



December 29, 2023

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

**Re: GridLiance West LLC, Docket No., ER24- -000  
Transmission Revenue Balancing Account Adjustment 2024 Annual Update**

Dear Secretary Bose:

Pursuant to section 205 of the Federal Power Act (FPA) and Part 35 of the Federal Energy Regulatory Commission's ("FERC" or the "Commission") regulations, GridLiance West LLC ("GridLiance West") submits for filing revisions to Appendix I of its Transmission Owner Tariff ("TO Tariff") to reflect the 2024 Annual Update of its Transmission Revenue Balancing Account Adjustment ("TRBAA"). The TRBAA is used by the California Independent System Operator Corporation ("CAISO") in calculating its Transmission Access Charges ("TAC") for the 2023 Rate Year. GridLiance West requests any necessary waivers by the Commission to allow this filing to become effective as of January 1, 2024.

## **I. BACKGROUND**

The TRBAA is a ratemaking mechanism set forth in Section 5.5 of the GridLiance West Tariff that ensures each participating transmission owner ("TO") that all transmission revenue credits ("TRCs") and adjustments for any over- or under-recovery of its annual TRR, specified in Sections 6 and 8 of Appendix F, Schedule 3 of the CAISO Tariff, flow through to transmission customers.<sup>1</sup>

The TRBAA is provided to the CAISO along with GridLiance West's TRR to develop appropriate charges under the CAISO Tariff. The TRBAA is recalculated annually consistent with the CAISO Tariff. Appendix F, Schedule 3, Section 8.1 of the CAISO Tariff provides that the revised TRBAA shall be effective January 1 of each year based on the balance in the Transmission Revenue Balancing Account ("TRBA") as of September 30 of the prior year and a forecast of the TRCs for the next year.

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<sup>1</sup> See GridLiance West TO Tariff, Section 5.5.

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## II. TRBAA ANNUAL UPDATE

As documented in the Prepared Direct Testimony of Stephanie Castaneda (attached hereto as Exhibit No. GLW-001) and the supporting workpapers, GridLiance West's revised High Voltage TRBAA for 2024 is (\$4,343,840). GridLiance West's Base TRR is determined pursuant to its formula rate in Appendix III of its TO Tariff, which is updated annually and posted to GridLiance West's corporate website. The TRBAA is the sum of the balance existing in the TRBA as of September 30, 2023, a good faith estimate of the TRCs that GridLiance West will receive during 2024, as well as interest associated with the current balance, calculated pursuant to the Commission's regulations and the CAISO Tariff.

## III. CONTENTS OF FILING

In support of this filing, GridLiance West has attached the following documents:

- Attachment A: Clean and redlines copies of GridLiance West's revised Appendix I to its TO Tariff;
- Exhibit No. GLW-001: Prepared Direct Testimony of Stephanie Castaneda
- Exhibit No. GLW-002: Calculation of the TRBAA Balance for 2023
- Exhibit No. GLW-003: Overview of TRBAA for 2024
- Exhibit No. GLW-004: Calculation of Projected Transmission Revenue Credits for 2024.

## IV. EFFECTIVE DATE

To the extent required, GridLiance West requests a waiver of the sixty (60) day notice requirement, and any other waivers, as necessary to allow the TRBAA to become effective January 1, 2024. Granting this waiver is appropriate because the currently effective GridLiance West TO Tariff and CAISO Tariff specify that GridLiance West will update its TRBAA effective January 1 of each year. Accordingly, a waiver is consistent with Commission policy.<sup>2</sup>

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<sup>2</sup> See *Cent. Hudson Gas & Elec. Corp.*, 60 FERC ¶ 61,106, *reh'g denied*, 61 FERC ¶ 61,089 (1992); see also *San Diego Gas & Elec. Co.*, 122 FERC ¶ 61,230 (2008) (granting waiver of prior notice requirements for San Diego Gas & Electric Company's 2008 TRBAA revision); *City of Vernon, Cal.*, Letter Order, Docket No. EL09-15 (2009) (granting waiver of prior notice requirements for City of Vernon's 2009 TRBAA revision).

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## V. COMMUNICATIONS

GridLiance West requests that all correspondences and communications with respect to this filing be sent to the following:

Kelsey Bagot  
Senior Attorney  
NextEra Energy, Inc.  
801 Pennsylvania Ave, NW – Suite 220  
Washington, DC 20004  
(202) 349-3349  
[kelsey.bagot@nexteraenergy.com](mailto:kelsey.bagot@nexteraenergy.com)

## VI. CONCLUSION

GridLiance West respectfully requests that the Commission accept the revised TRBAA to be effective January 1, 2024.

