

October 25, 2022

VIA ELECTRONIC FILING

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

Re: Citizens Sycamore-Penasquitos Transmission LLC
Annual Operating Cost True-Up Adjustment Informational
Filing Docket No. ER23-____-000

Dear Secretary Bose:

Citizens Sycamore-Penasquitos Transmission LLC (“Citizens Sycamore” or “CSPT”), submits for filing revisions to its California Independent System Operator (“CAISO”) Transmission Owner Tariff (“TO Tariff”), Appendix III¹, to reflect the annual operating cost true-up as required under the terms of the Citizens Sycamore Transmission filed TO Tariff.

Through this filing, Citizens Sycamore formally requests that the changes contained herein (this “Informational Filing”) become effective on January 1, 2023 (the “Effective Date”) and that any appropriate waivers be granted.

¹ In Docket ER18-1442 the Commission accepted the Citizens Sycamore TO Tariff, including Appendix III which contains the Citizens Sycamore Transmission Revenue Requirement (“TRR”) and the formulaic terms of the tariff, effective September 23, 2019. (*Citizens Sycamore-Penasquitos Transmission LLC*, 164 FERC ¶ 61,149 (2018)).

I. BACKGROUND

On September 23, 2019, Citizens Sycamore and San Diego Gas & Electric Co. (“SDG&E”) closed the Transfer Capability Lease which effectuated the Citizens Sycamore transfer capability entitlement in a portion of the Sycamore-Penasquitos Transmission Project. September 23, 2019 is also the effective date of Citizens Sycamore’s interest in the Project and the date upon which it turned over operational control of its interest to the CAISO. The Commission, in Docket ER18-1442, accepted the Citizens Sycamore TO Tariff, including Appendix III which contains the Citizens Sycamore Transmission Revenue Requirement (“TRR”) and the formulaic terms of the tariff, effective September 23, 2019.

An annual operating cost true-up is required under the terms of the Citizens Sycamore Transmission TO Tariff, as specified in Appendix III (A clean version of Appendix III is included in this filing as Attachment A; a redlined version, marked against Citizens Sycamore’s currently effective Appendix III is included as Attachment B.). The true-up procedure is specified in paragraphs four through eight of Appendix III. The true-up mechanism essentially trues up the operating cost component of the TRR to reflect the historic operating costs.

The specific mechanism to accomplish the Citizens Sycamore annual true-up is specified in paragraphs four through seven of Appendix III to the Citizens Sycamore TO Tariff. In addition, paragraph eight of appendix III specifically includes the following provision:

Citizens Sycamore-Penasquitos Transmission shall submit to FERC on or before October 31 of each year an Informational Filing showing Citizens Sycamore-Penasquitos Transmission’s Transmission Operating Cost Revenue Requirement to be in effect for the Period January 1 through December 31 of the subsequent year (the “Informational Filing”). The Informational Filing shall not subject the Formula set forth in this Appendix III to modification. The Informational Filing shall only be contestable with respect to the prudence of the Citizens Sycamore-Penasquitos Transmission costs and expenditures included for recovery, the accuracy of the data and the consistency with the Formula of the changes in data shown in the Informational Filing. In the event of a challenge to any of the costs reflected in the Transmission Operating Cost Revenue Requirement derived under this Appendix III, Citizens Sycamore-Penasquitos Transmission shall, except with respect to the

SDG&E costs and expenditures as provided in Appendix XII to the SDG&E Transmission Owner Tariff, bear the burden of demonstrating that such costs and expenditures included for recovery were prudently incurred, accurate and consistent with the Formula. Any revisions to the Transmission Revenue Requirement resulting from a FERC Order will be provided to the CAISO for its use in the calculation of the refunds due under the Transmission Access Charge methodology in accordance with the CAISO Tariff.

