

176 FERC ¶ 61,048
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Richard Glick, Chairman;
James P. Danly, Allison Clements,
and Mark C. Christie.

California Independent System Operator Corporation Docket No. ER21-1551-001

ORDER GRANTING WAIVER

(Issued July 27, 2021)

1. On June 8, 2021, the California Independent System Operator Corporation (CAISO) filed a petition for a limited tariff waiver to modify the effective date of the tariff provisions pertaining to a minimum state of charge requirement for energy storage resources that provide resource adequacy capacity, which were accepted in the Commission's May 28, 2021 order in Docket No. ER21-1551-000.¹ Specifically, CAISO seeks to delay the effective date of the tariff provisions addressing the minimum state of charge from a date no later than June 15, 2021, until a date no later than July 30, 2021.² We grant CAISO's waiver request as discussed below.

I. Waiver Request

2. CAISO states that it received the software code for the minimum state of charge provisions at issue later than initially expected. CAISO states that this has left insufficient time for CAISO and its stakeholders to complete the needed testing and

¹ *Cal. Indep. Sys. Operator Corp.*, 175 FERC ¶ 61,168 (2021) (accepting tariff revisions to enhance CAISO's resource adequacy rules by: (1) adopting a minimum state of charge requirement for storage resources that provide resource adequacy capacity; (2) requiring substitute capacity for all maintenance outages of resource adequacy resources; (3) clarifying that extending the scope or duration of an existing outage requires a new outage request; and (4) updating the local capacity technical study criteria and permitting CAISO to designate capacity under the backstop capacity procurement mechanism if there are deficiencies relative to the revised criteria).

² On July 22, 2021, CAISO submitted a report notifying the Commission that it implemented the revisions and specifying an actual effective date of June 30, 2021. *See Cal. Indep. Sys. Operator Corp.*, Docket No. ER21-1551-000, July 22, 2021 Filing at 1.

market simulation activities before June 15, 2021.³ To provide additional implementation flexibility and to avoid burdening the Commission with further filings, CAISO requests waiver of the effective date of those tariff provisions from a date no later than June 15, 2021 until a date no later than July 30, 2021, subject to CAISO notifying the Commission of the implementation date within five business days of implementation.⁴

3. CAISO argues that its waiver request satisfies the Commission's requirements for granting waiver. First, CAISO states that it has acted in good faith because it notified stakeholders once it knew that June 15, 2021 was no longer a feasible effective date and promptly filed this waiver request with the Commission. Second, CAISO asserts that the waiver is limited in scope because it will apply for only 1.5 months. Third, CAISO contends that the waiver will solve the concrete problem that CAISO cannot implement the tariff revisions related to the minimum state of charge by June 15, 2021 without risking implementation of potentially flawed systems. Finally, CAISO argues that the waiver will not have undesirable consequences because CAISO can continue to operate under the *status quo* during the interim period.⁵

II. Notice and Responsive Pleadings

4. Notice of CAISO's filing was published in the *Federal Register*, 86 Fed. Reg. 31,707 (June 15, 2021), with interventions and protests due on or before June 29, 2021. None was filed.

III. Discussion

5. We grant CAISO's request for waiver. Specifically, we grant CAISO's request to delay the effective date of the tariff provisions addressing the minimum state of charge from a date no later than June 15, 2021, until a date no later than July 30, 2021. The Commission has granted waiver of tariff provisions where: (1) the applicant acted in good faith; (2) the waiver is of limited scope; (3) the waiver addresses a concrete problem; and (4) the waiver does not have undesirable consequences, such as harming

³ Waiver Request at 2.

⁴ *Id.*

⁵ *Id.* at 3.

third parties.⁶ We find that the circumstances of CAISO's waiver request satisfy these criteria.

6. First, we find that CAISO has acted in good faith because it notified stakeholders after determining that June 15, 2021 was no longer a feasible effective date and promptly filed a waiver request with the Commission. Second, we find that CAISO's request is limited in scope because it is a one-time extension of the effective date for the minimum state of charge tariff provisions that will apply until no later than July 30, 2021, and CAISO will maintain the *status quo* during this limited period. Third, we find that the waiver addresses the concrete problem that CAISO cannot feasibly test and implement the tariff revisions by June 15, 2021. Fourth, we find that CAISO's request for waiver will not have undesirable consequences, such as harming third parties, and instead will prevent undesirable consequences by ensuring that CAISO and market participants have sufficient time to fully test the software and processes associated with these changes prior to implementation.

The Commission orders:

CAISO's waiver request is hereby granted, as discussed in the body of this order.

By the Commission. Commissioner Chatterjee is not participating.

(S E A L)

Debbie-Anne A. Reese,
Deputy Secretary.

⁶ See, e.g., *Citizens Sunrise Transmission LLC*, 171 FERC ¶ 61,106, at P 10 (2020); *Midcontinent Indep. Sys. Operator, Inc.*, 154 FERC ¶ 61,059, at P 13 (2016).