

173 FERC ¶ 61,185
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: James P. Danly, Chairman;
Neil Chatterjee and Richard Glick.

California Independent System Operator Corporation Docket No. ER20-1890-001

ORDER GRANTING WAIVER

(Issued November 30, 2020)

1. On September 29, 2020,¹ the California Independent System Operator Corporation (CAISO) filed a petition for limited tariff waiver to modify the effective date of the tariff provisions pertaining to the treatment of energy transactions scheduled at interties that were accepted, subject to condition, in the Commission's September 17, 2020 order in this proceeding.² Specifically, CAISO seeks to delay the effective date of these tariff provisions from October 1, 2020, until January 1, 2021. We grant CAISO's waiver request, as discussed below.

I. Waiver Request

2. CAISO states that, after submitting the proposed tariff revisions, it experienced delays in integrating the needed changes to the software systems that administer the E-tagging³ process. CAISO states that these delays could not be resolved in time to complete the scheduled market simulation activities and, therefore, CAISO determined that the planned October 1, 2020 implementation date was no longer feasible.⁴

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 notified

¹ On October 1, 2020, CAISO filed an errata to correct a typographical error in its original waiver request.

² *Cal. Indep. Sys. Operator Corp.*, 172 FERC ¶ 61,234 (2020) (September 17 Order).

³ An E-Tag is an electronic label containing information regarding the scheduled intertie transaction, including the transmission path, the amount of energy to be transferred, and the specified 15-minute market interval(s). *See id.* n.5.

⁴ Waiver Request at 2.

stakeholders once it determined that the October 1, 2020 date was infeasible and filed the waiver request upon making the determination that implementation would need to be delayed. Second, CAISO asserts that the waiver is limited in scope because it will apply from October 1, 2020 until January 1, 2021. Third, CAISO contends that the waiver will solve the concrete problem that CAISO cannot implement the tariff provisions on October 1 without risking implementation of potentially flawed systems. Finally, CAISO argues that the waiver will not have undesirable consequences because CAISO can continue to operate using its existing intertie scheduling tariff provisions in the interim.⁵

II. Discussion

A. Procedural Matters

4. Notice of CAISO's waiver request was published in the *Federal Register*, 85 Fed. Reg. 62,723 (Oct. 5, 2020), with protests and interventions due on or before October 20, 2020. None was filed.

B. Substantive Matters

5. We grant CAISO's waiver request. It is a prospective waiver request and raises no filed rate doctrine or rule against retroactive ratemaking concerns.⁶

6. 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.⁷ We find that the circumstances of CAISO's unopposed waiver request to delay the effective date of its intertie scheduling tariff provisions satisfy these criteria.

7. First, we find that CAISO has acted in good faith because it notified stakeholders and filed the waiver request upon determining that the October 1, 2020 implementation date would not be feasible. Second, we find that CAISO's request is limited in scope, because it is a one-time delay of the effective date for the intertie scheduling tariff provisions until January 1, 2021, and CAISO will maintain the *status quo* during this limited period. Third, we find that this waiver addresses the concrete problem that

⁵ *Id.* at 4-5.

⁶ See *Old Dominion Elec. Coop. v. FERC*, 892 F.3d 1223, 1230 (D.C. Cir. 2018) (citing *Columbia Gas Transmission Corp. v. FERC*, 895 F.2d 791, 794-97 (D.C. Cir. 1990)).

⁷ See, e.g., *Midcontinent Indep. Sys. Operator, Inc.*, 154 FERC ¶ 61,059, at P 13 (2016).

CAISO cannot implement the tariff revisions on October 1, 2020 without risking implementation of potentially 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.

8. We direct CAISO to submit a compliance filing within 15 days of the date of this order to revise the effective date of the intertie scheduling tariff provisions accepted in the September 17 Order to reflect the new January 1, 2021 effective date.

The Commission orders:

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

(B) CAISO is hereby directed to submit a compliance filing within 15 days of the date of this order, as discussed in the body of this order.

By the Commission.

(S E A L)

Kimberly D. Bose,
Secretary.