

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

California Independent System) Docket No. ER21-955-____
Operator Corporation)

**PETITION FOR LIMITED TARIFF WAIVER AND REQUESTS FOR
SHORTENED COMMENT PERIOD AND EXPEDITED CONSIDERATION
OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION**

The California Independent System Operator Corporation (CAISO) respectfully requests a temporary suspension of the effectiveness, or limited waiver,¹ of certain tariff revisions accepted in the order issued in this proceeding on April 30, 2021.² Specifically, the CAISO requests waiver of the current October 1, 2021 effective date the Commission authorized for the tariff revisions to: (1) allow an Energy Imbalance Market (EIM) entity the option to not settle unaccounted for energy (UFE) in its balancing authority area (UFE Settlement Revisions); and (2) move the final hourly submission deadline for EIM base schedules from 40 minutes to 30 minutes before the start of each hour (Submission Deadline Revisions).³

For the reasons explained below, good cause exists to postpone the effective date of the UFE Settlement Revisions until November 1, 2021 and the Submission Deadline Revisions to October 1, 2022. Further, with respect only to

¹ The CAISO files this petition for limited waiver pursuant to Rule 207 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.207. Capitalized terms not otherwise defined herein have the meanings set forth in the CAISO tariff.

² *Cal. Indep. Sys. Operator Corp.*, 175 FERC ¶ 61,096 (2021) (April 30 Order).

³ These two elements are severable from the balance of the tariff revisions accepted in the April 30 Order and have been managed accordingly.

the Submission Deadline Revisions, the CAISO requests that the Commission extend the opportunity for the CAISO to submit a subsequent filing in this proceeding five business days after the actual implementation date that specifies the effective date associated with the Submission Deadline Revisions. Lastly, the CAISO respectfully requests that the Commission shorten the comment period regarding this petition for limited tariff waiver to October 11, 2021 and issue an order granting this waiver petition by October 29, 2021.

I. Background

On January 27, 2021, as amended on March 25, 2021, the CAISO filed tariff revisions in this proceeding to enhance real-time settlement and base schedule submission in the EIM. The tariff revisions included the UFE Settlement Revisions, which provide EIM entities the option to not settle UFE in their balancing authority areas. The tariff revisions also included the Submission Deadline Revisions, which will move the final hourly submission deadline for EIM base schedules from 40 minutes to 30 minutes before the start of each hour.

On April 30, 2021, the Commission issued an order accepting UFE Settlement Revisions and the Submission Deadline Revisions effective October 1, 2021, subject to the CAISO submitting a subsequent filing within five business days after the actual implementation date to specify the effective date associated with the tariff records for the UFE Settlement Revisions and Submission Deadline Revisions.⁴

⁴ April 30 Order at PP 12-19, 24, 27-28. The Commission also accepted in part and rejected in part other tariff revisions proposed in the tariff amendment that are not relevant to this petition for limited tariff waiver. See *id.* at PP 4-15, 24-26, 28.

The CAISO recently determined that it will be unable to implement the UFE Settlement Revisions and Submission Deadline Revisions on or about October 1, 2021. Instead, the CAISO has postponed implementation of the UFE Settlement Revisions until November 1, 2021, and can only implement the Submission Deadline Revisions on or about October 1, 2022.

The postponement of the UFE Settlement Revisions is due to a one-month delay in the CAISO's fall 2021 software release from October 1 until November 1, 2021. The postponement of the Submission Deadline Revisions from October 1, 2021 until October 1, 2022 was precipitated by the volume of software releases in 2021, the need for sequencing subsequent changes, including these changes, and the number of activities already planned for the spring of 2022, including the implementation of several new EIM entities. The CAISO is currently in the final design and development phase for this project, *i.e.*, translating the business and system requirements into software design specifications for its applications, and the anticipates delivery of the software code along with additional 15-minute market performance improvements in the latter part of January 2022. The timeframe then requires completion of the implementation cycle process upon receiving the software code, including the necessary testing and market simulation, before moving to the final deployment. Since the on-boarding of the new EIM entities in the spring of 2022 will be well into the parallel operations phase, the concurrent introduction of the Submission Deadline Revisions would introduce significant risk to completion of the readiness criteria without impacting the go-live date of these new EIM

entities, due to the need to retest all the EIM systems initially without this change and then later when this new change after the new submission deadline is introduced. All of this remaining work and sequencing the deployment with other functionality makes implementation in the spring of 2022 problematic. For these reasons, the CAISO will target release of the software supporting the Submission Deadline Revisions for the fall 2022 release, which is currently targeted for October 1, 2022.⁵

II. Petition for Limited Waiver

The CAISO respectfully requests that the Commission grant this petition for limited tariff waiver to postpone the effective date of the UFE Settlement Revisions from October 1, 2021 to November 1, 2021.⁶ The CAISO also respectfully requests that the Commission postpone the effective date of the Submission Deadline Revisions from October 1, 2021 to October 1, 2022,⁷ subject to the CAISO submitting a subsequent filing within five business days

⁵ Stakeholders will receive regular updates of the planned software releases as part of the CAISO's release planning process. See the CAISO's release planning web page, <https://www.caiso.com/informed/Pages/ReleasePlanning/Default.aspx>. Note the release plans on the web page refer to the UFE Settlement Revisions as the "EIM settlements review, phase 2," and refer to the Submission Deadline Revisions as the "Western EIM base schedule submission deadline, phase 2".

