

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to Modernize
the Electric Grid for a High Distributed
Energy Resources Future.

Rulemaking 21-06-017
(Filed June 24, 2021)

**OPENING COMMENTS OF THE
CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION
ON PROPOSED DECISION**

Roger E. Collanton
General Counsel
William H. Weaver
Assistant General Counsel
Heather Curlee
Senior Counsel
California Independent System
Operator Corporation
250 Outcropping Way
Folsom, CA 95630
Tel: 916-351-4400
Fax: 916-608-7222
Email: hcurlee@caiso.com

Dated: October 19, 2026

Table of Contents

SUBJECT INDEX OF RECOMMENDED CHANGES 1

I. Introduction..... 2

II. Discussion 2

 A. Safe and Reliable Grid Operation is Integral to a High DER Future..... 2

 B. The CAISO Supports Continued TSO-DSO Coordination and Recommends Including
 Operational Forecasting as a Coordination Element. 3

III. Conclusion 5

APPENDIX A..... A

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to Modernize
the Electric Grid for a High Distributed
Energy Resources Future.

Rulemaking 21-06-017
(Filed June 24, 2021)

SUBJECT INDEX OF RECOMMENDED CHANGES

Pursuant to Rule 14.3 of the California Public Utilities Commission's (Commission) Rules of Practice and Procedure, the California Independent System Operator Corporation (CAISO) provides the following Subject Index of Recommended Changes in support of its Opening Comments on the Proposed Decision:

1. The CAISO supports the specific elements of transmission-distribution system operator (TSO-DSO) coordination the Proposed Decision identifies and recommends the Commission add **operational forecasting** to that list, as operational forecasting is essential to maintaining reliable system operations and promoting market efficiency.

I. Introduction

Pursuant to Rule 14.3 of the California Public Utilities Commission’s (Commission) Rules of Practice and Procedure, and the October 6, 2026 *Procedural Email Confirming R.21-06-017 Tracks 1 and 2 Comment Due Dates*, the California Independent System Operator Corporation (CAISO) hereby submits opening comments on the September 25, 2026 *Proposed Decision Adopting an Application Process for Utility Distributed Energy Resources Orchestration and Ordering Utilities to Incorporate Load Flexibility Scenarios into their Distribution Planning and Execution Processes* (Proposed Decision).

The CAISO appreciates the Proposed Decision’s thoughtful consideration of the issues and the opportunity to provide comments. The CAISO supports the Proposed Decision’s recognition of reliability in the guiding principles for distributed energy resource (DER) orchestration. The CAISO also supports the Proposed Decision’s direction to the investor-owned utilities (IOUs) to continue TSO-DSO coordination. The CAISO supports the specific elements of TSO-DSO coordination the Proposed Decision identifies and recommends the Commission add “operational forecasting” to that list, as operational forecasting is essential to maintaining reliable system operations and promoting market efficiency. The CAISO remains committed to continued collaboration with the IOUs and stakeholders on this important issue.

II. Discussion

A. Safe and Reliable Grid Operation is Integral to a High DER Future.

The CAISO supports the Proposed Decision’s inclusion of “safe and reliable grid operation” as a guiding principle for DER orchestration.¹ The Proposed Decision reflects comments by CAISO and others recognizing that reliability should remain a foundational consideration in a high DER future.²

As the CAISO explained in prior comments, ensuring reliable electric service in a high DER future is foundational to the effective realization of the Commission’s other objectives for

¹ Proposed Decision, p. 22.

² CAISO Opening Comments on the March 23, 2026 Assigned Commissioner’s Ruling on Track 1 and Track 2 Distributed Energy Resources Orchestration (CAISO April 2026 Comments), p. 13; San Diego Gas & Electric Company (SDG&E) Opening Comments to March 23 Ruling, p. 9; Pacific Gas and Electric Company (PG&E) Opening Comments on March 23 Ruling, p. 5

DER orchestration.³ Reliability considerations should therefore remain central as the Commission, distribution operators, the CAISO, and other parties continue developing the frameworks necessary to reliably integrate increasing DERs.

B. The CAISO Supports Continued TSO-DSO Coordination and Recommends Including Operational Forecasting as a Coordination Element.

The CAISO appreciates Energy Division’s efforts to organize and facilitate discussion on TSO-DSO coordination at the June 5, 2026 workshop. As the Proposed Decision recognizes, the workshop identified key technical, operational, and framework issues regarding DER orchestration.⁴ Based on that record, the Proposed Decision “directs the IOUs to continue TSO-DSO coordination with CAISO during the application proceeding and incorporate relevant developments regarding DER visibility, data exchange, service prioritization, and operational coordination into the application record.”⁵

The CAISO supports the Proposed Decision’s direction on continued TSO-DSO coordination and looks forward to engaging further on this important topic. As discussed in prior comments, the CAISO believes continued and ongoing coordination between the CAISO, distribution operators, and other stakeholders is necessary for the reliable and efficient integration of DERs.⁶ By supporting continued TSO-DSO coordination, the Proposed Decision addresses a key component of holistic DER orchestration.

