

189 FERC ¶ 61,023
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 Nos. ER24-2778-000
ER06-615-000
ER07-1257-000
EL08-88-000
ER08-1178-000
ER15-861-000
ER20-273-000
(not consolidated)

ORDER ACCEPTING TARIFF REVISIONS AND GRANTING MOTIONS FOR
RELIEF

(Issued October 11, 2024)

1. On August 14, 2024, pursuant to section 205 of the Federal Power Act¹ and Part 35 of the Commission's regulations,² California Independent System Operator Corporation (CAISO) submitted amendments to its open access transmission tariff (Tariff) to revise the existing reporting metrics for Market Disruption and Exceptional Dispatch reports set forth in Tariff sections 7.7.6(d) and 34.11.4. CAISO also concurrently filed a Motion for Relief of Legacy Reporting Requirements (August 14 Motion) to retire three discrete legacy informational reports required by the Commission. Separately, on January 8, 2024, CAISO filed a motion seeking relief from the requirement to file an annual report on demand response providers (January 8 Motion). As discussed below, we accept the Tariff amendments, effective October 14, 2024, as requested, and grant CAISO's August 14 and January 8 Motions to retire the legacy informational reports and the demand response providers report.

¹ 16 U.S.C. § 824d.

² 18 C.F.R. pt. 35 (2024).

I. Background and Instant Filings

2. CAISO explains that in orders approving certain Tariff changes to implement the Market Redesign and Technology Upgrade (MRTU) tariff, the Commission directed CAISO to submit periodic reports of specified form and content, and also directed CAISO to memorialize that form and content in its Tariff.³ In the time since MRTU was implemented, CAISO has submitted additional Tariff amendments and, in some cases, the Commission established periodic informational reporting requirements but did not direct CAISO to memorialize those obligations in its Tariff.⁴ In the instant filings, CAISO: (1) proposes to modify its Tariff to revise the existing reporting requirements for Market Disruption and Exceptional Dispatch reports set forth in Tariff sections 7.7.6(d) and 34.11.4 (Docket Nos. ER24-2778, ER06-615, and ER07-1257); (2) moves for relief from the obligation to continue submission of each of three reports into legacy dockets (Docket Nos. EL08-88, ER08-1178, ER15-861, and ER20-273); and (3) moves for relief from the obligation to continue submission of reports on demand response providers (ER06-615). We address each of these filings below.

³ See *Cal. Indep. Sys. Operator Corp.*, 116 FERC ¶ 61,274, at PP 245-69 (2006) (accepting CAISO's Exceptional Dispatch mechanism), *order on reh'g*, 119 FERC ¶ 61,076, *order on reh'g and denying motion to reopen record*, 120 FERC ¶ 61,271 (2007). CAISO further developed mitigation and reporting measures for Exceptional Dispatch in the course of these proceedings. See *Cal. Indep. Sys. Operator Corp.*, 126 FERC ¶ 61,150 (2009) (accepting in part, and rejecting in part, Exceptional Dispatch tariff provisions of the MRTU tariff); *Cal. Indep. Sys. Operator Corp.*, 128 FERC ¶ 61,218 (2009) (accepting Exceptional Dispatch tariff provisions of the MRTU tariff and directing reporting requirements); *Cal. Indep. Sys. Operator Corp.*, 131 FERC ¶ 61,100 (2010) (clarifying reporting requirements for Exceptional Dispatches). See also *Cal. Indep. Sys. Operator Corp.*, 126 FERC ¶ 61,211, at P 29 (establishing Market Disruption reporting requirements), *order on compliance*, 129 FERC ¶ 61,196, at P 44 (2009) (finding that "regular reporting by the CAISO will provide the necessary transparency to enable stakeholders to remain informed about the use of the [Market Disruption] actions taken by the CAISO").

⁴ See *Cal. Indep. Sys. Operator Corp.*, 119 FERC ¶ 61,313, at PP 225-227 (2007) (directing CAISO to submit annual reports on demand response providers); *Cal. Indep. Sys. Operator Corp.*, 128 FERC ¶ 61,218 (directing 120-day Exceptional Dispatch reporting but without a directive to memorialize the compliance obligation in the Tariff); *Cal. Indep. Sys. Operator Corp.*, 169 FERC ¶ 61,253 (2019) (directing annual reporting of use of maximum gas burn constraint); *Cal. Indep. Sys. Operator Corp.*, 153 FERC ¶ 61,305 (2015) (directing quarterly reporting of Available Balancing Capacity).

