UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

DCR Transmission, L.L.C.	**)**	**Docket Nos.**	**ER23-2309-001**
	)		**ER24-1394-001**
	)		**EL26-34-000**
	)		**(consolidated)**

ANSWER OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION OPPOSING MOTION REQUESTING EXTENSION OF TIME TO FILE BRIEFS ON AND OPPOSING EXCEPTIONS

To: The Honorable Debbie-Anne A. Reese
Secretary

Pursuant to Rule 213 of the Federal Energy Regulatory Commission's ("FERC" or "Commission") Rules of Practice and Procedure,[1] the California Independent System Operator Corporation ("CAISO") submits this answer to DCR Transmission, L.L.C.'s ("DCRT") November 2, 2026 motion requesting an extension of time to file briefs on exceptions and briefs opposing exceptions ("Extension Motion") regarding the initial decision issued in this proceeding on October 22, 2026 ("Initial Decision").[2] That Initial Decision found that DCRT has been collecting an unjust and unreasonable Base Transmission Revenue Requirement ("Base TRR") since June 12, 2024, based on capital costs more than $200 million in excess of DCRT's contractual cost cap. Because of the Commission's recent decision to treat this case as a proceeding under section 206 of the Federal Power Act ("FPA"), CAISO ratepayers are currently paying this unjust and unreasonable Base TRR without refund protection. DCRT's Extension

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1 18 C.F.R. § 385.213.

2 *DCR Transmission, L.L.C.*, 197 FERC ¶ 63,003 (2026).

Motion would force CAISO ratepayers to continue to pay this unjust and unreasonable Base TRR for many more months. Specifically, under the timelines set forth in Rule 711(a), the briefs on exceptions and briefs opposing exceptions in this case are due on November 23, 2026, and December 14, 2026, respectively.[3] DCRT's Extension Motion likely would delay Commission action on the Initial Decision by almost two months by arguing that the time for filing briefs on exceptions should be extended by 30 days to December 21, 2026 and the time for filing briefs opposing exceptions be extended by 20 days to February 2, 2027. As discussed below, the CAISO strongly opposes the length of DCRT's extension request but supports a more modest extension. The CAISO also urges the Commission to issue an order on the Initial Decision as soon as possible to ensure that jurisdictional rates paid by consumers are affordable and to limit the time when CAISO ratepayers are compelled to pay an unjust and unreasonable rate.

I. ANSWER TO EXTENSION MOTION

DCRT's Extension Motion seeks to increase the time to file briefs on exceptions by 30 days, doubling the allotted time under Rule 711. The Extension Motion also seeks to increase the time to file briefs opposing exceptions by 20 days, which also amounts to double the allotted time prescribed by Rule 711. DCRT claims these requests are warranted based on the "wide scope of these consolidated proceedings," the "substantial size of this proceeding's record," and the "complexity of the disputed issues . . . in the Initial Decision."[4] The Commission should deny DCRT's Extension

[3] 18 C.F.R. § 385.711(a) (briefs on exceptions are due 30 days following the issuance of the initial decision and briefs opposing exceptions are due 20 days thereafter). As required by Rule 2007(a)(2) of the Commission's Rules of Practice and Procedure, the 30- and 20-day deadlines roll to the next Commission business day, which correspond to the November 23, 2026 and December 14, 2026 deadlines, respectively. 18 C.F.R. § 385.2007(a)(2).

[4] Extension Motion at 3-4.

Motion because good cause has not been shown to grant the requested extension of time,[5] and because granting the Extension Motion would unduly harm CAISO ratepayers and the participants in this proceeding representing those ratepayers as well as end-use customers.

