

October 7, 2020

The Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

**Re: California Independent System Operator Corporation
Third Compliance Filing
Docket No. ER19-468-003**

Dear Secretary Bose:

The California Independent System Operator Corporation (“CAISO”) submits this filing to comply with the Commission order issued in this proceeding on July 17, 2020 (“Second Compliance Order”),¹ in response to the CAISO’s second filing to comply with Order No. 841.² The Second Compliance Order accepted the CAISO’s second compliance filing effective December 3, 2019, and directed the CAISO to submit a further compliance filing to amend Section 10.1.3.4 of the CAISO tariff. Currently, the second paragraph of Section 10.1.3.4 provides certain metering and settlement rules for Non-Generator Resources specifically. The Second Compliance Order directed the CAISO to amend this paragraph to apply generically to all storage resources. To comply with this directive, the CAISO proposes to amend all references to Non-Generator Resources in this paragraph to “storage resources.”

Consistent with the Second Compliance Order, the CAISO requests that the Commission accept the tariff revisions contained in this compliance filing effective as of the same date that the Commission granted for the tariff revisions contained in the CAISO’s initial compliance filing in this proceeding, *i.e.*, December 3, 2019.

¹ *California Independent System Operator Corp.*, 169 FERC 61,126 (2019) (“Compliance Order”). Capitalized terms not otherwise defined herein have the meanings set forth in the CAISO tariff, and references to specific sections, articles, and appendices are references to sections, articles, and appendices in the current CAISO tariff as revised or proposed in this filing, unless otherwise indicated.

² *Electric Storage Participation in Markets Operated by Regional Transmission Organizations and Independent System Operators*, Order No. 841, 162 FERC ¶ 61,127 (2018) (“Order No. 841”), *order on reh’g*, Order No. 841-A, 167 FERC ¶ 61,154 (2019) (“Order No. 841-A”).

II. Service

The CAISO has served copies of this filing on the California Public Utilities Commission, the California Energy Commission, all parties with scheduling coordinator agreements under the CAISO tariff, and all parties in this proceeding (Docket No. ER19-468). In addition, the CAISO has posted a copy of the filing on the CAISO website.

III. Contents of Filing

Besides this transmittal letter, this compliance filing includes these attachments:

Attachment A	Clean CAISO tariff sheets incorporating this compliance filing; and
Attachment B	Red-lined document showing the revisions in this compliance filing.

IV. Conclusion

For the reasons explained herein, the CAISO tariff, as modified by this compliance filing, satisfies the requirements of the Second Compliance Order and Order No. 841. The CAISO requests that the Commission accept this compliance filing effective December 3, 2019.

Respectfully submitted,

/s/ William H. Weaver

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Attachment A – Clean Tariff

Third Compliance Filing to Comply with Order No. 841

California Independent System Operator Corporation

October 7, 2020

10.1.3.4 Storage Resources

Pursuant to Section 10.1, storage resources must provide the CAISO with either (a) Revenue Quality Meter Data as a CAISO Metered Entity or (b) Settlement Quality Meter Data as a Scheduling Coordinator Metered Entity. Storage resources participating in the CAISO markets may not charge their resources pursuant to a CAISO wholesale rate except to provide Energy or Ancillary Services to the CAISO Markets upon discharge. To ensure that storage resources do not incur wholesale charges from the CAISO duplicative of any retail charges:

- (a) CAISO Metered Entities' revenue quality meters must be installed and programmed to exclude any retail Meter Data.
- (b) Scheduling Coordinator Metered Entities' SQMD Plans must describe how the Metered Entity's metering arrangement or Validation, Estimation, and Editing procedure prevents commingling retail and CAISO Meter Data.

Nothing in this Section 10.1.3.4 should be interpreted as prohibiting a CAISO storage resource's ability to participate in retail markets or net its Station Power from output pursuant to Section 10.1.3.2.

Effective October 1, 2020, for any storage resource where the Utility Distribution Company or retail utility verifies in writing to the CAISO that it is unable or unwilling to net out from its retail billing any energy purchases associated with the storage resource's charging pursuant to CAISO settlement, the CAISO will not settle the storage resource's negative Energy for charging. Scheduling Coordinators for such a storage resource must still include negative Energy for charging in the storage resource's Meter Data.

Attachment B – Tariff Redlines

Third Compliance Filing to Comply with Order No. 841

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10.1.3.4 Storage Resources

Pursuant to Section 10.1, storage resources must provide the CAISO with either (a) Revenue Quality Meter Data as a CAISO Metered Entity or (b) Settlement Quality Meter Data as a Scheduling Coordinator Metered Entity. Storage resources participating in the CAISO markets may not charge their resources pursuant to a CAISO wholesale rate except to provide Energy or Ancillary Services to the CAISO Markets upon discharge. To ensure that storage resources do not incur wholesale charges from the CAISO duplicative of any retail charges:

- (a) CAISO Metered Entities' revenue quality meters must be installed and programmed to exclude any retail Meter Data.
- (b) Scheduling Coordinator Metered Entities' SQMD Plans must describe how the Metered Entity's metering arrangement or Validation, Estimation, and Editing procedure prevents commingling retail and CAISO Meter Data.

Nothing in this Section 10.1.3.4 should be interpreted as prohibiting a CAISO storage resource's ability to participate in retail markets or net its Station Power from output pursuant to Section 10.1.3.2.

Effective October 1, 2020, for any ~~Non-Generator Resource~~storage resource where the Utility Distribution Company or retail utility verifies in writing to the CAISO that it is unable or unwilling to net out from its retail billing any energy purchases associated with the ~~Non-Generator Resource's~~storage resource's charging pursuant to CAISO settlement, the CAISO will not settle the ~~Non-Generator Resource's~~storage resource's negative Energy for charging. Scheduling Coordinators for such a ~~Non-Generator Resource~~storage resource must still include negative Energy for charging in the ~~Non-Generator Resource's~~storage resource's Meter Data.