II. Notice of Filing and Responsive Pleadings

3. Notice of CAISO's Tariff filing in Docket No. ER24-2778-000 was published in the *Federal Register*, 89 Fed. Reg. 67,429 (Aug. 20, 2024), with interventions or protests due on or before September 4, 2024. The City of Santa Clara, California, NRG Business Marketing, LLC, and Calpine Corporation filed timely motions to intervene.

III. Discussion

A. Procedural Matters

4. 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 Docket No. ER24-2778-000.

B. Substantive Matters

1. Tariff Amendments to Retire Monthly Market Disruption and Exceptional Dispatch Reports (Docket No. ER24-2778-000)

a. CAISO Filing

5. CAISO explains that, in 2009, the Commission directed CAISO to submit Tariff revisions to implement Market Disruption and Exceptional Dispatch reporting requirements as part of the MRTU proceedings.⁵ Specifically, the Commission found that regular reporting by CAISO would provide the transparency necessary for stakeholders to remain informed about how CAISO exercises its Market Disruption and Exceptional Dispatch authority under the Tariff. The Commission directed CAISO to memorialize the form and material substance of the Market Disruption and Exceptional Dispatch reports in its Tariff, and to submit periodic informational filings that detail: (1) the frequency and types of actions taken; (2) the nature of the Market Disruption or Exceptional Dispatch; and (3) the rationale for taking such steps.⁶ These reporting

⁵ Transmittal, Docket No. ER24-2778-000, at 2-3; *Cal. Indep. Sys. Operator Corp.*, 126 FERC ¶ 61,211 at P 29, *order on compliance*, 129 FERC ¶ 61,196 at P 44.

⁶ *Cal. Indep. Sys. Operator Corp.*, 126 FERC ¶ 61,211 at P 29.

requirements and CAISO's potential actions during a Market Disruption or Exceptional Dispatch are memorialized in Tariff sections 7.7.6⁷ and 34.11.⁸

6. CAISO explains that the purpose of the periodic submission of informational reports was to aid CAISO and its stakeholder processes. According to CAISO, the Tariff provisions implementing the reporting requirements were, at the time, an appropriate balance between CAISO's need to act promptly to prevent or address emergency conditions and the transparency needs of stakeholders.⁹ However, CAISO contends that the circumstances have changed in a way that warrants modernizing the form and manner of reporting. CAISO explains that, at the time of these reporting directives, the Commission's docketing system was used to ensure all interested parties were provided information sufficient to monitor Exceptional Dispatches and Market Disruptions. CAISO maintains that in more recent years, parties have relied less on information-only reports submitted into legacy Commission dockets and have relied more on information obtained through the CAISO website and in CAISO stakeholder forums. CAISO asserts that it remains committed to transparency and responsive engagement and its website serves as a central place to access all CAISO-related resources serving its market participants, stakeholders, regulatory and governmental entities, media, and the general public.¹⁰

7. CAISO seeks to end its submission of informational reports for Market Disruption and Exceptional Dispatch by proposing modifications to Tariff sections 7.7.6(d)¹¹ and 34.11.4.¹² First, CAISO proposes to revise Tariff section 34.11.4 to remove the requirement to submit monthly informational reports into the legacy MRTU dockets. Instead, CAISO states that it will provide information through its relevant stakeholder process, market assessments, and market reports. Second, CAISO proposes to remove from its Tariff specific parameters of Exceptional Dispatch and Market Disruptions reports set forth in sections 7.7.6(d) and 34.11.4. Instead, CAISO states that it will provide salient information that is tailored to stakeholder needs. For example, CAISO

⁷ See CAISO, CAISO eTariff, § 7.7.6 (System Operations in the Event of a Market Disruption) (2.0.0).

⁸ See *id.*, § 34.11 (Exceptional Dispatch) (9.0.0).

⁹ Transmittal, Docket No. ER24-2778-000, at 4.

¹⁰ *Id.* at 7.

¹¹ See CAISO, CAISO eTariff, § (7.7.6 System Operations in the Event of a Market Disruption) (3.0.0), § 7.7.6(d).

