## 192 FERC ¶ 61,248 FEDERAL ENERGY REGULATORY COMMISSION WASHINGTON, DC 20426

September 25, 2025

In Reply Refer To:
California Independent System
Operator Corporation
Docket No. ER25-2603-000

California Independent System Operator Corporation 250 Outcropping Way Folsom, CA 95630

Attention: John E. Spomer

Dear Mr. Spomer:

1. On June 24, 2025, the California Independent System Operator Corporation (CAISO) filed revised tariff records to its Open Access Transmission Tariff (OATT) and a request for waivers of certain standards to comply with the requirements of Order No. 676-K. In Order No. 676-K, the Commission revised its regulations to incorporate by reference Version 004 of the Standards for Business Practices and Communication Protocols for Public Utilities (Business Practice Standards) adopted by the Wholesale Electric Quadrant (WEQ) of the North American Energy Standards Board (NAESB) as mandatory enforceable requirements. The Commission directed that public utilities submit a single compliance filing that includes two separate tariff records, one implementing the cybersecurity standards in WEQ Version 004 and the other implementing the remainder of the revisions in Version 004. In this order, we accept CAISO's revised tariff record implementing the cybersecurity standards in WEQ Version 004, effective February 27, 2026, and its tariff record implementing the remainder of the revisions in WEQ Version 004, effective August 27, 2026, subject to an

<sup>&</sup>lt;sup>1</sup> Standards for Bus. Practices & Commc'n Protocols for Pub. Utils., Order No. 676-K, 190 FERC ¶ 61,116 (2025).

<sup>&</sup>lt;sup>2</sup> Id P 45.

additional compliance filing being submitted within 30 days of the date of this order, as described below, and grant the requests for waivers.<sup>3</sup>

- 2. CAISO states that, in Order No. 676-K, the Commission amended its regulations to incorporate by reference Version 004 of specified business practice standards that NAESB filed with the Commission on July 31, 2023. CAISO further states that the Version 004 standards include newly created standards, as well as modifications to existing standards, developed through the NAESB standards development process.<sup>4</sup>
- 3. CAISO maintains that the Version 004 standards include standards developed in response to the directives from Order Nos. 676-I and 676-J, business practice standards developed to support cybersecurity for the wholesale electric industry, modifications to complement the North American Electric Reliability Corporation Reliability Standards, the new NAESB Base Contract for Sale and Purchase of Voluntary Renewable Energy Certificates, and standards to identify definitions for common grid services to support distributed energy resource interactions. Further, CAISO maintains that the Version 004 standards include modifications applied to Open Access Same-Time Information Systems (OASIS) Business Practice Standards, the Coordinate Interchange Business Practice Standards, and the Abbreviations, Acronyms, and Defined Terms.<sup>5</sup>
- 4. CAISO explains that the Commission directed public utilities to submit a single compliance filing by June 27, 2025, that includes two separate tariff records in eTariff: (1) the first record including a reference to the WEQ Version 004 NAESB cybersecurity standards with a proposed effective date of February 27, 2026; and (2) the second record referring to all the WEQ Version 004 standards adopted in Order No. 676-K with an effective date of August 27, 2026. Further, CAISO states that the public utility must also include in its compliance filing any new waiver requests to comply with a part of Order No. 676-K or requests to preserve any existing waivers. Therefore, CAISO states, it has revised section 7.3.3 of its OATT to incorporate those NAESB standards by reference, using the referencing language prescribed in Order No. 676-K.
- 5. CAISO further requests that the Commission grant waivers regarding certain remaining standards adopted in Order No. 676-K and preserve the waivers of NAESB

<sup>&</sup>lt;sup>3</sup> See Appendix A for eTariff records.

<sup>&</sup>lt;sup>4</sup> Transmittal at 2.

<sup>&</sup>lt;sup>5</sup> *Id.* at 4.

<sup>&</sup>lt;sup>6</sup> *Id.* at 5.

<sup>&</sup>lt;sup>7</sup> *Id.* at 5-6.

standards that the Commission previously granted to CAISO. Specifically, CAISO states that it seeks to preserve its existing waivers to both updated and new NAESB standards adopted in Order No. 676-K that continue to be, or are, inapplicable to and incompatible with CAISO's markets and transmission services. CAISO explains that it has shown in its petitions for waiver of NAESB standards implemented in Order Nos. 676, 676-C, 676-E, 676-H, 676-I, and 676-J that CAISO's ancillary service and imbalance energy markets and financial transmission model differ significantly from the business model and the physical transmission services articulated in Order No. 888 and later in the Order No. 890 pro forma OATT, upon which many of the NAESB standards are based.9

