

Attachment A – Clean Tariff

Tariff Amendment – Cost-of-Service Study Deferral and Cost Cap Update

California Independent System Operator Corporation

May 22, 2026

11.22 Grid Management Charge

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11.22.2.5 Allocation of the GMC Among Scheduling Coordinators

The costs will be allocated to the service charges that comprise the Grid Management Charge according to the formula in Appendix F, Schedule 1, Part A. The costs recovered through the Grid Management Charge shall not exceed \$250 million for 2026, \$305 million in 2027, and \$320.3 million in 2028 and thereafter unless the CAISO submits a tariff amendment increasing this amount pursuant to Section 205 of the FPA and FERC accepts such amendment. The service charges, as described in more detail in Appendix F, Schedule 1, Part A, are as follows:

- (a) Market Services Charge;
 - (b) System Operations Charge (for 2024 and 2025);
 - (c) System Operations Real-Time Dispatch Charge (for 2026 and thereafter);
 - (d) System Operations Balancing Authority Area Services Charge (for 2026 and thereafter);
- and
- (e) CRR Services Charge.

As described in the Business Practice Manual, the CAISO assesses these charges separately on all Scheduling Coordinators based on their demand, energy, or ancillary services, as applicable, consistent with the formulae set out in Appendix F, Schedule 1, Part A.

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Appendix F Rate Schedules

Schedule 1

Grid Management Charge

Part A – Calculation of Grid Management Charge (GMC)

The GMC consists of the following separate service charges for 2024 and 2025: (1) the Market Services Charge; (2) the System Operations Charge; and (3) the CRR Services Charge. The GMC revenue requirement, determined in accordance with Part C of this Schedule 1, will be allocated to the service charges specified in Part A of this Schedule 1 as follows: forty-nine (49) percent to Market Services; forty-nine (49) percent to System Operations; and two (2) percent to CRR Services. Beginning in 2026, the GMC will consist of the following separate service charges: (1) the Market Services Charge; (2) the System Operations Real-Time Dispatch Charge; (3) the System Operations Balancing Authority Area Services Charge; and (4) the CRR Services Charge. The GMC revenue requirement, determined in accordance with Part C of this Schedule 1, will be allocated to the service charges specified in Part A of this Schedule 1 as follows: forty-nine (49) percent to Market Services; twenty-three (23) percent to System Operations Real-Time Dispatch Charge; twenty-six (26) percent to System Operations Balancing Authority Area Services Charge; and two (2) percent to CRR Services.

Every three (3) years, the CAISO will conduct an updated cost of service study, in consultation with stakeholders and using costs from the previous year. Notwithstanding the foregoing, the CAISO will not conduct a cost-of-service study in 2026 or 2027. The CAISO will resume cost-of-service studies every three (3) years beginning with a cost-of-service study in 2028. In conducting each cost-of-service study, the CAISO will recalculate the service charge percentages and the rates for the fees and charges that constitute the Grid Management Charge as set forth in Section 11.22. In addition, the cost-of-service study results will be used to update the RC Funding Percentage used to calculate the annual RC Funding Requirement, as well as the real-time percentages of the Market Services Charge. The cost-of-service study results will also be used to update the real-time market percentage used to calculate the EDAM System Operations charge. If, based on the cost-of-service study results, the service category revenue requirement allocation percentages or the level of fees and charges have changed, the CAISO will submit tariff amendments to reflect such changes pursuant to Section 205 of the FPA.

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Attachment B – Marked Tariff

Tariff Amendment – Cost-of-Service Study Deferral and Cost Cap Update

California Independent System Operator Corporation

May 22, 2026

11.22 Grid Management Charge

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11.22.2.5 Allocation of the GMC Among Scheduling Coordinators

The costs will be allocated to the service charges that comprise the Grid Management Charge according to the formula in Appendix F, Schedule 1, Part A. The costs recovered through the Grid Management Charge shall not exceed ~~\$202 million for 2024, \$245 million for 2025, and~~ \$250 million for 2026, \$305 million in 2027, and \$320.3 million in 2028 and thereafter unless the CAISO submits a tariff amendment increasing this amount pursuant to Section 205 of the FPA and FERC accepts such amendment. The service charges, as described in more detail in Appendix F, Schedule 1, Part A, are as follows:

- (a) Market Services Charge;
 - (b) System Operations Charge (for 2024 and 2025);
 - (c) System Operations Real-Time Dispatch Charge (for 2026 and thereafter);
 - (d) System Operations Balancing Authority Area Services Charge (for 2026 and thereafter);
- and
- (e) CRR Services Charge.

As described in the Business Practice Manual, the CAISO assesses these charges separately on all Scheduling Coordinators based on their demand, energy, or ancillary services, as applicable, consistent with the formulae set out in Appendix F, Schedule 1, Part A.

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Appendix F Rate Schedules

Schedule 1

Grid Management Charge

Part A – Calculation of Grid Management Charge (GMC)

The GMC consists of the following separate service charges for 2024 and 2025: (1) the Market Services Charge; (2) the System Operations Charge; and (3) the CRR Services Charge. The GMC revenue requirement, determined in accordance with Part C of this Schedule 1, will be allocated to the service charges specified in Part A of this Schedule 1 as follows: forty-nine (49) percent to Market Services; forty-nine (49) percent to System Operations; and two (2) percent to CRR Services. Beginning in 2026, the GMC will consist of the following separate service charges: (1) the Market Services Charge; (2) the System Operations Real-Time Dispatch Charge; (3) the System Operations Balancing Authority Area Services Charge; and (4) the CRR Services Charge. The GMC revenue requirement, determined in accordance with Part C of this Schedule 1, will be allocated to the service charges specified in Part A of this Schedule 1 as follows: forty-nine (49) percent to Market Services; twenty-three (23) percent to System Operations Real-Time Dispatch Charge; twenty-six (26) percent to System Operations Balancing Authority Area Services Charge; and two (2) percent to CRR Services.

Every three (3) years, the CAISO will conduct an updated cost of service study, in consultation with stakeholders and using costs from the previous year. Notwithstanding the foregoing, the CAISO will not conduct a cost-of-service study in 2026 or 2027. The CAISO will resume cost-of-service studies every three (3) years beginning with a cost-of-service study in 2028. In conducting each cost-of-service study, the CAISO will recalculate the service charge percentages and the rates for the fees and charges that constitute the Grid Management Charge as set forth in Section 11.22. In addition, the cost-of-service study results will be used to update the RC Funding Percentage used to calculate the annual RC Funding Requirement, as well as the real-time percentages of the Market Services Charge. The cost-of-service study results will also be used to update the real-time market percentage used to calculate the EDAM System Operations charge. If, based on the cost-of-service study results, the service category revenue requirement allocation percentages or the level of fees and charges have changed, the CAISO will submit tariff amendments to reflect such changes pursuant to Section 205 of the FPA.

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