¹² See *id.*, § 34.11.4 (Reporting Requirements) (1.0.0).

explains that it will respond to inquiries received from stakeholders through its quarterly market performance and planning forum in which it discusses Exceptional Dispatch volumes and will provide this information on its website page for the quarterly forum. CAISO states that it also intends to include analysis in its monthly market performance reports on Market Disruption and Exceptional Dispatch, as it does today. In addition, CAISO explains that it will continue to maintain the Open Access Same-Time Information System (OASIS) reporting function to detail individual dispatches. According to CAISO, removing the legacy form and content requirements, as well as the legacy docket submission requirement, will aid administrative efficiency for the Commission, CAISO, and interested parties.¹³ CAISO states that it will continue to comply with the Commission's regulations and reporting requirements for operator-initiated commitments.¹⁴

8. CAISO requests that the Commission accept its Tariff amendments to revise sections 7.7.6(d) and 34.11.4 effective October 14, 2024.

b. Commission Determination

9. We accept CAISO's proposed amendments to Tariff sections 7.7.6(d) and 34.11.4, effective October 14, 2024, as requested. We find that CAISO's proposal to end periodic reporting on Market Disruptions and Exceptional Dispatch in legacy dockets is just and reasonable and not unduly discriminatory or preferential. As CAISO explains, the Commission required these reports, in the form memorialized in CAISO's Tariff, to enhance transparency upon the deployment in 2009 of MRTU.¹⁵ These reports supplemented the Commission's then-standard transactional reporting processes and provided information on how certain aspects of the market design would be deployed and their associated impacts.

10. In the 15 years since instituting this reporting requirement, CAISO has submitted hundreds of informational reports on Market Disruptions and its use of Exceptional Dispatch that have provided both the Commission and stakeholders with transparency and useful information about how these features were implemented, along with their impacts. Nevertheless, as CAISO explains, to the best of its knowledge, the monthly Market Disruption and Exceptional Dispatch reports filed in legacy dockets have not

¹³ Transmittal, Docket No. ER24-2778-000, at 7.

¹⁴ *Id.* (citing CAISO, CAISO eTariff, § 6.5.14 (Order No. 844 Zonal Uplift Report) (1.0.0), § 6.5.14(c) (providing for reporting of Exceptional Dispatch Uplift); *id.*, § 6.5.16 (Order No. 844 Operator-Initiated Commitment Report) (0.0.0) (providing for a monthly reporting for operator-initiated commitments)).

¹⁵ *See* Transmittal, Docket No. ER24-2778-000, at 5.

directly correlated with recommendations made in CAISO's stakeholder processes to modify market rules related to CAISO's Exceptional Dispatch and Market Disruption authorities. Further, CAISO's instant filing is unopposed. These facts support CAISO's assertion that circumstances have changed in a way that warrants modernizing the form and manner of reporting.

11. We find that the Market Disruption and Exceptional Dispatch reports have served their intended purpose but are no longer necessary to share the included information with stakeholders and the Commission. When the Commission adopted this reporting requirement for CAISO, it determined that the nascent MRTU experience warranted additional transparency so that stakeholders would be able to access information sufficient to understand, evaluate, or propose solutions to CAISO's use of its Market Disruption and Exceptional Dispatch authorities.¹⁶ In the intervening years, the way in which stakeholders obtain information has changed, with CAISO's website and stakeholder forums playing a much greater role in providing transparency. As CAISO explains, its website serves as a central place to access all the CAISO-related resources serving its market participants, stakeholders, regulatory and governmental entities, media, and the general public.¹⁷ We find that CAISO's commitment to make information regarding Market Disruption and Exceptional Dispatch available on its website and through its stakeholder forums, rather than in informational reports filed with the Commission in a legacy docket, is a reasonable way to provide the relevant information.

12. While we accept CAISO's proposal to revise Tariff sections 7.7.6(d) and 34.11.4 to remove the requirement that CAISO submit Market Disruption and Exceptional Dispatch reports to the Commission in legacy dockets, we continue to believe that it is important for stakeholders to have access to information on important market mechanisms, including Exceptional Dispatch and surrounding system operations during market disruptions. As such, we note CAISO's commitment to continue to comply with the Commission's standard format of reporting out-of-market actions—including Market Disruptions and Exceptional Dispatch—as specified in Order No. 844.¹⁸ In addition, we note CAISO's commitment to transparency and continued stakeholder engagement on matters related to Market Disruptions and Exceptional Dispatch. Specifically, CAISO states that it will engage with stakeholders through its quarterly market performance and

¹⁶ See, e.g., *Cal. Indep. Sys. Operator Corp.*, 128 FERC ¶ 61,218 at P 36.

