

October 27, 2020

*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. ER21-\_\_\_\_-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 III<sup>1/</sup>, 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, 2021 (the “Effective Date”), subject to refund, and grant any appropriate waivers.

---

<sup>1/</sup> 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. (*Citizens Sycamore-Penasquitos Transmission LLC*, 164 FERC ¶ 61,149 (2018)).

## I. BACKGROUND

On September 23, 2019, the Transfer Capability Lease Agreement between Citizens Sycamore Transmission and San Diego Gas and Electric Company (“SDG&E”) closed which effectuated the Citizens Sycamore transfer capability entitlement in a portion of the Sycamore-Penasquitos Transmission Project. For the Citizens Sycamore transfer capability entitlement in the project, the effective date of operation and turnover of operational control to the CAISO was September 23, 2019. 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 Exhibit A; A redlined version, marked against Citizens Sycamore’s currently effective Appendix III is included as Exhibit 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, 2021 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, 2021 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, Exhibits 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, 2021 is \$4,656,632, 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, 2021 pursuant to the CSPT filing in Docket ER21-96-000, is \$4,115,357 as shown in Attachment B. Thus, the result of this filing is to increase the CSPT TRR effective January 1, 2021 by \$541,275, or 13.2%.

### **III. REQUESTED EFFECTIVE DATE AND ANY NECESSARY WAIVERS**

Citizens Sycamore requests an effective date for the revised Appendix III of January 1, 2021 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, 2021.

### **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 ER21-96-000)
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:

Donald R. Allen  
Ashley M. Bond  
Duncan & Allen  
1730 Rhode Island Ave, NW  
Suite 700  
Washington, D.C. 20036  
(202) 289-8400

Peter F. Smith  
Secretary and Chief Executive Officer  
Citizens Sycamore-Penasquitos  
Transmission LLC  
88 Black Falcon Ave. Suite 342  
Boston, MA 02210  
617-338-6300, X581

**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, 2021.

Respectfully submitted,

/s/ Donald R. Allen

Donald R. Allen

Ashley M. Bond

Duncan & Allen

1730 Rhode Island Ave, NW

Suite 700

Washington, D.C. 20036

(202) 289-8400

(202) 289-8450 (facsimile)

Counsel for Citizens Sycamore-  
Penasquitos Transmission

October 27, 2020

Enclosures