

October 21, 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 Nos. ER20-2360-001

Dear Secretary Bose:

The California Independent System Operator Corporation (CAISO) submits this filing to comply with the order issued in this proceeding on September 21, 2020.¹

In the September 21 Order, the Commission accepted the CAISO's tariff amendment to enable updates to default commitment cost and default energy bids, subject to the condition that the CAISO submit a compliance filing within 30 days, *i.e.*, by October 21, 2020.² The Commission agreed with a specific proposal the CAISO made, in its answer to comments, to clarify tariff section 30.12.4.3 regarding the settlement of recoverable amounts in its compliance filing.³ Those clarifications are reflected in the clean version of revised section 30.12.4.3 contained in Attachment A to this filing and in the red-lined version of the revised section contained in Attachment B hereto.

¹ *Cal. Indep. Sys. Operator Corp.*, 172 FERC ¶ 61,263 (2020) (September 21 Order).

² The Commission accepted the tariff amendment as of its actual effective date and directed the CAISO to notify the Commission of the actual effective date within five business days of when the CAISO implements the tariff amendment. *Id.* at P 1 and Ordering Paragraph (C).

³ *See id.* at PP 31, 36, 39, 46.

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The CAISO has served copies of this filing on all the parties to the service list for this proceeding. In addition, the CAISO is posting this filing on the CAISO website.

If there are any questions concerning this filing, please contact the undersigned.

Respectfully submitted,

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Attachment A – Clean Tariff

Commitment Cost Default Energy Bid Enhancements Compliance Filing

California Independent System Operator Corporation

October 21, 2020

30.12.4 CAISO After-Market Evaluation of Fuel Costs

30.12.4.1 Process

If the Scheduling Coordinator requests that the CAISO evaluate the costs specified in Section 30.12.1, within sixty (60) Business Days after the Trading Day for which the Scheduling Coordinator provides notice to the CAISO per this Section 30.12.4, the CAISO will:

- (a) provide the Scheduling Coordinator with a written explanation of any effect that events or circumstances in the CAISO Markets and fuel market conditions may have had on the resource's inability to recover the costs on the applicable Trading Day; and
- (b) notify the Scheduling Coordinator whether the costs are eligible for evaluation pursuant to this Section 30.12.4.

30.12.4.2 CAISO Evaluation

In evaluating a request submitted by a Scheduling Coordinator, the CAISO will verify that the submitted costs represent actual incurred fuel costs or fuel-equivalent costs, and that these costs are reasonable and reflect prudent procurement practices.

30.12.4.3 Settlement of Recoverable Amounts

To the extent the CAISO's evaluation results in verification that the resource's actually incurred costs claimed by the Scheduling Coordinator were not recovered through the Bid Cost Recovery process, the CAISO will resettle Bid Cost Recovery and Exceptional Dispatch using revised Bid Costs and revised Default Energy Bids, as applicable, for the resource and will issue Recalculation Settlement Statement(s) within the normal Recalculation Settlement Statements timelines specified in Section 11.29.

30.12.4.4 Extensions

If the CAISO is unable to verify within the sixty (60) Business Day period that the resource's incurred costs are eligible for evaluation pursuant to this Section 30.12.4, the CAISO will provide the Scheduling Coordinator with an extension of thirty (30) Business Days to submit a filing to FERC to recover costs.

30.12.4.5 Ineligibility

If the CAISO determines the resource is ineligible to recover its fuel-related costs through this Section 30.12.4, the Scheduling Coordinator may submit a filing for fuel cost recovery to FERC pursuant to Section 30.12.5.

Attachment B – Tariff Redlines

Commitment Cost Default Energy Bid Enhancements Compliance Filing

California Independent System Operator Corporation

October 21, 2020

30.12.4 CAISO After-Market Evaluation of Fuel Costs

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