 39.6.1.6 and 39.6.1.7.

~~(b) If the alternative natural gas price set forth in Section 39.7.1.1.1.3(b) is triggered, and a Use-Limited Resource's Start-Up Costs or Minimum Load Costs calculated pursuant to the Proxy Cost methodology using the alternative gas price exceeds the value registered in the Master File, then the CAISO will switch the Use-Limited Resource to the Proxy Cost methodology. Any Use-Limited Resource switched to the Proxy Cost methodology pursuant to Section 30.4.1.2(b) will revert to the Registered Cost methodology when the Use-Limited Resource's alternative Proxy Cost calculation no longer exceeds the value registered using the Registered Cost methodology. These determinations will be made separate for both Start-Up Costs and Minimum Load Costs. The CAISO will not make a separate determination for Transition Costs but if a Start-Up Cost is switched to the Proxy Cost methodology, the Transition Costs of the Use-Limited Resource will also be switched to the Proxy Cost methodology.~~

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31.6.1 Criteria for Temporary Waiver of Timing Requirements

The CAISO may at its sole discretion implement any temporary variation or waiver of the timing requirements of this Section 31 and Section 6.5.3 (including the omission of any step) if any of the following criteria are met:

- (i) such waiver or variation of timing requirements is reasonably necessary to preserve System Reliability, prevent an imminent or threatened System Emergency or to retain Operational Control over the CAISO Controlled Grid during an actual System Emergency;
- (ii) because of error or delay, the CAISO requires additional time to fulfill its responsibilities;
- (iii) problems with data or the processing of data cause a delay in receiving or issuing Bids or publishing information on the CAISO's secure communication system; and
- (iv) problems with telecommunications or computing infrastructure cause a delay in receiving or issuing Day-Ahead Schedules or publishing information on the CAISO's secure communication system. ~~and~~

~~(v) — the alternative natural gas price set forth in Section 39.7.1.1.1.3(b) is triggered.~~

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CERTIFICATE OF SERVICE

I certify that I have served the foregoing document upon the parties listed on the official service list in the captioned 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 Washington, D.C., on this 20th day of February, 2020.

/s/ Daniel Klein
Daniel Klein