¹⁷ See Transmittal, Docket No. ER24-2778-000, at 7.

¹⁸ *Uplift Cost Allocation & Transparency in Mkts. Operated by Reg'l Transmission Orgs. & Indep. Sys. Operators*, Order No. 844, 163 FERC ¶ 61,041 (2018) (requiring reporting of transactions, including Exceptional Dispatch).

planning forum, include related analysis in its monthly market performance reports, and will maintain certain OASIS reporting functions to detail individual dispatches.¹⁹

2. Motion for Relief from Non-Tariff Legacy Informational Reports (Docket No. EL08-88-000, et al.)

a. CAISO Filing

13. In its August 14 Motion, CAISO requests that the Commission relieve it of the obligation to continue to submit each of three reports into legacy dockets: (1) the 120-day report on Exceptional Dispatch (120-Day Exceptional Dispatch Report) that the Commission directed in Docket Nos. EL08-88 and ER08-1178;²⁰ (2) the annual report on use of Maximum Natural Gas Burn Constraint (Burn Constraint Report) that the Commission directed in Docket No. ER20-273;²¹ and (3) the quarterly report on the Available Balancing Capacity feature (Available Balancing Capacity Report) associated with CAISO's operation of the Western Energy Imbalance Market (WEIM) that the Commission directed in Docket No. ER15-861²² (collectively, Legacy Reports). CAISO explains that the Legacy Reports were established through Commission directive but not memorialized in CAISO's Tariff.²³ CAISO states that it will continue to provide information on Exceptional Dispatch, the Maximum Natural Gas Burn Constraint, and WEIM benefits within its established market reports and assessments.²⁴ CAISO contends that, in light of the passage of time, the evolution of CAISO's market analytics and reporting, the continued availability of CAISO market information in a modernized form through the CAISO website, and the administrative burden involved in generating and filing these Legacy Reports, good cause exists for the Commission to terminate these three legacy reporting requirements.

i. 120-Day Exceptional Dispatch Report

14. Through a series of orders, the Commission directed CAISO to establish reporting on Exceptional Dispatch usage. In addition to monthly Exceptional Dispatch reporting,

¹⁹ See Transmittal, Docket No. ER24-2778-000, at 7.

²⁰ See *Cal. Indep. Sys. Operator Corp.*, 128 FERC ¶ 61,218 at ordering para. (D).

²¹ See *Cal. Indep. Sys. Operator Corp.*, 169 FERC ¶ 61,253 at ordering para. (B).

²² See *Cal. Indep. Sys. Operator Corp.*, 153 FERC ¶ 61,305 at ordering para. (C).

²³ August 14 Motion, Docket No. EL08-88-000, et al., at 2.

²⁴ *Id.* at 6.

which is addressed above, the Commission required a 120-day Exceptional Dispatch report (quarterly) to enable the Commission, stakeholders, and other interested parties to review CAISO's use of the Exceptional Dispatch mechanism and report on progress of stakeholder processes.²⁵ In doing so, the Commission did not direct CAISO to memorialize this report in the Tariff.²⁶

15. CAISO asserts that in addition to the monthly and quarterly Exceptional Dispatch Reports, CAISO publishes on its website a monthly market performance report highlighting the frequency and cost of Exceptional Dispatch as a subset of broader operator invention, and a Market Performance Metric Catalogue providing an explanation and context for market metrics, including Exceptional Dispatch. CAISO states that its reports over the last 15 years have demonstrated patterns and consistency in CAISO's use of Exceptional Dispatch authority, and that the usage volume has, since 2019, decreased from prior levels and has been relatively stable since then.²⁷ CAISO states that no party has filed a motion or comments about its 120-day Exceptional Dispatch report within the last 10 years, and it thus seeks Commission approval to retire submission of this legacy report to the Commission.²⁸ CAISO further states that it will continue to comply with the Commission's standard reporting format for out-of-market actions (including Exceptional Dispatch) under Order No. 844,²⁹ and will also maintain its Exceptional Dispatch disclosure through OASIS reporting as it does today. Finally, CAISO states it will continue to issue monthly market performance reports and conduct its quarterly market performance and planning forums, providing stakeholders opportunities to understand drivers and costs of Exceptional Dispatch.³⁰

ii. Burn Constraint Report

16. In 2016, CAISO proposed a temporary maximum gas burn constraint to address identified risks posed by the reduced operational capability of the Aliso Canyon natural gas storage facility in Southern California. In December 2019, CAISO filed, and the

