



Department of Energy

Washington, DC 20585

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

On September 4, 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. 202-22-2. Order No. 202-22-2 authorized the Balancing Authority of Northern California (BANC) to direct the identified electric generating resource (Covered Resources) to operate in BANC's Balancing Authority Area (BAA), under specified conditions, to prevent or mitigate potential power disruptions and provide relief to the bulk power system during stressed grid conditions caused by extreme heat until September 8, 2022. Order No. 202-22-2 expires at the end of the day on September 8, 2022, by its own terms.

On September 7, 2022, BANC submitted a *Request for Extension and Limited Amendment of Emergency Order Pursuant to Section 202(c) of the Federal Power Act* (Renewal Application) to the Department. In its Renewal Application, BANC requests an extension of Order 202-22-1 through September 11, 2022 and certain modifications to the run time hour limitations contained in Order No. 202-22-2. On September 8, 2022, BANC filed a Revised Request for *Request for Extension and Limited Amendment of Emergency Order Pursuant to Section 202(c) of the Federal Power Act* in response to questions from DOE.

Emergency Situation

In its Renewal Application, BANC states that "the actual heat event has been more severe and records loads have been experienced." The emergency conditions brought about by the ongoing extreme heat event in California have continued and worsened and the supply of electricity is at increased risk for meeting system demand. As stated in its Renewal Application, BANC established a new record peak of approximately 4943 MW on September 6. BANC entered into an EEA-2 as of 1330 hours that same day. During this period BANC had forced outages of significant generation but was able to return units to service in approximately 90 minutes. It is believed that BANC members Roseville and Modesto exceeded their all-time peaks. Consequently, BANC requests the expiration date of Order No. 202-22-2 be extended through September 11, 2022.

In addition to the extension of Order No. 202-22-2, BANC has requested that the Order be modified to remove the 2 PM to 10 PM run time limitation so as to allow additional operational flexibility. BANC specifically requests that the Covered Resource be allowed to run during anytime that they have received notice of an Energy Emergency Alert Level 2 (EEA2) condition or greater. The practical impact of this will be to allow the Covered Resource more notice to follow their protocols for ramping up their diesel-fired generator units. In addition, BANC has requested the ramp down of the Covered Resource could extend beyond the period in which the EEA 2 condition exists. Specifically, the ramp down would commence at the time the EEA 2 condition is declared ended and should be completed as soon as possible consistent with good utility and operational

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 BANC’s Renewal Application and issue this Order, with modifications as explained below, to extend the expiration date of Order No. 202-22-2 through September 11, 2022.

1. Ordering Paragraph A appearing on page 4 of Order No. 202-22-2 is hereby deleted and replaced in its entirety by the following:
 - A. From September 8, 2022, to September 11, 2022, in the event that BANC determines that generation from the Covered Resource is necessary to preserve the reliability of the bulk electric power system in California, I direct BANC to dispatch such unit or units and to order their operation solely under the following conditions: the notification of an Energy Emergency Alert Level 2¹ condition or greater after exhausting all reasonably and practically available resources, together with such reasonable and limited time as is necessary for a Covered Resource to ramp down following an Energy Emergency Alert Level 2 or greater, consistent with good utility practice as directed by the BANC with the goal of limited operation outside of an Energy Emergency Alert Level 2 or greater to the greatest extent possible.

¹ For the purposes of this Order, “Energy Emergency Alert Level 2” has the meaning set forth in Section 3.6.3 of the California ISO System Emergency Operating Procedure, Procedure No. 4420, Version 14.0, Effective Date May 1, 2022 (CAISO Emergency Operating Procedure).

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2. The date September 8, 2022 where it appears in Ordering Paragraphs D and H of Order No. 202-22-2 is hereby replaced by the date September 11, 2022.
3. All other terms of Order No. 202-22-2 remain the same and in effect, including Ordering Paragraphs A-H, except as modified herein.
4. This Amendment Number 1 to Order No. 202-22-2 shall be effective upon its issuance, and shall expire at 23:59 Pacific Time on September 11, 2022.

Issued in Washington, D.C. at 16:38 Eastern Time on this 8th day of September, 2022.



Kathleen Hogan
Acting Under Secretary for
Infrastructure