



Department of Energy

Washington, DC 20585

Amendment Number 2 to Order No. 202-22-1

On September 2, 2022, because of a shortage of currently operational electric generating facilities, high demand for electricity, and other adverse conditions resulting from the extreme heat event in California, I issued Order No. 202-22-1. Order No. 202-22-1 authorizes the California Independent System Operator Corporation (CAISO), to direct the operation of the Covered Resources identified in Order No. 202-22-1 and on the terms set forth therein. On September 7, 2022, because of the continuing shortage of electric energy and the need for continued operation of the two units at Calpine's Greenleaf Unit 1 site in Yuba City, California (Greenleaf Units), I issued Amendment No. 1 to Order No. 202-22-1. Amendment No. 1 to Order No. 202-22-1 added the Greenleaf Units as Covered Resources subject to the terms of Order No. 202-22-1, except that the Greenleaf Units may be operated through September 9, 2022. By its terms, Order No. 202-22-1 as amended by Amendment No. 1 expires at the end of the day on September 8, 2022 with respect to the Covered Resources other than the Greenleaf Units, and at the end of the day on September 9, 2022 with respect to the Greenleaf Units. Order No. 202-22-1 as amended by Amendment No. 1 is sometimes referred to herein as Amended Order No. 202-22-1.

On September 7, 2022, CAISO submitted a *Request for Extension of Emergency Order Pursuant to Section 202(c) of the Federal Power Act* (Renewal Application) to the Department. In its Renewal Application, CAISO requests an extension of the expiration date of Order No. 202-22-1 through September 12, 2022.

Emergency Situation

In its Renewal Application, CAISO states that California is experiencing extreme heat, which the CAISO forecasts to continue through at least September 9, 2022. Further, CAISO explains that unpredictable conditions could exacerbate grid reliability issues at any time. The threat of wildfire to the reliable operation of the bulk power system remains significant, and drought conditions are affecting the availability of hydroelectric power. Ambient conditions facing generating facilities are causing de-rates at some units and forcing other units offline. Wildfire threats arising from the extreme heat event are unpredictable and could force transmission and resources out of service. Consequently, the CAISO believes it prudent to ask that the expiration date of Order No. 202-22-1 be extended through September 12, 2022.

Consultation

In considering renewal or reissuance of an order under FPA section 202(c) that may conflict with an environmental law or regulation, DOE is required to "consult with the primary Federal agency with expertise in the environmental interest protected by such law or regulation" and to include "conditions as such Federal agency determines necessary . . . to the extent practicable." 16 U.S.C. § 824a(c)(4). The Environmental

Protection Agency (EPA) is the primary federal agency in this case with expertise in the protected environmental interest, specifically Title V of the Clean Air Act and the Department consulted with EPA after receiving the Renewal Application and EPA did not request any additional conditions be included in this Order. Email from Acting Assistant Administrator Larry Starfield, EPA Office of Enforcement and Compliance Assurance to Kathleen Hogan, Acting Under Secretary for Infrastructure for DOE, September 7, 2022.

Based on the information submitted to the Department, I have determined that an emergency continues to exist in California due to a shortage of electric energy. I find that the issuance of this Order will help to meet the emergency conditions and serve the public interest as required by FPA section 202(c).

ORDER

For the reasons set forth above, pursuant to Section 202(c) of the FPA, I hereby grant CAISO's Renewal Application and issue this Order to extend the expiration date of Amended Order No. 202-22-1 through September 12, 2022.

1. In accordance with the foregoing, (a) the date September 8, 2022 where it appears in Ordering Paragraphs A, D, and H of Order No. 202-22-1 is hereby replaced by the date September 12, 2022, and (b) the date September 9, 2022 where it appears in the Ordering Paragraph of Amendment No. 1 to Order No. 202-22-1 is hereby replaced by the date September 12, 2022.
2. All other terms of Amended Order No. 202-22-1 remain the same and in effect, including Ordering Paragraphs A-H, except as modified herein.
3. This Amendment Number 2 to Order No. 202-22-1 shall be effective upon its issuance and shall expire at 23:59 Pacific Time on September 12, 2022.

Issued in Washington, D.C. at 15:52 Eastern Time on this 8th day of September, 2022.



Kathleen Hogan
Acting Under Secretary for
Infrastructure