- 6. CAISO asserts the Commission should again grant waiver of those NAESB Business Practice Standards that are inapplicable to and incompatible with CAISO's business model.<sup>10</sup> CAISO requests continued waivers of WEQ-002, WEQ-003, and WEQ-013, and waiver of the provisions of WEQ-001, WEQ-012, and WEQ-023, consistent with prior waivers of these standards that the Commission has granted.<sup>11</sup>
- 7. CAISO states that the newly adopted OASIS requirements within the NAESB standards are based on the transmission service model embodied in the *pro forma* OATT. CAISO explains that its transmission service model does not include many of the features typically associated with *pro forma* OATT transmission service.<sup>12</sup> CAISO also states that, consistent with its request for waiver regarding the Version 003.3 NAESB standards, the OASIS cybersecurity requirements are inapplicable to CAISO because its market participants do not designate or un-designate resources via OASIS.<sup>13</sup> Therefore, for the foregoing reasons, CAISO requests waiver of certain newly adopted OASIS requirements in the Version 004 NAESB standards.<sup>14</sup>

<sup>&</sup>lt;sup>8</sup> *Id.* at 6.

<sup>&</sup>lt;sup>9</sup> *Id.* at 6-8.

<sup>&</sup>lt;sup>10</sup> *Id*. at 8.

<sup>&</sup>lt;sup>11</sup> *Id.* at 9 (citing *Cal. Indep. Sys. Operator Corp.*, 185 FERC ¶ 61,072 (2023)).

<sup>&</sup>lt;sup>12</sup> *Id.* at 10-12.

<sup>&</sup>lt;sup>13</sup> *Id.* at 12.

<sup>&</sup>lt;sup>14</sup> *Id.* at 13-17.

- 8. Notice of CAISO's filing was published in the *Federal Register*, 90 Fed. Reg. 27536 (June 27, 2025), with interventions and protests due on or before July 15, 2025. None was filed.
- 9. We find that the proposed revisions comply with the requirements of Order No. 676-K. Accordingly, we accept CAISO's proposed revisions, effective February 27, 2026, as to the NAESB cybersecurity standards, and August 27, 2026, as to the remaining NAESB Version 004 standards, subject to compliance. Specifically, we find that CAISO's revised tariff record complies with the directives of Order No. 676-K.
- 10. We grant CAISO's requested waivers. Specifically, we grant CAISO's requests for comprehensive renewed waivers of NAESB WEQ Business Practice Standards WEQ-002, WEQ-003, WEQ-013, and waiver of the provisions of WEQ-001, WEQ-012, and WEQ-023, consistent with prior waivers of these standards. As CAISO states in its transmittal, while some of the earlier versions of the NAESB standards have been modified in Version 004, the revised standards remain strictly focused on transmission providers that offer physical reservation transmission service, and CAISO does not offer physical reservation transmission service. CAISO states that the circumstances warranting prior Commission waiver of these standards have not changed. For these reasons, we find, for good cause shown, that CAISO has supported continued waiver of the foregoing standards.
- 11. We also grant CAISO's request for waiver of the newly-adopted OASIS requirements within the NAESB standards that are specifically identified in CAISO's transmittal for good cause shown. As CAISO explains, those requirements are based on the transmission service model embodied in the *pro forma* OATT that provides point-to-point transmission service and network transmission service, neither of which CAISO offers. 19
- 12. Finally, CAISO's revised tariff sheets include a placeholder for the citation of this order granting waiver requests. Therefore, we require CAISO to make a compliance

 $<sup>^{15}</sup>$  Id. at 9 (citing Cal. Indep. Sys. Operator Corp., 125 FERC ¶ 61,380 (2008); Cal. Indep. Sys. Operator Corp., 126 FERC ¶ 61,260 (2009)).

<sup>&</sup>lt;sup>16</sup> *Id*.

<sup>&</sup>lt;sup>17</sup> *Id*.

<sup>&</sup>lt;sup>18</sup> *Id.* at 10-18.

<sup>&</sup>lt;sup>19</sup> *Id.* at 10.

filing within 30 days of the date of issuance of this order to revise its tariff records to include the citation to this order granting the waiver requests.  $^{20}$ 

By direction of the Commission.

Carlos D. Clay, Deputy Secretary.

<sup>&</sup>lt;sup>20</sup> For this compliance filing, we remind CAISO to include a higher eTariff priority code for its revised tariff records effective February 27, 2026, and August 27, 2026.

## Appendix A

## eTariff records

California Independent System Operator Corporation, CAISO eTariff

- 7.3.3, NAESB Standards (11.0.0), effective February 27, 2026
- <u>7.3.3, NAESB Standards (12.0.0)</u>, effective August 27, 2026