²⁵ *Cal. Indep. Sys. Operator Corp.*, 126 FERC ¶ 61,150 at P 263; *see also*, *Cal. Indep. Sys. Operator Corp.*, 128 FERC ¶ 61,218 at PP 36, 51.

²⁶ *Cal. Indep. Sys. Operator Corp.*, 128 FERC ¶ 61,218 at P 51.

²⁷ August 14 Motion, Docket No. EL08-88-000, et al., at 7-8.

²⁸ *Id.* at 2-3.

²⁹ *Id.* at 9 (citing Order No. 844, 163 FERC ¶ 61,041 (requiring reporting of transactions, including Exceptional Dispatch)).

³⁰ *Id.* at 9-10.

Commission accepted, Tariff revisions to make the maximum natural gas burn constraint feature permanent.³¹ CAISO explains that in accepting this proposal, the Commission directed that CAISO submit annual informational filings to detail the impact of the maximum gas burn constraint on the CAISO markets until such time as CAISO “publishes an equivalent analysis on its website, on the impacts of the maximum gas burn constraint on the CAISO markets and when the constraint is enforced.”³² CAISO states that it has submitted annual informational filings as directed, documenting that the constraint is used on a very limited basis. Furthermore, CAISO asserts that no party has ever filed a motion or comments about its Burn Constraint Report.³³

17. In its August 14 Motion, CAISO affirms that, going forward, for any year in which it enforces the maximum gas burn constraint, it will make available on its website: (i) information on instances when the gas nomogram is enforced, (ii) gas system conditions when the maximum gas burn constraint is enforced, and (iii) inputs or information used in shaping the maximum gas burn limits under the nomogram. Thus, CAISO requests that the Commission authorize CAISO to retire its maximum gas burn constraint report for good cause shown.³⁴

iii. Available Balancing Capacity Report

18. In an order dated December 17, 2015, the Commission accepted CAISO’s request in its role as operator of WEIM to implement an Available Balancing Capacity feature (Available Balancing Capacity Feature) to mitigate price spikes that were identified in 2014.³⁵ CAISO explains that the Available Balancing Capacity Feature was designed so WEIM’s systems can automatically recognize and account for capacity that a WEIM entity has available to maintain its own balancing authority area’s reliable operations, but that has not been bid into WEIM. CAISO states that in that order, the Commission directed it to submit continuous Available Balancing Capacity Reports “to help identify possible implementation or design issues not already apparent and provide transparency regarding the effectiveness of the proposal.”³⁶ CAISO also states that the Commission

³¹ *Id.* at 4 (citing *Cal. Indep. Sys. Operator Corp.*, 169 FERC ¶ 61,253 at PP 2-4).

³² *Id.* (citing *Cal. Indep. Sys. Operator Corp.*, 169 FERC ¶ 61,253 at P 19).

³³ *Id.* at 4-5.

³⁴ *Id.* at 11-12.

³⁵ August 14 Motion, Docket Nos. EL08-88-000, et al., at 5 (citing *Cal. Indep. Sys. Operator Corp.*, 153 FERC ¶ 61,305 at P 99).

³⁶ *Id.* (citing *Cal. Indep. Sys. Operator Corp.*, 153 FERC ¶ 61,305 at P 25).

directed it to continue to submit this informational filing for a minimum of one year, until the Commission finds that the reports are no longer necessary.³⁷

19. CAISO states that it has submitted quarterly Available Balancing Capacity Reports to the Commission since 2016 and no party has ever filed a motion or comments about the report.³⁸ Given the manner in which the Available Balancing Capacity Feature has operated since implementation, and the lack of expressed concerns by market participants and stakeholders, CAISO requests the Commission affirm that the report is no longer needed. CAISO states that, going forward, it does not intend to replicate the Available Balancing Capacity Reports but will remain responsive to inquiries on the Available Balancing Capacity Feature, in addition to its ongoing reporting and analysis on WEIM benefits.³⁹

b. Commission Determination

20. We grant CAISO's August 14 Motion and terminate the obligation to submit the Legacy Reports. Although these reports have provided valuable information on CAISO market features and usage, we find that the context underlying these requirements has evolved and, as discussed above, the way in which stakeholders obtain information has changed. We find that CAISO's commitment to continue providing substantially similar information on its website as well as CAISO's commitment to be responsive to stakeholder inquiries is sufficient to provide necessary transparency and will increase administrative efficiency while reducing regulatory, administrative, and oversight burdens.