Since this proceeding began in 2023, the CAISO has consistently explained to the Commission why DCRT's Base TRR rests on capital costs that far exceed what DCRT is permitted to recover under the voluntary cost cap proposed by DCRT and agreed to by DCRT and the CAISO in the Approved Project Sponsor Agreement between the CAISO and DCRT ("DCRT APSA").[6] The Initial Decision confirms that DCRT's proposed Base TRR impermissibly exceeds DCRT's contractual cost cap: it found the costs allowable under the DCRT APSA total $350,235,024,[7] a figure more than 1/3 lower than DCRT's claimed allowable total project costs of $553,261,497.[8] This amounts to an over-recovery of $203,026,473 in total capital costs claimed by DCRT, which DCRT is currently collecting through its as-filed rate Base TRR of $83,370,655.[9] The Presiding Judge calculated that DCRT over-collects $1,780,758 every month its as-filed rate stays in effect,[10] which amounts to approximately $58,000 of unjust and unreasonable rates paid by CAISO ratepayers every day. CAISO

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5 Rule 2008(a) allows the decisional authority to grant an extension of time for filing the briefs on and opposing exceptions in this proceeding "for good cause." 18 C.F.R. § 385.2008(a).

6 *See* Motion to Intervene and Comments of the CAISO, Docket No. ER23-2309-000, at 1-2 (filed July 21, 2023).

7 Initial Decision at P 186.

8 *Id.* at PP 1, 18.

9 *Id.* at P 7.

10 *Id.* at P 10.

ratepayers will have paid an additional $2,900,000 if DCRT is granted the additional 50-day extension which is egregious.

For most of this proceeding, the Commission treated DCRT's filing of a proposed Transmission Owner Tariff that included its Base TRR as a filing under section 205 FPA, and the participants spent almost two years in settlement negotiations based on the Commission's findings that CAISO ratepayers received the full refund protection without time limitations of rate case set for hearing under section 205.[11] On January 30, 2026, three weeks into an evidentiary hearing premised on the findings and burden of proof established by the Commission in the September 2023 Hearing Order and a subsequent June 2025 Order confirming it,[12] the Commission found that DCRT's Transmission Owner Tariff and Base TRR constitute an initial rate.[13] As a result, the Commission instituted a section 206 proceeding with a refund effective date of June 12, 2024.[14] Absent Commission exercise of its rights under sections 206 and 309 of the FPA to extend the period of refund protection, refunds under FPA section 206(b) are limited to 15 months.[15] To date, the Commission has declined to exercise its rights to extend refund protection. DCRT's refund obligation therefore ended on September 12, 2025, even though DCRT continues to collect its unjust and unreasonable rate today.[16]

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11 *See* Final Report of Settlement Judge, Docket No. ER23-2309-000 (issued Apr. 2, 2025); Request for Rehearing of the CAISO, Docket Nos. ER23-2309-003, et al., at 6 (filed Mar. 2, 2026); *DCR Transmission, L.L.C.*, 184 FERC ¶ 61,199 (2023) ("September 2023 Hearing Order").

12 September 2023 Hearing Order; *DCR Transmission, L.L.C.*, 191 FERC ¶ 61,212 (2025) ("June 2025 Order").

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

14 January 2026 Order at PP 14, 20; *see* Extension Motion at 4 n.14.

15 16 U.S.C. § 824e(b).

16 Initial Decision at PP 8, 721, 723.

The mid-hearing conversion from a section 205 proceeding to section 206, combined with the Commission's not having extended the refund protection beyond 15 months, means every dollar DCRT over-collects after September 12, 2025 is unrecoverable for CAISO ratepayers.[17]

Because over-collections beyond the 15-month refund period cannot be refunded absent Commission action to extend the refund protection, any delay in a Commission order on the Initial Decision costs CAISO ratepayers and consumers in the region a substantial amount of money. At the over-collection rate found by the Presiding Judge, CAISO ratepayers pay $1,780,758 of unjust and unreasonable rates every month DCRT's Base TRR remains in effect.[18] DCRT's Extension Motion would move the close of briefing from December 23, 2026, to February 2, 2027, pushing the Commission's review of the Initial Decision well into 2027. CAISO ratepayers would bear the full cost of that delay. The extension alone, if granted, could cost CAISO ratepayers roughly $2.9 million dollars. In its claim that no party is prejudiced by its Extension Motion, DCRT argues that the delay of the proceeding "was shared" because the proceeding's duration results from the number and complexity of the issues involved, and all extensions of the procedural schedule were submitted jointly by the participants.[19] That argument fails for two reasons:

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[17] If the CAISO and other participants understood DCRT's proposed Base TRR would be litigated under FPA section 206, they would have terminated settlement talks earlier to avoid the risk of CAISO ratepayers being compelled to pay an unjust and unreasonable rate after the conclusion of a 15-month refund period.