Respectfully submitted,

/s/ Kelsey Bagot  
Kelsey Bagot  
Senior Attorney  
NextEra Energy, Inc.  
801 Pennsylvania Ave., NW – Suite 220  
Washington, DC 20004  
(202) 349-3349  
[kelsey.bagot@nexteraenergy.com](mailto:kelsey.bagot@nexteraenergy.com)

*Counsel for GridLiance West*

## APPENDIX I

### Transmission Revenue Requirement and TRBAA

1. The GridLiance West Base Transmission Revenue Requirement shall be determined pursuant to the formula rate in Appendix III of this TO Tariff.
2. The TRBAA is (\$~~4,343,840~~~~15,232,447~~) for the twelve-month period effective January 1, 202~~4~~<sup>3</sup>,  
as computed in accordance with Section 5.5 of this TO Tariff and the ISO Tariff.
3. All of GridLiance West's facilities and Entitlements placed under the ISO's Operational Control are related to High Voltage Facilities as defined in the ISO Tariff.
4. The TRBAA will be recalculated annually consistent with the ISO Tariff, approved by the FERC and provided to the ISO.

## **APPENDIX I**

### **Transmission Revenue Requirement and TRBAA**

1. The GridLiance West Base Transmission Revenue Requirement shall be determined pursuant to the formula rate in Appendix III of this TO Tariff.
  2. The TRBAA is (\$4,343,840) for the twelve-month period effective January 1, 2024, as computed in accordance with Section 5.5 of this TO Tariff and the ISO Tariff.
  3. All of GridLiance West's facilities and Entitlements placed under the ISO's Operational Control are related to High Voltage Facilities as defined in the ISO Tariff.
  4. The TRBAA will be recalculated annually consistent with the ISO Tariff, approved by the FERC and provided to the ISO.
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**UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION**

**GridLiance West LLC**

**Docket No. ER24-\_\_\_\_-000**

**Prepared Direct Testimony of Stephanie Castaneda  
on Behalf of  
GridLiance West LLC**

**I.     INTRODUCTION**

**Q     PLEASE STATE YOUR NAME, TITLE, AND BUSINESS ADDRESS.**

A     My name is Stephanie Castaneda, Executive Director of Finance of GridLiance Holdco, LLC (GridLiance), which wholly owns GridLiance West LLC (GridLiance West), the filing entity in this proceeding. I am employed by NextEra Energy Transmission that employs the executives and staff that work on behalf of GridLiance West and its other affiliates. My business address is 700 Universe Boulevard, Juno Beach, Florida, 33408.

**Q     PLEASE SUMMARIZE YOUR PROFESSIONAL EXPERIENCE.**

I graduated from Florida Atlantic University in 2003 with a Bachelor of Arts in Accounting and earned a Master of Business degree from Florida Atlantic University in 2012. Beginning in 2002, I was employed by McGladrey & Pullen, LLP as an external auditor and joined NextEra Energy in 2007. During my tenure at NextEra Energy, I have held various business management, accounting, and regulatory positions. I am a Certified Public Accountant licensed in the State of Florida.

**Q     WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?**

1       A       The purpose of my Prepared Direct Testimony is to support the calculation of  
2               GridLiance West's TRBAA for its high voltage transmission assets turned over to the  
3               operational control of the California Independent System Operator Corporation  
4               (CAISO). CAISO Participating Transmission Owners (PTO) are required to file a  
5               TRBAA annually with the FERC. Under the CAISO Tariff, the TRBAA must be filed  
6               to become effective on January 1, 2024.

7       **Q       ARE YOU SPONSORING ANY EXHIBITS IN SUPPORT OF YOUR DIRECT**  
8               **TESTIMONY?**

9       A       Yes. In addition to my Prepared Direct Testimony, I am sponsoring Exhibit Nos.  
10              GLW-002 (Calculation of the TRBAA Balance for 2023), GLW-003 (Overview of the  
11              TRBAA for 2024), and GLW-004 (Calculation of Projected Transmission Revenue  
12              Credits for 2024).

13       **II.       BACKGROUND**

14       **Q       WHAT IS THE TRBAA?**

15       A       As described in GridLiance West's Transmission Owner Tariff (TO Tariff), section  
16              5.5, the TRBAA is designed to ensure that "all Transmission Revenue Credits and  
17              adjustments for any over-or under-recovery of its annual Transmission Revenue  
18              Requirement . . . flow through to transmission customers." In other words, the TRBAA  
19              was designed to ensure that each PTO recovers no more and no less than the FERC-  
20              approved Transmission Revenue Requirement (TRR) for each year.

