

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

DCR Transmission, L.L.C.)	Docket No. ER23-2309-002
)	Docket No. ER24-1394-002
)	Docket No. EL26-34-000
		(Consolidated)

**MOTION TO INTERVENE AND COMMENT
OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION**

Pursuant to Rule 214 of the Federal Energy Regulatory Commission’s (“FERC” or “Commission”) Rules of Practice and Procedure¹ and the Notice of Institution of Section 206 Proceeding and Refund Effective Date issued as Docket No. EL26-34 on January 30, 2026, the California Independent System Operator Corporation (“CAISO”) submits this motion to intervene and comment in the Docket No. EL26-34 proceeding. The CAISO is party to the other dockets with which this new docket has been consolidated.

I. Procedural Background

On June 30, 2023, DCRT, pursuant to Section 205 of the Federal Power Act, first submitted in Docket No. ER23-2309 its Transmission Owner Tariff (“TO Tariff”) and annual Base Transmission Revenue Requirement (“Base TRR”) for the Ten West Link or Delaney-Colorado River Project transmission project (the “Project”). On July 21, 2023, the CAISO submitted a Motion to Intervene and Comments on that DCRT June 30 filing in that original docket. DCRT’s June 30 filing was accepted by the Commission and suspended for a nominal period, subject to refund and the outcome of

¹ 18 C.F.R. § 385.214 (2022).

hearing and settlement judge procedures.² No party sought rehearing of the Commission's September 2023 Order.

On March 4, 2024, DCRT filed a tariff amendment in a separate docket, Docket No. ER24-1394, to revise the effective date for its TO Tariff and Base TRR for the Project. On March 14, 2024, the CAISO submitted a Motion to Intervene, Comments and Motion to Consolidate DCRT's March 4, 2024, tariff amendment in Docket No. ER24-1394 with Docket No. ER23-2309. DCRT's March 4 filing was accepted by the Commission on May 2, 2024, consolidating the proceedings.³ No party sought rehearing of the Commission's May 2024 Order

Following extensive settlement discussions, the Chief Administrative Law Judge assigned a Presiding Administrative Law Judge for the matter. On May 21, 2025, the Presiding Judge held oral argument centering on two questions: (1) whether DCRT's tariff records were an initial rate, and (2) whether there was any authority to treat an initial rate filing as if it were a rate change filing under Federal Power Act ("FPA") Section 205(e). At the conclusion of oral argument, the Presiding Judge ruled that: (1) DCRT's Tariff Records were an initial rate and (2) according to FPA Section 206, the burden of proof fell on Trial Staff and those parties challenging DCRT's Tariff Records. Trial Staff and Intervenors each made oral motions for interlocutory appeal pursuant to Rule 715(b)(1). On May 22, 2025, the Presiding Judge issued the Order Permitting Interlocutory Appeal, in which the Presiding Judge confirmed his bench rulings, granted

² *DCR Transmission, L.L.C.*, 184 FERC ¶ 61,199 (2023) ("September 2023 Order").

³ *DCR Transmission, L.L.C.*, 187 FERC ¶ 61,057 (2024) ("May 2024 Order").

permission to take an interlocutory appeal, and presented the interlocutory appeal for Commission action pursuant to Rule 715(d).⁴

On June 20, 2025, FERC issued an Order granting the interlocutory appeal and overturned the Presiding Judge's ruling, clarifying that the DCRT Tariff Records constituted a Section 205 filing and should be treated as a change in rate, consistent with the Commission's acceptance and suspension of DCRT's Tariff Records, subject to refund, in the Hearing Order.⁵

On July 21, 2025, DCRT filed a request for rehearing of the June 2025 Order arguing that the Commission erred in determining that its tariff records were a change in the rates on the basis that DCRT's revenue requirement will be recovered through the CAISO's transmission access charge.

On January 30, 2026, the Commission issued an Order setting aside the June 2025 Order, finding that DCRT's tariff records constitute an initial rate. The Commission also opened a new FPA Section 206 proceeding in Docket No. EL26-34 to investigate whether DCRT's tariff records are just and reasonable and not unduly discriminatory or preferential.⁶ The January 2026 Order also consolidated Docket No. EL26-34 with Docket Nos. ER23-2309 and ER24-1394 for purposes of hearing. The CAISO submits this motion to intervene and comments in the newly opened Docket No. EL26-34 to establish party rights in all consolidated dockets.

⁴ *DCR Transmission, L.L.C.*, 191 FERC ¶ 63,022 (2025) ("Order Permitting Interlocutory Appeal").

