

189 FERC ¶ 61,141  
UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Willie L. Phillips, Chairman;  
Mark C. Christie, David Rosner,  
Lindsay S. See and Judy W. Chang

California Independent System Operator Corporation      Docket No. ER24-2813-000

ORDER GRANTING WAIVER REQUEST

(Issued November 25, 2024)

1. On August 20, 2024, California Independent System Operator Corporation (CAISO) submitted, pursuant to Rule 207 of the Commission’s Rules of Practice and Procedure<sup>1</sup> and section 37.9.4 of the CAISO Open Access Transmission Tariff (Tariff), a petition seeking a limited waiver of sections 9.3.1.3.1, 9.3.1.3.2, and 40.9.3.4 of its Tariff, effective August 21, 2024, to accommodate Sentinel Energy Center LLC’s (Sentinel) construction and commissioning of black start capability at the Sentinel Energy Center in Riverside County, California (Petition).<sup>2</sup> CAISO states that waiver is necessary for Sentinel to begin black start construction and commissioning activities, since it must take various resource adequacy units at its generating facility out of service for a portion of the months of October and November 2024. As discussed below, we grant CAISO’s waiver request.

**I. Background and Waiver Request**

2. CAISO explains that sections 9.3.1.3.1 and 9.3.1.3.2 of the Tariff provide, in relevant part, that CAISO will deny maintenance outage requests for resource adequacy resources if the scheduling coordinator does not provide substitute

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<sup>1</sup> 18 C.F.R. § 385.207 (2024).

<sup>2</sup> Petition at 1. Sentinel, CAISO, and Southern California Edison Company (SoCal Edison) previously entered into a black start agreement, which sets forth the rates, terms, and conditions under which Sentinel will provide black start service. Sentinel filed the agreement with the Commission on November 8, 2023. The Commission accepted and suspended the agreement for a nominal period, effective January 8, 2024, and established hearing and settlement judge procedures. *Sentinel Energy Ctr. LLC*, 186 FERC ¶ 61,014 (2024). Settlement judge procedures are ongoing.

capacity.<sup>3</sup> CAISO further explains that Tariff section 40.9.3.4 applies the resource adequacy availability incentive mechanism rules for outages that CAISO permits, but that require resource adequacy substitute capacity. According to CAISO, if these Tariff provisions are applied, they would prevent CAISO from approving an outage at the Sentinel Energy Center unless Sentinel provides substitute resource adequacy capacity and would apply the resource adequacy availability incentive mechanism to that substitute capacity. CAISO states that, based on its information and belief, Sentinel would not proceed with construction and commissioning activities if it faced financial exposure under these rules, thereby delaying the deployment of black start capability and ultimately making it more costly.<sup>4</sup>

3. CAISO asserts that good cause exists to grant a limited waiver of Tariff sections 9.3.1.3.1, 9.3.1.3.2, and 40.9.3.4 to facilitate the construction and commissioning of black start capability at the Sentinel Energy Center. First, CAISO states that it has acted in good faith because it filed this Petition for limited tariff waiver in advance of the deadline to approve or deny Sentinel's outage request and soon after Sentinel's showing of its units at the Sentinel Energy Center as resource adequacy for the month of October created the need for this petition.<sup>5</sup>

4. Second, CAISO argues that its requested waiver is of limited scope in that it only concerns CAISO's ability to approve outages without the need for Sentinel to provide substitute resource adequacy capacity or face potential resource adequacy availability incentive mechanism non-availability charges. CAISO further notes that the waiver will extend for only two months – October and November 2024 – and will require Sentinel to provide resource adequacy capacity on any days that units are not on outage during those months. CAISO states that it is not requesting waiver of language in Tariff section 9.3.1.3.1 that requires the scheduling coordinator for Sentinel Energy Center to notify CAISO whether and to what extent the outage affects resource adequacy capacity and any contracted non-resource adequacy capacity.<sup>6</sup>

5. Third, CAISO asserts that the requested waiver will remedy a concrete problem in that Sentinel needs to take resource adequacy capacity at the Sentinel Energy Center out of service during a portion of October and November 2024 to construct and commission black start capability at the generating facility and normally such an outage would require substitute resource adequacy capacity. However, CAISO explains, requiring Sentinel to

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<sup>3</sup> Petition at 1.

<sup>4</sup> *Id.* at 2.

<sup>5</sup> *Id.* at 6.

<sup>6</sup> *Id.* at 6-7.

provide substitute resource adequacy capacity would come at a cost to CAISO and SoCal Edison transmission customers.<sup>7</sup>

6. Fourth, CAISO asserts that the waiver does not have undesirable consequences because the Petition for limited tariff waiver should create no harm to a third party or otherwise cause problems. CAISO argues that, to the contrary, granting the waiver will allow Sentinel to take steps to enhance CAISO's and SoCal Edison's system restoration plans.<sup>8</sup> Based on its review, CAISO attests that the outage does not cause a reliability concern in either October or November 2024.<sup>9</sup>

## **II. Notice and Responsive Pleadings**

7. Notice of CAISO's filing was published in the *Federal Register*, 89 Fed. Reg. 68426 (Aug. 26, 2024), with interventions and protests due on or before September 10, 2024. Timely motions to intervene were filed by SoCal Edison, California Department of Water Resources State Water Project, and Northern California Power Agency.

## **III. Discussion**

### **A. Procedural Matters**

8. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2024), the timely, unopposed motions to intervene serve to make the entities that filed them parties to this proceeding.

### **B. Substantive Matters**

9. We grant CAISO's request for waiver of sections 9.3.1.3.1, 9.3.1.3.2, and 40.9.3.4 of its Tariff as applied to the Sentinel Energy resource adequacy resources for the period of October and November 2024. 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

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<sup>7</sup> *Id.* at 7.

<sup>8</sup> *Id.*

<sup>9</sup> *Id.* at 7-8.

consequences, such as harming third parties.<sup>10</sup> We find that the circumstances of CAISO's waiver request satisfy these criteria.

10. First, we find that CAISO has acted in good faith because it filed the petition in advance of the deadline to approve or deny Sentinel's outage request and soon after Sentinel's showing of its units at the Sentinel Energy Center as resource adequacy for the month of October created the need for this petition.

11. Second, we find that the waiver is of limited scope in that the request applies to the Sentinel Energy resource adequacy resources for the period of October and November 2024. Moreover, Sentinel will continue to be required to provide resource adequacy capacity on any days that units are not on outage during those months.<sup>11</sup>

12. Third, we find that granting CAISO's request addresses a concrete problem because Sentinel needs to take the Sentinel Energy Center out of service to construct and commission black start capability at the generating facility. Requiring Sentinel to provide substitute resource adequacy capacity, as would be required absent waiver, would ultimately result in transmission customers incurring costs due to Sentinel's efforts to construct and commission black start capability for their benefit and would otherwise delay these necessary construction and commissioning activities.

13. Fourth, we find that granting the waiver request will not have undesirable consequences, such as harming third parties. Instead, we find that granting waiver will allow Sentinel to enhance CAISO's and SoCal Edison's system restoration plans, which addresses a critical reliability need and supports reliability for CAISO's load serving entities. We also note that, according to CAISO, the outage request would not have posed a reliability concern in either October or November 2024.

The Commission orders:

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

By the Commission.

( S E A L )

Debbie-Anne A. Reese,  
Secretary.

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<sup>10</sup> 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).

<sup>11</sup> Petition at 6.