

159 FERC ¶ 62,167
DLO – Electric – Uncontested Waiver

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

OFFICE OF ENERGY MARKET REGULATION

California Independent System
Operator Corporation
Docket No. ER17-853-001

Issued: May 16, 2017

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

Attention: Roger E. Collanton
General Counsel

Reference: Order Granting Uncontested Waiver

Dear Mr. Collanton:

On March 24, 2017, the California Independent System Operator Corporation (CAISO) submitted a request for waiver of tariff provisions accepted by the Commission on March 7, 2017, with an effective date of April 1, 2017.¹ Specifically, CAISO requests waiver of the tariff provisions that modify its rules regarding what transactions constitute implicit virtual awards at the interties for purposes of settling congestion revenue rights. In support of its request for waiver, CAISO states that the software changes needed to implement the tariff provisions must be included with other software changes that will not be ready for implementation by April 1, 2017. CAISO notes that the software changes should be ready by April 18, 2017, and no later than May 31, 2017. Accordingly, CAISO requests that the Commission postpone the effective date of the applicable tariff provisions until no later than May 31, 2017.

CAISO explains that good cause exists for the Commission to find that CAISO's request satisfies the Commission's waiver criteria. CAISO states that it acted in good

¹ *Cal. Indep. Sys. Operator Corp.*, Docket No. ER17-853-000 (March 7, 2017) (delegated letter order).

faith because it only recently learned it could not implement the tariff revisions on April 1, 2017. CAISO indicates that the waiver is of limited scope in that it will apply for no more than two months. CAISO further claims that the waiver will also remedy the concrete problem that CAISO cannot implement the tariff revisions on April 1, 2017, due to the need to change the software implementation schedule. Last, CAISO claims that the waiver will not have undesirable consequences, because it will maintain the status quo of the rules regarding the settlement of congestion revenue rights in the existing tariff language.

CAISO's filing was noticed on March 27, 2017, with interventions and protests due on or before April 14, 2017. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure,² any notices of intervention and timely filed, unopposed motions to intervene serve to make the filer a party to this proceeding. No protests were filed, and the request for waiver is therefore uncontested.

Pursuant to the authority delegated to the Director, Division of Electric Power Regulation – West, Office of Energy Market Regulation, in the Commission's February 3, 2017 Order Delegating Further Authority to Staff in Absence of Quorum,³ CAISO's uncontested request for waiver is granted. 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.⁴ Those criteria are satisfied here.

The grant of waiver herein shall not be construed as constituting approval of any rate, charge, classification, or any rule, regulation, or practice affecting such rate or service contained in your filing; nor shall it be deemed as recognition of any claimed contractual right or obligation associated therewith; and such grant is without prejudice to any findings or orders which have been or may hereafter be made by the Commission in any proceeding now pending or hereafter instituted by or against CAISO.

² 18 C.F.R. § 385.214 (2016).

³ *Agency Operations in the Absence of a Quorum*, 158 FERC ¶ 61,135 (2017).

⁴ *See, e.g., Midcontinent Indep. Sys. Operator, Inc.*, 154 FERC ¶ 61,059, at P 14 (2016); *Calpine Energy Serv., Inc.*, 154 FERC ¶ 61,082, at P 12 (2016); *New York Power Auth.*, 152 FERC ¶ 61,058, at P 22 (2015).

Consistent with Rule 1902 of the Commission's Rules of Practice and Procedure,⁵ requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order.⁶

Sincerely,

Steve P. Rodgers, Director
Division of Electric Power
Regulation – West

⁵ 18 C.F.R. § 385.1902 (2016).

⁶ 18 C.F.R. § 385.713 (2016).