⁵ *DCR Transmission, L.L.C.*, 191 FERC ¶ 61,212 (2025) ("June 2025 Order")

⁶ *DCR Transmission, L.L.C.*, 194 FERC ¶ 61,085 (2026) ("January 2026 Order")

II. Motion to Intervene

The CAISO is a non-profit public benefit corporation organized under the laws of the State of California with its principal place of business at 250 Outcropping Way, Folsom, California 95630. Among other things, the CAISO is a Commission-approved independent system operator responsible for conducting a regional transmission planning process in accordance with its tariff to identify transmission infrastructure projects in its balancing authority area to address reliability, economic or public policy-driven needs. As part of the 2013-14 planning process, the CAISO selected DCRT as the Approved Project Sponsor to build the Ten West Link project, an economically driven project. The CAISO selected DCRT based on its comparatively low project costs and binding cost containment commitments. Under the Approved Project Sponsor Agreement executed December 1, 2015, between DCRT and the CAISO, DCRT is subject to a binding cost cap for the project. Through its filing in the consolidated dockets, DCRT requests that the Commission permit DCRT to recover in rates costs substantially in excess of this contractual binding cost cap and more than double the cost proposal that served as a basis for the CAISO's selection of DCRT as an Approved Project Sponsor. The CAISO has a substantial and direct interest in this proceeding in enforcing its Approved Project Sponsor Agreement with DCRT and in ensuring the integrity of its regional planning and competitive solicitation processes. Because no other party can adequately represent the CAISO's interests in the proceeding, the CAISO's intervention is in the public interest and should be granted.

III. Communications

The CAISO requests that service of all communications and notices regarding this proceeding be addressed to the following individuals:

Anthony J. Ivancovich
Deputy General Counsel, Regulatory
Deborah A. Le Vine
Executive Director, Infrastructure
Contracts & Management
Sarah E. Kozal
Senior Counsel
California Independent System
Operator Corporation
250 Outcropping Way
Folsom, CA 95630
Tel: (916) 351-4400
Fax: (916) 608-7222
aivancovich@caiso.com
dlevine@caiso.com
skozal@caiso.com

Sean A. Atkins
Samin Peirovi
Davis Wright Tremaine LLP
1301 K Street, NW
Suite 500 East
Washington, DC 20005
Tel: (202) 973-4294
Fax: (202) 973-4494
seanatkins@dwt.com
saminpeirovi@dwt.com

IV. Comments

DCRT is the Approved Project Sponsor selected through the CAISO transmission planning process for the Project. Under an Approved Project Sponsor Agreement between DCRT and the CAISO, DCRT is subject to a cost cap for the Project. However, DCRT's proposed Base Transmission Revenue Requirement is based on a project cost of \$555,261,497, almost \$300 million more than its binding cost cap and more than double its agreed-upon project costs. DCRT has not shown the vast majority of the costs in excess of the cost cap are recoverable under the provisions of the Approved Project Sponsor Agreement and has failed to show the costs are just and reasonable.

The CAISO submitted motions to intervene and comments in the two prior and consolidated dockets and seeks to incorporate those comments by reference here. In

those comments, the CAISO describes that the primary reason that the CAISO selected DCRT as the Approved Project Sponsor was its low project costs and cost containment commitments. The CAISO strongly disagrees with DCRT's claims that it is entitled to recovery of certain costs above the cost cap.

Were the Commission to approve recovery of the costs substantially exceeding DCRT's contractually binding cost cap, it could undermine confidence in the CAISO's transmission planning process and competitive solicitations in the CAISO and other regional transmission planning processes. The primary purpose of a binding cost containment mechanism is to allow Project Sponsors voluntarily to agree to protect ratepayers from significant cost increases that can have a profound impact on rates if left unchecked. As explained above, the CAISO selected DCRT in the CAISO competitive solicitation to build the Project due to its materially lower project costs and its binding cost containment measures. Because DCRT has committed to a project-winning binding cost cap, allowing DCRT to exceed the agreed-upon cap in a manner not permitted by the Approved Project Sponsor Agreement and inconsistent with its bid in the competitive solicitation process would undermine the enforceability of cost containment mechanisms across all transmission planning regions in the U.S. The Commission should enforce the terms of the Approved Project Sponsor Agreement and its binding cost containment provisions.

The CAISO agrees that DCRT is entitled to recover its prudently incurred costs through a just and reasonable transmission revenue requirement consistent with the cost cap in the Approved Project Sponsor Agreement.

V. Conclusion

The CAISO respectfully requests that the Commission accept its motion to intervene in Docket No. EL26-34. Based on the record in this proceeding, DCRT has not made the requisite showings to justify its substantial cost increases above the binding cost cap in its Approved Project Sponsor Agreement with the CAISO. The CAISO understands that the issue of DCRT's proposed annual Base Transmission Revenue Requirement is being litigated in the evidentiary hearing procedures in these consolidated proceedings.

Respectfully submitted,

/s/ Anthony J. Ivancovich

Anthony J. Ivancovich
Deputy General Counsel, Regulatory
Sarah E. Kozal
Senior Counsel
California Independent System
Operator Corporation
250 Outcropping Way
Folsom, CA 95630

Sean A. Atkins
Samin Peirovi
Davis Wright Tremaine LLP
1301 K Street, NW
Suite 500 East
Washington, DC 20005

Dated: February 19, 2026

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 captioned 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 Folsom, California, this 19th day of February, 2026.

/s/ Martha Sedgley

Martha Sedgley