A portion of the operating costs are those billed by SDG&E to Citizens Sycamore for the Citizens Sycamore share of the costs of operation and maintenance of the project. Pursuant to Appendix XII to the SDG&E TO Tariff, as accepted by the Commission in Docket ER19-1513, SDG&E bills Citizens Sycamore for the Citizens Sycamore share of operating costs of the project. The SDG&E Appendix XII contains a formula by which the operating costs billed by SDG&E to Citizens Sycamore are trued-up to actual costs each year. The SDG&E Appendix XII specifies that the new trued-up amount is to be effective on January 1 of each year. The Citizens Sycamore TO Tariff Appendix III also specifies that the Citizens Sycamore revised TRR will be effective January 1 each year.

The amount for the SDG&E operating costs to be billed by SDG&E to Citizens Sycamore effective January 1, 2023 is incorporated in the true-up calculations presented in this filing. The SDG&E filing supporting the amount for the operating costs billed by SDG&E effective January 1, 2023 is to be filed approximately concurrent with this filing.

II. DESCRIPTION OF THIS FILING

This filing contains clean and redlined versions of Appendix III to the Citizens Sycamore Transmission TO Tariff, Attachments A and B, respectively, with revised TRR amounts to reflect the true-up adjustment required by the tariff. The redlined version is marked against Appendix III currently in effect. Also included are the Prepared Direct Testimony and Exhibits of David T. Helsby explaining and showing the calculations of the true-up adjustment and the revised TRR amounts. Exhibit CSP-1 is the Prepared Direct Testimony, and Exhibit CSP-2 and Exhibit CSP-3 show detailed calculations.

The Citizens Sycamore TRR to be effective January 1, 2023 is \$3,744,611, as shown on Exhibit CSP-2 and described in Exhibit CSP-1. That amount is also shown in paragraph 1 to Appendix III to the Citizens Sycamore TO Tariff, which is Attachment A in this filing in clean version, and Attachment B in redline version. The TRR in effect prior to this filing, including the TRBAA to be effective January 1, 2023 pursuant to the CSPT filing in Docket ER23-84-001, is \$3,870,681 as shown in Attachment B. Thus, the result of this filing is to decrease the CSPT TRR effective January 1, 2023 by \$126,070 or 3.3%.

III. REQUESTED EFFECTIVE DATE AND ANY NECESSARY WAIVERS

Citizens Sycamore requests an effective date for the revised Appendix III of January 1, 2023 in accordance with the specifications of the true-up procedure in Appendix III as described above.

Citizens Sycamore believes that the information contained in this filing provides a sufficient basis upon which to accept this filing. However, to the extent necessary, Citizens Sycamore further requests that the Commission waive its filing requirements contained in Part 35 of its regulations to the extent necessary in order to allow the revised Appendix III to become effective on January 1, 2023.

IV. DOCUMENTS BEING SUBMITTED WITH THIS FILING

The following listed documents are submitted with this filing:

1. Transmittal Letter
2. Appendix III to the Citizens Sycamore Transmission TO Tariff, as revised (Clean)
3. Appendix III to the Citizens Sycamore Transmission TO Tariff, as revised (Redline, marked against the Appendix III as filed in Docket ER23-84-001)
4. Prepared Direct Testimony and Exhibits of David T. Helsby
5. List of Recipients

V. SERVICE

Copies of this filing have been served on the California Independent System Operator Corporation, and the other Participating Transmission Owners as shown on the attached list of recipients.

VI. COMMUNICATIONS AND CORRESPONDENCE

Communications and correspondence with respect to this filing should be directed to:

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VII. MISCELLANEOUS

No agreement is required by contract for the filing of this rate filing. There are no costs included in this filing that have been alleged or adjudged in any administrative or judicial proceeding to be illegal, duplicative, or unnecessary costs, nor has any expense or cost been demonstrated to be the product of discriminatory or employment practices, within the meaning of Section 35.13(d)(3).

VIII. CONCLUSION

Citizens Sycamore respectfully requests that the Commission accept the revised Appendix III to the Citizens Sycamore Transmission TO Tariff reflecting the revised TRR amounts as described herein to be effective on January 1, 2023.

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Respectfully submitted,

/s/ Ashley M. Bond

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