21       **Q       PLEASE DESCRIBE THE TRANSMISSION REVENUE CREDIT**  
22               **COMPONENT OF THE TRBAA.**

23       A       Section 3.89 of GridLiance West's TO Tariff defines a Transmission Revenue Credit  
24              (TRC) as "[t]he proceeds received from the ISO (other than for the recovery of the

1 Participating TO's High Voltage and Low Voltage Transmission Revenue  
2 Requirement through the High Voltage and Low Voltage Transmission Access  
3 Charges) and charges imposed by the ISO that are received and paid by the  
4 Participating TO in its role as Participating TO." Functionally, this definition  
5 includes any wheeling revenues that were received by GridLiance West from the  
6 CAISO in addition to the recovery of its High Voltage TRR through the Transmission  
7 Access Charge (TAC). By adjusting its TRR through the use of TRCs, GridLiance  
8 West can ensure that it does not over-recover its High Voltage TRR when it receives  
9 wheeling revenues in addition to revenues associated with its High Voltage TRR.

10 **Q PLEASE DESCRIBE THE OVER- OR UNDER-RECOVERY COMPONENT**  
11 **OF THE TRBAA.**

12 **A** Under the CAISO Tariff, a PTO recovers its High Voltage TRR through TAC  
13 payments that represent a utility's actual gross load multiplied by its utility-specific  
14 TAC rate. However, the actual gross load experienced during a given year is unlikely  
15 to align precisely with the gross load estimate used to determine rates in the TO Tariff  
16 of the CAISO participant. This results in an over- or under-collection by each PTO  
17 each year that must be trued-up.

18 **Q HOW DOES THE TRBAA MECHANISM OPERATE?**

19 **A** PTOs are required to file an annual TRBAA with an effective date of January 1 that  
20 reconciles any difference between their projected TRCs and their actual TRCs, and  
21 that captures any over- or under-collection of the TRR during the past year, plus  
22 interest. In addition, the TRBAA establishes a good faith projection of the PTO's



TRCs for the following calendar year. Under its TO Tariff, GridLiance West's TRBAA is calculated in accordance with the CAISO Tariff, as set forth below:

The TRBAA shall be equal to:

$$\text{TRBAA} = \text{Cr} + \text{Cf} + \text{I}$$

Where:

Cr = The principal balance in the Transmission Revenue Balancing Account ("TRBA") recorded in FERC Account No. 254 as of September 30 of the year prior to commencement of the January billing cycle. This balance represents the unamortized balance in the TRBA from the previous period and the difference in the amount of revenues or expenditures from Transmission Revenue Credits and any over- or under-recovery of its annual Transmission Revenue Requirement and the amount of such revenues or expenditures that has been refunded to or collected from customers through operation of the TRBAA;

Cf = The forecast of Transmission Revenue Credits, if any, for the following calendar year; and

I = The interest balance for the TRBA, which shall be calculated using the interest rate pursuant to Section 35.19(a) of FERC's regulations under the Federal Power Act (18 CFR Section 35.19(a)). Interest shall be calculated based on the average TRBA principal balance each month, compounded quarterly.

GridLiance West TO Tariff § 5.5.

**Q HOW DOES THE TRBAA FACTOR INTO GRIDLIANCE WEST'S TRR?**

A As described above, GridLiance West is required to calculate the TRBAA based on the twelve-month period ending September 30 each year to incorporate TRCs and adjustments for any over- or under-recovery of its TRR. As set forth in Appendix I of TO Tariff, the TRR for GridLiance West is the sum of the Base Transmission Revenue Requirement ("Base TRR") and the TRBAA. The Base TRR is determined pursuant to the Commission-approved formula rate in Appendix III of the TO Tariff, which is updated annually and posted to GridLiance West's website.

1       **Q       IS THE CURRENT TRBAA CALCULATED IN THE SAME MANNER AS**  
2       **PRIOR YEARS?**

3       A       Yes. The TRBAA is calculated in the same manner as the TRBAA for the 2023 Rate  
4       Year that was filed by GridLiance West on October 29, 2022 in Docket No. ER22-  
5       287-000.

6       **III.    CALCULATION OF THE TRBAA**

7       **Q       PLEASE DESCRIBE THE CALCULATION OF THE TRBAA FOR**  
8       **GRIDLIANE WEST, TO BE EFFECTIVE JANUARY 1, 2024.**

9       Exhibit No. GLW-002 calculates the TRBA closing balance for September 30, 2023  
10      (the “Cr” component in the TRBAA calculation of GridLiance West’s TO Tariff). The  
11      opening balance for this period is a negative \$9,027,980. As shown on Exhibit No.  
12      GLW-002, the High Voltage TRBA for the months of October 2022 through September  
13      2023 results in a TRBA balance of \$6,062,008 on September 30, 2023, including  
14      interest calculated pursuant to the TO Tariff. .

