

FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, DC 20426

OFFICE OF ENERGY MARKET REGULATION

In Reply Refer To:  
California Independent System Operator  
Corporation  
Docket No. ER04-835-010

Issued: May 21, 2020

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

Reference: Deficiency Letter on Compliance Filing

On August 28, 2019, the Commission found that it was appropriate for the California Independent System Operator Corporation (CAISO) to assess interest on refunds and resettlements made in connection with this proceeding from July 17, 2004.<sup>1</sup> As a result, the August 2019 Order directed CAISO “to submit a compliance filing within 60 days of the date of this order reflecting the invoices it plans to distribute for interest amounts.”<sup>2</sup>

On October 28, 2019, as amended on March 2, 2020 and March 31, 2020, CAISO submitted its compliance filing in response to the August 2019 Order to reflect its plans to invoice and distribute interest amounts on the earlier resettlement. In the compliance filing, CAISO states that it has calculated \$88.3 million in interest payments for minimum load adjustment costs and an additional \$6 million in interest for start-up costs. CAISO also states that it has provided each market participant with specific details regarding its interest charges and allocations for those amounts.

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<sup>1</sup> *Cal. Indep. Sys. Operator Corp.*, 168 FERC ¶ 61,127, at PP 28-29 (2019) (August 2019 Order).

<sup>2</sup> August 2019 Order, 168 FERC ¶ 61,127 at P 29.

Please be advised that your compliance filing is deficient and that additional information is necessary to process your filing. Please provide the information requested below:

1. An electronic form of detailed Excel spreadsheet detailing how interest was calculated, in accordance with the Commission's regulations, for both the minimum load adjustment costs and start-up costs; and
2. Provide either the invoices you intend to circulate among market participants or a table summarizing how interest costs will be allocated and invoiced among market participants.

This letter is issued pursuant to 18 C.F.R. § 375.307 (2019) and is interlocutory. This letter is not subject to rehearing pursuant to 18 C.F.R. § 385.713 (2019). A response to this letter must be filed with the Secretary of the Commission within 30 days of the date of this letter.

The information requested in this letter will constitute an amendment to the filing, and a new filing date will be established, pursuant to *Duke Power Company*, 57 FERC ¶ 61,215 (1991), upon receipt of CAISO's electronic tariff filing. A notice of amendment will be issued upon receipt of the response.

Failure to respond to this deficiency letter within the time period specified, and in the manner directed above, may result in an order rejecting the filing. Until receipt of the amendment filing, a new filing date will not be assigned to this case.

Issued by: Steven T. Wellner, Director - Division of Electric Power Regulation – West

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