193 FERC ¶ 61,146
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

November 21, 2025

In Reply Refer To:
California Independent System
Operator Corporation
Docket No. ER25-3491-000

California Independent System
Operator Corporation
250 Outcropping Way
Folsom, CA 95630

Attention: Heather Curlee

Dear Ms. Curlee:

1. On September 23, 2025, the California Independent System Operator Corporation (CAISO) filed, pursuant to section 205 of the Federal Power Act (FPA),[1] proposed revisions to its Open Access Transmission Tariff (Tariff) to remove the December 31, 2025 sunset date from its Assistance Energy Transfer feature offered to balancing authority areas participating in the Western Energy Imbalance Market (WEIM) that fail the resource sufficiency evaluation.[2] Additionally, CAISO proposes a change to this feature to exempt surcharges for a balancing authority area that arise from failing the resource sufficiency evaluation when the balancing authority area acts in coordination with its reliability coordinator to ensure reliable operations.[3]

2. The WEIM resource sufficiency evaluation is a collection of four tests and associated procedures administered in the real-time market that assesses whether balancing authority areas participating in the WEIM have sufficient capacity and flexibility to meet forecasted demand by ensuring that WEIM schedules are feasible and

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[1] 16 U.S.C. § 824d.

[2] Transmittal at 1-2.

[3] See Appendix for tariff records accepted in this order.

balanced. CAISO explains that these tests function together to help ensure that balancing authorities are not inappropriately relying on the WEIM to meet needs that should be fulfilled through the forward procurement of capacity by establishing consequences for resource sufficiency evaluation failures. Specifically, the Tariff provides that if a balancing authority has insufficient supply or ramping capacity then CAISO will limit the amount of WEIM transfers into, and out of, the failing balancing authority area. CAISO states that the Assistance Energy Transfer product permits a balancing authority area to opt-in to avoid a transfer limitation in the event of a resource sufficiency evaluation failure, but the balancing authority is subject to an after-the-fact surcharge calculated based on the lower of the failure amount or final incremental transfer amount.[4] CAISO states that it included a sunset date of December 31, 2025, when it initially deployed the product, with the goal of allowing stakeholders time to assess its value and for CAISO to work with stakeholders to refine the feature.[5]

3. CAISO states that, since deployment of the Assistance Energy Transfer feature in 2023,[6] at least 10 balancing authority areas have exercised their option to receive Assistance Energy Transfers via the WEIM when a resource sufficiency evaluation failure would have otherwise limited transfers. According to CAISO, this fact underscores that WEIM participants value the feature. In addition, CAISO asserts that the Assistance Energy Transfer process has supported real-time reliability by accommodating situations where balancing areas that are otherwise resource sufficient experience the potential of temporary supply constraints. Therefore, CAISO proposes to remove the December 31, 2025 sunset date in its Tariff to allow WEIM balancing authority areas to continue to access the Assistance Energy Transfer feature. CAISO notes that the proposed removal of the sunset date is not intended to preclude further refinement of the feature.[7]

4. In addition, CAISO proposes to revise its Tariff to permit entities to seek an exemption from the otherwise applicable Assistance Energy Transfer surcharge for actions taken that are directly attributable to coordination with a reliability coordinator. CAISO asserts that this proposed change will help ensure that WEIM participants need not weigh potential surcharge liabilities against prudent reliability-driven actions.

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[4] Transmittal at 2, 4-6. CAISO states that entities participating in the Extended Day Ahead Market (EDAM) will also be able to opt-in to real-time Assistance Energy Transfers through the WEIM. *Id.* at 1, 3.

[5] *Id.* at 6. CAISO, CAISO eTariff, § 29.34 (EIM Operations) (27.0.0), § 29.34(n)(3) (Assistance Energy Transfers).

[6] *Cal. Indep. Sys. Operator Corp.*, 183 FERC ¶ 61,146 (2023).

[7] Transmittal at 1, 6-7.

CAISO contends that this is appropriate because the WEIM resource sufficiency evaluation is designed to ensure each participating balancing authority has made appropriate forward contracting and scheduling decisions. According to CAISO, taking actions to maintain reliability in coordination with a reliability coordinator is not indicative of inappropriate forward decisions, but is instead the result of broader reliability issues that the balancing authority in question was unable to fully anticipate or control. CAISO states that it will specify procedures for surcharge exemption requests in its business practice manual, and that it expects requests for such exemptions to be infrequent.[8]

5. Notice of CAISO's filing was published in the *Federal Register*, 90 Fed. Reg. 46400 (Sep. 26, 2025), with interventions and protests due on or before October 14, 2025. Timely motions to intervene were filed by Northern California Power Agency; the California Department of Water Resources State Water Project; and the City of Santa Clara, California. Timely motions to intervene and comments were filed by the Balancing Authority of Northern California (BANC); Nevada Power Company and Sierra Pacific Power Company (collectively, NV Energy); and the CAISO Department of Market Monitoring (DMM).

6. BANC, NV Energy, and DMM express support for CAISO's proposed revisions.[9] BANC contends that the Assistance Energy Transfer product is a primary example of the benefits that flow from the WEIM through the ability of the market to optimally dispatch and provide access to energy. BANC asserts that these transfers are a key component of the reliability framework in the WEIM footprint today and will be even more important as EDAM becomes operational in 2026.[10] NV Energy notes that the success of WEIM has diminished liquidity of the operating day bilateral market.[11] NV Energy asserts that the Assistance Energy Transfer product is a well-designed market feature that should be extended, as it leverages the WEIM's ability to provide access to energy that may not otherwise be available in the bilateral market.[12] DMM likewise supports extending the Assistance Energy Transfer functionality. DMM notes that it has previously identified two potential issues with the Assistance Energy Transfer program design: (1) the potential for balancing areas to inappropriately lean on the WEIM footprint for capacity, and (2) the possibility for surcharges to apply to WEIM transfers that are not the direct

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[8] *Id.* at 7.

[9] BANC Comments at 3; NV Energy Comments at 1, 4-5; DMM Comments at 3.

[10] BANC Comments at 3.

[11] NV Energy Comments at 5.

[12] *Id.* at 4-7.

result of opting into the program. However, DMM states that it has not seen evidence suggesting either of these issues create concerns requiring immediate action and could, instead, be addressed in a future enhancement.[13]

7. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2025), the timely, unopposed motions to intervene serve to make the entities that filed them parties to this proceeding.

8. We accept CAISO's proposed Tariff revisions, effective November 24, 2025, as requested. We find that the proposed Tariff revisions are just and reasonable and not unduly discriminatory or preferential. We find that the proposed removal of the Assistance Energy Transfer sunset date will enable balancing authorities to continue to leverage the WEIM's efficient dispatch to promote reliability in the Western Interconnection. Further, we find that the proposed revisions promote reliability by enabling WEIM participants to take reliability-driven actions in coordination with a reliability coordinator without the risk of incurring Assistance Energy Transfer surcharges in those circumstances.

By direction of the Commission.

Carlos D. Clay,
Deputy Secretary.

[13] DMM Comments at 3-4.

Appendix-eTariff Records

California Independent System Operator Corporation
CAISO eTariff

- 29.11, Settlements and Billing for EIM Market Participants (24.0.0)
- 29.34, EIM Operations (28.0.0)