

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE



December 9, 2020

Elliot Mainzer
Chief Executive Officer
California Independent System Operator (ISO)
250 Outcropping Way
Folsom, CA 95630

SUBJECT: Abeyance of Proposed Revision Request (PRR) 1280 to the California Independent System Operator's (ISO) Business Practice Manual (BPM)

Dear Mr. Mainzer,

The California Public Utilities Commission (CPUC) appreciates the December 9, 2020 decision of the California Independent System Operator's (ISO) Executive Appeals Committee¹ to work with the CPUC and defer further consideration of Proposed Revision Request (PRR) 1280 to the ISO's Business Practice Manual (BPM) for reliability requirements. PRR 1280 pertains to the ISO's practice of accepting "credits" to satisfy resource adequacy requirements for certain resources, such as demand response programs.

On December 1, 2020, the ISO Executive Appeals Committee heard six appeals of PRR 1280.² The CPUC shares the ISO's commitment to ensuring the reliability of the electric grid, and we acknowledge the ISO's concerns, which resulted in PRR 1280. Consequently, the CPUC and the ISO have agreed to work constructively and collaboratively to resolve these issues by August 1, 2021.

The CPUC looks forward to addressing the issues expeditiously, together with the ISO, the utilities, and stakeholders in the resource adequacy rulemaking (R.19-11-009).

Sincerely,

A handwritten signature in blue ink that reads "Marybel Batjer".

Marybel Batjer
President
California Public Utilities Commission

¹ The Executive Appeals Committee is comprised of: Elliot Mainzer, ISO President and Chief Executive Officer; Stacey Crowley, ISO Vice President, External and Customer Affairs; and Roger Collanton, ISO Vice President, General Counsel, and Chief Compliance Officer.

² The following parties appealed PRR 1280: the staff of the California Public Utilities Commission (CPUC), the Metropolitan Water District of Southern California (MWD), Southern California Edison Company (SCE), Pacific Gas and Electric Company (PG&E), California Efficiency + Demand Management Council (CEDMC), and the California Large Energy Consumers Association (CLECA).