[18] *Id.* at P 10. Assuming the 15-month period, $26,711,370 is non-refundable.

[19] Extension Motion at 7.

(1) It ignores who bears the cost of delay. DCRT continues to collect a rate the Presiding Judge has found to be excessive as well as unjust and unreasonable, while CAISO ratepayers lose any ability to recover the excess. An extension that benefits only the party collecting unjust and unreasonable rates, even if some of the delays were "shared," does not mean that no party is prejudiced.

(2) The "number and complexity of the issues involved" in the proceeding are a direct result of DCRT's submission of a filing to recover *hundreds of millions of dollars more than* the construction cost cap set forth in the DCRT APSA,[20] accompanied by novel theories[21] and various discovery failures,[22] all confirmed by the Presiding Judge. Moreover, the joint motions seeking extensions of the procedural schedule during the hearing were a direct result of the need to ensure an adequate record due to the changed statutory basis for the case from a Section 205 proceeding to a Section 206 proceeding, as well as the complexities DCRT itself brought to the case.

DCRT's justification rests on the size of the record and the complexity of the issues.[23] None of this should be new to DCRT. DCRT and other participants in this proceeding have litigated these issues through a 51-day hearing and more than 1,000

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20 Initial Decision at PP 183-84.

21 *Id.* at P 229 (finding DCRT's claim that a base year adjustment is "self-executing" in the DCRT APSA to be "no more than a bootstrap argument for a non-existent inflation adjustment and a *post hoc* rationalization" for not addressing the issue before this proceeding).

22 *See* Initial Decision at PP 735-38.

23 Extension Motion at 4.

pages of post-hearing briefs.[24] DCRT has already addressed all the legal and factual issues in this case in lengthy briefs to the Presiding Judge. Briefs on and opposing exceptions will address only the subset of findings each participant chooses to contest, not the entire case. DCRT's cited precedent also does not support the length of its request. The Initial Decision in *Basin Electric* was roughly double the length of the Initial Decision here and involved substantially more witnesses and exhibits.[25] The extensions granted in *Louisiana Public Service Commission v. Entergy* (21 and 15 days) and *Kansas Pipeline* (about 30 days, for briefs on exceptions only) were more modest than what DCRT seeks here and did not implicate year-end holiday and vacation periods that needed to be accounted for as does DCRT's request.[26] *Kansas Pipeline* can further be distinguished as the proceeding was operating under section 4 of the Natural Gas Act, which does not have a statutory time limit for retroactive refunds.

Although the length of the extension DCRT requests is excessive and unwarranted, the CAISO is willing to support a modest extension. Specifically, the CAISO does not oppose extending the deadline for briefs on exceptions to December 1, 2026 (40 days after the issuance of the Initial Decision), and the deadline for briefs opposing exceptions to December 23, 2026 (22 days after briefs on exceptions are due). These dates close briefing before the end of the year-end holidays, so the CAISO believes this modest extension is unlikely to delay a Commission order on the Initial Decision. Thus, it better addresses ratepayers refund protection concerns than does DCRT's proposed extension. All-in-all the CAISO's proposed modest extension better

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[24] *Id.* at 4.

[25] *Id.* at 5 n.19.

[26] *Id.* at 5-6.

balances the interests of all the participants in the proceeding than does DCRT's proposal. The CAISO strongly opposes any extension beyond these dates. The CAISO urges the Commission to issue an order on the Initial Decision as soon as possible to ensure jurisdictional rates paid by consumers are affordable and to limit the time when CAISO ratepayers are compelled to pay an unjust and unreasonable rate.

II. CONCLUSION

WHEREFORE, for the foregoing reasons, the CAISO respectfully requests that the Commission deny DCRT's request for an extended period to file briefs on and opposing exceptions. If the Commission grants any extension, it should be to no later than December 1, 2026, to file briefs on exceptions and December 23, 2026, to file briefs opposing exceptions.

Respectfully submitted,

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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 dockets, 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 5th day of November, 2026.

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