The CAISO also supports continued discussion of the specific elements of TSO-DSO coordination the Proposed Decision identifies: DER visibility, data exchange, service prioritization, and operational coordination. The CAISO has previously identified each of these in past comments, and these elements remain important to reliability and wholesale market efficiency.⁷

³ *Id.*

⁴ Proposed Decision, p. 22.

⁵ Proposed Decision, p. 36.

⁶ CAISO Opening Comments on the July 9, 2026 Assigned Commissioner’s and Administrative Law Judge’s Ruling Issuing Questions on the Distributed Energy Resources Orchestration Workshop Reports, p. 2-3 (CAISO July 2026 Comments).

⁷ CAISO Opening Comments on the October 17, 2024 Administrative Law Judge’s Ruling Seeking Comment on Future Grid Study Report, p. 1 (CAISO December 2024 Comments); CAISO April 2026 Comments, pp. 2, 9; CAISO July 2026 Comments, p. 2.

DER visibility provides the information necessary for system operators and other responsible entities to understand DER characteristics and performance. Similarly, effective data exchange is necessary to support the timely sharing of information among the relevant parties, whether through a centralized platform or standardized data exchange interfaces and protocols. This data will enable the CAISO, distribution operators, and other responsible entities to appropriately prioritize grid services and coordinate on operations.

The CAISO recommends the Commission also include “operational forecasting” as a coordination element for continued discussion. As the CAISO has previously identified, accurate operational forecasting supports both reliability and market efficiency.⁸ Forecasts regarding DER availability, performance, and expected system impacts will become increasingly important as DER participation grows and coordination between transmission and distribution operators becomes more sophisticated. Therefore, the CAISO respectfully recommends that the Proposed Decision be revised to state the IOUs should “continue TSO-DSO coordination with CAISO during the application proceeding and incorporate relevant developments regarding DER visibility, data exchange, service prioritization, **operational forecasting**, and operational coordination into the application record.” The inclusion of operational forecasting is supported by the record and incorporating this technical change is consistent with the scope of this proceeding.⁹ The CAISO provides proposed revisions to the Proposed Decision’s Findings of Fact, Conclusions of Law and Ordering Paragraphs in Appendix A.¹⁰

Finally, the CAISO remains committed to continued collaboration with the IOUs and to providing updates on developments of TSO-DSO coordination. Throughout 2026, including since the June 5, 2026 workshop, the CAISO has continued to engage with distribution utilities and other entities to enhance coordination among those entities. Lessons learned through these efforts may help inform the IOUs’ Joint DER Orchestration Application. The CAISO also intends to continue stakeholder engagement as it relates to the development of an operational

⁸ CAISO April 2026 Comments, p. 4.

⁹ See, e.g., *Assigned Commissioner’s Amended Scoping Memo and Ruling*, R.21-06-017, at 6 (Aug. 11, 2023) (laying out the question for track 2 of “[w]hat are the operational needs necessary to efficiently operate a high DER grid . . .”).

¹⁰ The CAISO proposes a deletion of Ordering Paragraph 13, which contains a typographical error and otherwise appears to duplicate the directions of Ordering Paragraph 24.

coordination framework with distribution utilities and looks forward to sharing relevant developments as this work progresses.

III. Conclusion

The CAISO appreciates the opportunity to provide comments on the Proposed Decision.

Respectfully submitted

By: /s/ Heather Curlee

Roger E. Collanton

General Counsel

William H. Weaver

Assistant General Counsel

Heather Curlee

Senior Counsel

California Independent System

Operator Corporation

250 Outcropping Way

Folsom, CA 95630

Tel: 916-351-4400

Fax: 916-608-7222

Email: hcurlee@caiso.com

Dated: October 19, 2026

APPENDIX A

APPENDIX A

CAISO's Proposed Modifications to Findings, Conclusions, and Orders

Proposed text additions are in **bold and underline**. Proposed text deletions are in **~~bold and strikethrough~~**.

Revisions to the Findings of Fact:

9. DSO-led DER orchestration requires DER visibility into the DSO and DER dispatchability and control as well as **operational** coordination with the CAISO during the application process.

Revisions to Conclusions of Law:

24. The IOUs should continue TSO-DSO coordination with CAISO during the application proceeding and incorporate relevant developments regarding DER visibility, data exchange, service prioritization, **operational forecasting**, and operational coordination into the application record.

Revisions to Ordering Paragraphs:

~~13. Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company shall should continue Transmission System Operator-Distribution System Operator coordination with the California Independent System Operator during the Joint Distributed Energy Resources (DER) Orchestration Application proceeding and incorporate relevant developments regarding DER visibility, data exchange, service prioritization, and operational coordination into the application record.~~

24. Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company are ordered to continue transmission system operator-distribution system operator coordination with the California Independent System Operator during the Distributed Energy Resources (DER) Orchestration Application proceeding and incorporate relevant developments regarding DER visibility, data exchange, service prioritization, **operational forecasting**, and operational coordination into the application record.