

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

California Independent System Operator
Corporation

Docket No. ER21-1536-000

MOTION OF POWEREX CORP TO INTERVENE AND COMMENTS

Pursuant to Rules 212 and 214 of the Federal Energy Regulatory Commission’s (“Commission”) Rules of Practice and Procedure, 18 C.F.R. §§ 385.212, 214 (2020), Powerex Corp. (“Powerex”) hereby moves to intervene and submit comments concerning the California Independent System Operator Corp.’s (“CAISO”) proposed revisions to its tariff to implement measures to allow it to more effectively manage reliability risks in the upcoming summer.¹

**I.
COMMENTS**

CAISO’s proposals in this docket are a direct response to the heat wave that gripped a substantial portion of the western United States and Canada in mid-August 2020 and led to historic increases in electricity demand that severely challenged many of the region’s generation and transmission facilities. Multiple balancing authority areas (“BAA”) across the region experienced grid conditions not seen in more than a decade—including most notably the CAISO BAA, which,

¹ *Cal. Indep. Sys. Operator Corp.*, Tariff Amendment to Implement Summer 2021 Market Enhancements, Docket No. ER21-1536-000 (filed Mar. 26, 2021).

among other things, was forced to interrupt firm load service to customers on multiple days.

The measures that CAISO has proposed in this docket represent modest, incremental improvements over the status quo and should be approved. But it is important to recognize that none of CAISO's proposals present solutions to the key challenges facing the CAISO. More specifically, none of these measures will:

- Ensure that California load-serving entities are required to procure sufficient supply on a forward basis to ensure that CAISO can actually meet its needs for this upcoming summer;
- Impose requirements in the CAISO tariff to verify that the contracts that are counted towards meeting RA requirements represent real physical supply that has not been sold to meet the needs of other regions and can be counted upon to be delivered to the CAISO;
- Close the gaps in the existing EIM resource sufficiency test that result in the CAISO being considered resource sufficient when it is not, and otherwise allows ongoing leaning by the CAISO BAA without consequence; or
- Address the myriad price formation issues that distinguish the CAISO markets from other organized markets across the country.

To be clear, the fact that CAISO is not proposing solutions to these issues does not reflect any lack of attention or awareness on CAISO's part. Certain measures are complex, and may not have been capable of resolution in the time available. But more than that, the gaps in the CAISO's Summer 2021 enhancements reflect ongoing resistance by key stakeholders to CAISO taking the steps necessary to address the fundamental shortcomings of the existing RA program and key areas of existing CAISO market design. CAISO is to be commended for launching and leading stakeholder initiatives, providing data and analytics, and engaging in substantial outreach. But the present package of

proposals are unlikely to be sufficient to prevent similar outcomes if a heat wave occurs again this summer.

II.
CORRESPONDENCE AND COMMUNICATIONS

All correspondence and communications in this proceeding should be directed to the following persons:

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Powerex requests that the foregoing persons be placed on the official service list for this proceeding and respectfully requests waiver of Rule 203(b)(3) of the Commission's regulations, 18 C.F.R. § 385.203(b)(3), in order to permit designation of more than two persons for service in this proceeding.

III.
MOTION TO INTERVENE

A. Interest of Powerex

Powerex is a corporation organized under the *Business Corporations Act* of British Columbia, with its principal place of business at Vancouver, British Columbia, Canada. Powerex is the wholly owned power marketing subsidiary of the British Columbia Hydro and Power Authority (“BC Hydro”), a provincial Crown Corporation owned by the Government of British Columbia. Powerex sells power at wholesale in the United States, pursuant to market-based rate authority originally granted by the Commission on September 24, 1997.² Powerex sells energy and capacity from a portfolio of resources in the United States and Canada, including Canadian Entitlement resources made available under the Columbia River Treaty, BC Hydro system capability, and various other power resources acquired from other sellers within the United States and Canada. Powerex is an active participant in the CAISO day-ahead and real-time markets.

B. Motion To Intervene

As an active participant in the CAISO markets, Powerex has a direct, immediate, and substantial interest that cannot be adequately represented by any other party and will be directly affected by any Commission action in this

² See *British Columbia Power Exch. Corp.*, 80 FERC ¶ 61,343 (1997); *British Columbia Power Exch. Corp.*, Docket No. ER97-4024-012 (Sept. 12, 2000) (unpublished letter order); *Powerex Corp.*, Docket No. ER01-48-002 (Oct. 30, 2003) (unpublished letter order); *Powerex Corp.*, Docket No. ER01-48-007 (July 26, 2007) (unpublished letter order); *Powerex Corp.*, Docket No. ER01-48-018 (Oct. 29, 2010) (unpublished letter order); *Powerex Corp.*, Docket Nos. ER10-3297-003, *et al.* (Aug. 29, 2014) (unpublished letter order); *Powerex Corp.*, Docket Nos. ER17-704-000, *et al.* (Jan. 25, 2018).

proceeding. Powerex's intervention is in the public interest, and it therefore moves for leave to intervene in this proceeding.

IV.
CONCLUSION

Wherefore, for the foregoing reasons, Powerex requests the Commission issue an order consistent with the comments above.

Respectfully submitted,

/s/ Deanna E. King

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On Behalf of Powerex Corp.

April 16, 2021

CERTIFICATE OF SERVICE

Pursuant to Rule 2010 of the Commission's Rules of Practice and Procedure, I hereby certify that I have this day served a copy of the foregoing on all persons designated on the official service list compiled by the Secretary in this proceeding.

Dated at Washington, D.C. this 16th day of April, 2021.

/s/ Stephen J. Hug