21. Specifically, with regard to the 120-Day Exceptional Dispatch Report, we note that the Commission directed CAISO to submit certain information on implementing the Exceptional Dispatch feature to allow the Commission and stakeholders to monitor how CAISO employed the new market mechanism. As discussed above, in the intervening years, the context and market landscape has changed because the Exceptional Dispatch feature is no longer new. Through the reports CAISO submitted over the years, the Commission and stakeholders have been able to accumulate regular information on CAISO's Exceptional Dispatch usage patterns, leading to a better understanding of its market mechanisms and impacts. In addition, in 2018 the Commission issued Order No. 844, which mandated a uniform framework for Regional Transmission Organizations and Independent System Operators such as CAISO to report out-of-market actions to

³⁷ *Id.* (quoting *Cal. Indep. Sys. Operator Corp.*, 153 FERC ¶ 61,305 at P 99.)

³⁸ *Id.* at 5.

³⁹ *Id.* at 13 & n.45.

ensure just and reasonable rates.⁴⁰ In consideration of CAISO's continuing compliance with Order No. 844, its commitment to provide Exceptional Dispatch disclosures through OASIS, and its commitment to continue to issue monthly Market Performance Reports and to continue conducting quarterly market performance and planning forums, we find that CAISO's request for relief is reasonable. Accordingly, we grant CAISO's August 14 Motion and terminate the obligation for CAISO to submit the 120-Day Exceptional Dispatch Report.

22. We also terminate the obligation for CAISO to submit the Burn Constraint Report. When the Commission instituted the reporting requirement in 2019, it found it important to gauge how CAISO used the maximum gas burn constraint and what impacts it might have, focusing on: (1) instances when the gas nomogram is implemented along with relevant market issues; (2) gas system conditions during nomogram implementation and (3) information or input used in shaping the maximum gas burn limits under the nomogram.⁴¹ The annual Burn Constraint Reports that CAISO has submitted since the reporting requirement was instituted have shown that the constraint is used on a very limited basis. Moreover, CAISO has committed to make available on its website, in any year in which it enforces the maximum gas burn constraint, information comparable to that which it would have included in its annual Burn Constraint Report. In consideration of this commitment, as well as the fact that the burn constraint feature has been in place, monitored for several years, and that its use has been very limited, we find it reasonable to grant CAISO's motion for relief from the requirement that it submit formal Burn Constraint Reports to the Commission.

23. Finally, we grant CAISO's motion for relief from the requirement that it submit quarterly Available Balancing Capacity Reports. The Available Balancing Capacity Feature in CAISO's WEIM was originally intended to enhance the ability of the market to recognize and account for capacity that a WEIM entity has to maintain its own balancing authority area's reliable operations but has not bid into WEIM. Since this feature was new at the time the quarterly Available Balancing Capacity Reports were directed, the Commission's premise in requiring the reports was to provide transparency into the Available Balancing Capacity Feature's resolution of the price spikes that were identified in 2014 and on any unforeseen implementation issues.⁴² We agree with CAISO that in the intervening eight years, WEIM has successfully implemented and operated the Available Balancing Capacity Feature, making it a regular aspect of the market. Accordingly, we find that the Available Balancing Capacity Reports are no

⁴⁰ Order No. 844, 163 FERC ¶ 61,041.

⁴¹ *See Cal. Indep. Sys. Operator Corp.*, 169 FERC ¶ 61,253 at P 19.

⁴² *See Cal. Indep. Sys. Operator Corp.*, 153 FERC ¶ 61,305 at PP 25, 99.

longer necessary. Therefore, we grant CAISO's motion for relief from the obligation to submit quarterly Available Balancing Capacity Reports to the Commission. In doing so, we note CAISO's commitment to continue to analyze and report the WEIM benefits, as well as its commitment to be responsive to inquiries on the Available Balancing Capacity Feature.