⁶ Specifically, the CAISO requests that the Commission postpone until November 1, 2021 the effective date of the revisions to tariff sections 29.11(c)(2)(A) and 29.11(c)(2)(B) shown in red-line format in attachment D to the CAISO's January 27, 2021 tariff amendment filing in this proceeding (January 27 Tariff Amendment).

⁷ Specifically, the CAISO requests that the Commission postpone until October 1, 2022 the effective date of the revisions to tariff sections 29.34(f)(1)(C), 29.34(f)(1)(D), 29.34(k), 29.34(l)(4)(A), 29.34(l)(4)(B), 29.34(m)(6)(i), 29.34(m)(6)(ii), 29.34(n)(1), 29.34(n)(2), 30.5.7.1, 30.5.7.2, 30.5.7.3, 30.5.7.4, 30.5.7.5, 34.1.6.1, 34.1.6.2, 34.3.1, and 34.4. shown in red-line format in attachment D to the January 27 Tariff Amendment.

after the actual implementation date to specify the effective date associated with the tariff records for the Submission Deadline Revisions.

Good cause exists for the Commission to grant this petition for limited tariff waiver. The Commission previously has granted requests for tariff waivers where: (1) the applicant acted in good faith; (2) the waiver was of limited scope; (3) the waiver addressed a concrete problem; and (4) the waiver did not have undesirable consequences, such as harming third parties.⁸ This waiver petition meets all four conditions.

The CAISO has acted in good faith because it timely notified the Commission after it determined that implementing the UFE Settlement Revisions and the Submission Deadline Revisions effective October 1, 2021 is not feasible. As explained above, the CAISO cannot implement the UFE Settlement Revisions until November 1, 2021 and the Submission Deadline Revisions until on or about October 1, 2022. The waiver is of limited scope because it will apply for approximately one month in the case of the UFE Settlement Revisions and twelve months in the case of the Submission Deadline Revisions.

The waiver also will remedy the concrete problem that the CAISO cannot implement the UFE Settlement Revisions and Submission Deadline Revisions effective October 1, 2021. The Commission has previously recognized that it is reasonable to postpone the effectiveness of tariff revisions where, as in this

⁸ See, e.g., *Cal. Indep. Sys. Operator Corp.*, 173 FERC ¶ 61,185, at P 6 (2020); *Cal. Indep. Sys. Operator Corp.*, 158 FERC ¶ 61,072, at P 5 (2017); *N.Y. Indep. Sys. Operator, Inc.*, 146 FERC ¶ 61,061, at P 19 (2014); *PJM Interconnection, L.L.C.*, 146 FERC ¶ 61,041, at P 5 (2014); *ISO New England, Inc.*, 134 FERC ¶ 61,182, at P 8 (2011).

proceeding, it is infeasible to implement the tariff revisions on their intended effective date because the CAISO cannot properly deploy the software until a later date.⁹ Further, the waiver will not have undesirable consequences because the CAISO will continue to operate under the status quo for the limited waiver period and will continue to keep stakeholders informed through its release planning processes. The existing just and reasonable tariff provisions to be modified by the UFE Settlement Revisions and Submittal Deadline Revisions will remain in effect until the revisions are implemented.

In sum, this petition for limited tariff waiver meets all four conditions. Therefore, good cause exists to grant the waiver petition.

III. Request for Shortened Notice Period and Expedited Consideration

To ensure that the UFE Settlement Revisions can be implemented effective November 1, 2021, the CAISO respectfully requests that the Commission establish a shortened comment period with a due date of October 11, 2021 for comments on this petition for limited tariff waiver, and issue an order granting this waiver petition by October 29, 2021. Because the issues involved in the waiver are straightforward, the CAISO believes this schedule will provide sufficient time for stakeholder comment and Commission review.

⁹ See, e.g., *Cal. Indep. Sys. Operator Corp.*, 176 FERC ¶ 61,054, at P 6 (2021); *Cal. Indep. Sys. Operator Corp.*, 165 FERC ¶ 61,038, at P 5 (2018).

IV. Conclusion

For the foregoing reasons, the Commission should find that good cause exists to: (1) postpone the effective date of the UFE Settlement Revisions from October 1, 2021 to November 1, 2021; and (2) postpone the effective date of the Submission Deadline Revisions from October 1, 2021 to October 1, 2022, subject to the CAISO submitting a subsequent filing within five business days after the actual implementation date to specify the respective effective dates associated with the tariff records for the Submission Deadline Revisions.

Respectfully submitted,

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Dated: September 30, 2021

CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing document upon all of the parties listed on the official service list for the above-referenced 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, DC this 30th day of September, 2021.

/s/ Daniel Klein
Daniel Klein
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