

UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION

County of Yolo, California )  
 )  
 v. ) Docket No. EL26-28-000  
 )  
 California Independent System )  
 Operator Corporation )

## **ANSWER OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION**

The California Independent System Operator Corporation (CAISO) submits its answer to the answer filed in this proceeding by the County of Yolo, California (Yolo) on December 23, 2025.<sup>1</sup> The CAISO reiterates its position there is a reasonable basis for the Commission to grant the ultimate relief Yolo requests in this proceeding. Nevertheless, to ensure the Commission has a clear basis upon which to rule, the CAISO offers this brief answer on three topics raised in Yolo's December 23 answer.

1. Yolo's constructive notice of the February 7, 2025 telemetry non-compliance notice.
2. Yolo's choice of Pacific Gas & Electric Company as its scheduling coordinator.
3. Yolo's lack of support for its detrimental reliance claim.

<sup>1</sup> This motion and answer is submitted pursuant to Rules 212 and 213 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (FERC or Commission), 18 CFR §§ 385.212, 385.213. There is good cause to permit this answer because it will aid the Commission's decision making process and provide information to assist the Commission in resolving the issues presented.

Yolo's December 23 answer claims the CAISO still has not explained why the February 7, 2025 telemetry non-compliance notice was not sent to a Yolo employee.<sup>2</sup> The CAISO's December 11 answer addressed this question.<sup>3</sup> Yolo delegated oversight of metering and telemetry issues to its contractors at NovaSource Power Services (NovaSource) and TotalEnergies Distributed Generation USA, LLC (TotalEnergies) and identified specific individuals to contact at those companies for metering and telemetry inquiries. The CAISO sent the February 7 telemetry notice to those individuals and to Pacific Gas & Electric Company (PG&E) in its role as scheduling coordinator for the resources at issue. Yolo's contractual arrangement with NovaSource and TotalEnergies may have ended three days prior to that notice. But the CAISO did not know that and there is no record of Yolo informing the CAISO of that fact. Once the telemetry non-compliance issues reached the point that rules of conduct penalties began accruing, the CAISO followed its established processes for sending rules of conduct notices. Under section 37.8.4 of the CAISO tariff, the CAISO sends such notices to the scheduling coordinator and to the relevant market participant. Yolo did not delegate coverage for rules of conduct matters to NovaSource or TotalEnergies, so the CAISO included Yolo employees on the rules of conduct notices.

Yolo also asserts it is not relevant to highlight what notices may have been sent to PG&E because Yolo "has no control over PG&E and its processes." PG&E serves as Yolo's scheduling coordinator. As explained in the CAISO's December 11 answer, "a resource's scheduling coordinator (rather than the generator owner or operator) is the

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<sup>2</sup> Yolo December 23 answer, at 2 & 3.

<sup>3</sup> CAISO December 11 answer, at 13 & 14.

primary interface with the CAISO.”<sup>4</sup> The CAISO processes would be untenable if resource owners were able to walk away from the actions of its designated agents when they did not like the consequences. Rules of conduct penalties should not be excused because a resource owner disclaims the actions of its scheduling coordinator. Any rules of conduct penalties arising solely from that situation should be upheld, with the question of who ultimately bears the cost resolved between the scheduling coordinator and the resource owner.

Finally, Yolo’s December 23 answer restates its detrimental reliance argument. Yolo’s answer makes clear its position that starting in April 2025, Yolo had a sincere and actual belief that the Grasslands units held a telemetry exemption starting in March 2025. Yolo has not provided evidence that its staff actually believed this to be a fact as of April 2025. Further, the established chronology of events makes it implausible that, but for the CAISO misstating the compliance date for Grasslands 3 in the April 23, 2025 results of review notice, both Grasslands 3 and Grasslands 4 would have been brought into compliance well before 96 days. Again, if Yolo believed the April 23 notice indicated that both Grasslands 3 and Grasslands 4 had been granted telemetry exemptions, then there would have been no reason to request exemptions on May 15, 2025. The fact Yolo requested another exemption within weeks undermines its claim that it believed it already held an exemption.

Yolo’s December 23 answer addresses this concern by explaining that what it viewed as its March exemption request was meant to run from March 2025 through July 1, 2025, whereas the exemption requests it initiated in May 2025 were intended to run

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<sup>4</sup> CAISO December 11 answer, at 13.

from July 1 through October 1.<sup>5</sup> However, the document Yolo identifies as its May 2025 exemption request does not support the proposition that Yolo believed it held a telemetry exemption at that point in time.<sup>6</sup> The Yolo employee stated that she was submitting “new telemetry exemption forms” for PG&E to submit to the CAISO for an exemption to run through October 1. Nothing in this e-mail reflects that the request was meant to extend an existing exemption that otherwise was going to expire on July 1. However, in March 2025, that same employee referred to the renewal and extension of previous exemptions in sending forms to PG&E.<sup>7</sup> Although neither Grasslands unit was covered by an active telemetry exemption in March 2025, the March e-mail nevertheless is notable to reflect how Yolo employees discussed the topic when they were under the belief they held a telemetry exemption, regardless of whether they actually held such an exemption. If Yolo genuinely believed in May 2025 that it was under an active telemetry exemption, then it is reasonable to expect that Yolo staff would have referred at that point to an extension or renewal of an exemption rather than to a new exemption. Yolo’s evidence may not necessarily contradict its claim but neither does it offer support for the proposition that Yolo held a particular belief at a given point in time.

The CAISO respectfully requests the Commission grant leave to accept this answer and consider the points herein as it deliberates on the matters before it in this

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<sup>5</sup> Yolo December 23 answer, at 7.

<sup>6</sup> Yolo November 21 filing, at E24.

<sup>7</sup> Yolo November 21 filing, at E15 & E16.

proceeding.

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