24. Accordingly, we grant CAISO's August 14 Motion for relief from the obligation to submit the three Legacy Reports identified in this proceeding.

3. Motion for Relief from Legacy Informational Report on Demand Response Providers (Docket No. ER06-615-000)

a. CAISO Filing

25. In its January 8 Motion, CAISO seeks relief from the requirement that it submit an annual report on demand response providers (Demand Response Report) that the Commission instituted as a result of CAISO's filing to implement the MRTU tariff. CAISO asserts that it has satisfied the intent of the reporting requirement, which was to ensure CAISO enabled third-party demand response aggregators and load-serving entities to provide market services via demand response.⁴³ CAISO explains that, because demand response was relatively new to organized markets, the Commission agreed with commenters that CAISO should submit annual reports evaluating its demand response programs, including the amount of demand response the programs elicited.⁴⁴

26. In support of its request for relief from the reporting requirement, CAISO explains that demand response is no longer new, and CAISO is well beyond the initial stages of MRTU. According to CAISO, since the reporting requirement was established in 2007, the Commission issued Order Nos. 719⁴⁵ and 745⁴⁶ to eliminate barriers to demand

⁴³ January 8 Motion, Docket No. ER06-615-000, at 1.

⁴⁴ *Id.* at 1-2 (citing *Cal. Indep. Sys. Operator Corp.*, 119 FERC ¶ 61,313 at PP 225-227).

⁴⁵ *Wholesale Competition in Regions with Organized Elec. Mkts.*, Order No. 719, 125 FERC ¶ 61,071 (2008), *order on reh'g*, Order No. 719-A, 128 FERC ¶ 61,059, *order on reh'g*, Order No. 719-B, 129 FERC ¶ 61,252 (2009).

⁴⁶ *Demand Response Compensation in Organized Wholesale Energy Mkts.*, Order No. 745, 134 FERC ¶ 61,187, *order on reh'g*, Order No. 745-A, 137 FERC ¶ 61,215 (2011), *reh'g denied*, Order No. 745-B, 138 FERC ¶ 61,148 (2012), *vacated sub nom. Elec. Power Supply Ass'n v. FERC*, 753 F.3d 216 (D.C. Cir. 2014), *rev'd & remanded sub nom. FERC v. Elec. Power Supply Ass'n*, 136 S.Ct. 760 (2016).

response participation in organized markets and ensure regional transmission organizations and independent system operators pay a demand response resource the market price for energy when dispatch of the demand response resource is cost effective.⁴⁷ In addition, CAISO states that it now has over 2,000 MW of demand response capacity in its markets, and these resources provide resource adequacy capacity, energy, and ancillary services. CAISO asserts that it is clear that the Tariff does not impose barriers to third-party aggregators, which outnumber load-serving entities in both number of aggregators and number of demand response resources as of the most recent report.⁴⁸

b. Commission Determination

27. We grant CAISO's January 8 Motion and terminate the obligation for CAISO to submit the annual Demand Response Reports. We find that the Demand Response Reports have served their intended purpose, which was to monitor the implementation of CAISO's proposal to enable demand response providers to fully participate in CAISO's markets at a time when demand response was relatively new to organized markets. As CAISO explains, demand response resource participation is no longer new and demand response aggregators now make up a significant portion of CAISO market participants. Moreover, as CAISO notes, in the time since the Commission established the reporting requirement, the Commission issued Order Nos. 719 and 745, which address demand response resource participation in organized markets. Accordingly, we find that CAISO's request for relief is reasonable. Therefore, we terminate CAISO's obligation to submit annual Demand Response Reports.

The Commission orders:

(A) CAISO's proposed amendments to Tariff sections 7.7.6(d) and 34.11.4 are hereby accepted for filing, effective October 14, 2024, as requested, as discussed in the body of this order.

(B) CAISO's August 14 Motion for relief from the obligation to submit the Legacy Reports is hereby granted, as discussed in the body of this order.

⁴⁷ January 8 Motion, Docket No. ER06-615-000, at 2-3.

⁴⁸ *Id.* at 3.

(C) CAISO's January 8 Motion for relief from the obligation to submit the annual Demand Response Reports is hereby granted, as discussed in the body of this order.

By the Commission.

(S E A L)

Debbie-Anne A. Reese,
Secretary.