15      Exhibit No. GLW-003 is a summary of the elements of the High Voltage TRBAA.  
16      Following the “Cr + Cf + I” formula set forth in GridLiance West’s TO Tariff, the  
17      September 30, 2023 balance of \$6,062,008 is combined with negative \$10,405,848  
18      for the 2024 TRC projection to produce a High Voltage TRBAA of negative  
19      \$4,343,840.

20      **Q       HOW DID YOU TREAT TRCS FOR THE PURPOSE OF DETERMINING**  
21      **THE TRBAA TO BE EFFECTIVE JANUARY 1, 2024?**

22      A       GridLiance West projected its 2024 TRCs using the average monthly level of  
23      wheeling-related TRCs that GridLiance West received during the 2022 to 2023  
24      TRBA period. Exhibit No. GLW-004 shows the calculation of the projected TRCs for

1 2024. This good faith effort to project TRCs has been accepted by the FERC in prior  
2 TRBAA filings.

3 **Q DID GRIDLIANCE WEST RECEIVE ANY FORFEITED FUNDS OR**  
4 **PENALTY PAYMENTS FROM CAISO DURING THE HISTORICAL**  
5 **PERIOD COVERED BY THIS FILING?**

6 A GridLiance West did not receive forfeited funds or penalty payments from CAISO  
7 during the period covered by this filing.

8 **Q WHAT IS THE TRBAA FOR GRIDLIANCE WEST THAT IS PROPOSED TO**  
9 **BECOME EFFECTIVE JANUARY 1, 2024?**

10 A As noted above, the revised TRBAA proposed to become effective January 1, 2024 is  
11 negative \$4,343,840. As shown in the redlined tariff sheets included in this filing,  
12 this TRBAA value effective January 1, 2024 would replace the TRBAA value of  
13 negative \$15,232,447 currently in effect for 2023.

14 **Q DOES THIS CONCLUDED YOUR PREPARED DIRECT TESTIMONY?**

15 A Yes.

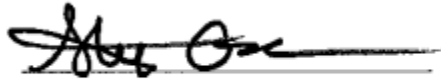
**UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION**

**GridLiance West LLC**

**Docket No. ER24-\_\_\_\_-000**

**VERIFICATION**

Pursuant to 18 C.F.R. § 385.2005(b)(3), I attest that I have read and know the contents of the foregoing Direct Testimony and the exhibits annexed thereto; that they were prepared by me or under my direct supervisions; and that the answers contained therein are true and correct to the best of my knowledge, information, and belief.

A handwritten signature in black ink, appearing to read 'Stephanie Castaneda', written over a horizontal line.

**Stephanie Castaneda**

Dated: December 27, 2023

Exhibit GLW-002

GLW TRBAA Calculation

Line No.	Invoice Year / Calendar Year	2022	2022	2022	2023	2023	2023	2023	2023	2023	2023	2023	2023	
	Invoice Month / Calendar Month	October	November	December	January	February	March	April	May	June	July	August	September	
	Trade Month	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	
1	In Service Days for Trade Month	30	31	30	31	31	28	31	30	31	30	31	31	
2	Annual Base TRR	34,407,725	34,407,725	34,407,725	45,069,559	45,069,559	45,069,559	45,069,559	45,069,559	45,069,559	45,069,559	45,069,559	45,069,559	
<b>TRBA Calculation</b>														
3	Prorated Base TRR													42,411,403
4	Actual TAC Payments - Initial for Trade Month	Line 2 * Line 1/Days in Year	2,828,032	2,922,300	2,828,032	3,827,826	3,827,826	3,457,391	3,827,826	3,704,347	3,827,826	3,704,347	3,827,826	17,323,038
5	Actual TAC Payments - Refunds & Adjustments	From CAISO Invoices	3,442,321	2,891,177	1,867,949	248,400	956,202	1,684,077	2,148,836	328,580	264,202	197,995	1,402,672	1,890,625
	GI Forfeited Refund		(31)	(959)	(865)	(788)	(676)	(512,777)	(143)	-	(18)	(300)	(238)	(75)
6	Actual Wheeling Payments - Initial for Trade Month		-	-	(3)	-	17	-	-	-	-	-	-	5,150
7	Actual Wheeling Payments - Refunds and Adjustments	From CAISO payments to us	1,015,514	453,782	337,810	417,866	2,979	173,058	440,712	513,857	297,681	1,207,318	2,932,213	2,242,412
8	Net Payments After Refunds	From CAISO payments to us	-	-	-	-	370,647	-	-	-	-	-	-	-
9	(Over) Under Collection	Lines 4 + 5 + 6 + 7	4,457,804	3,344,000	2,204,891	665,477	1,329,169	1,344,358	2,589,405	842,437	561,865	1,405,014	4,334,647	4,138,112
		Line 3 less Line 8	(1,629,772)	(421,700)	623,141	3,162,348	2,498,656	2,113,033	1,238,420	2,861,910	3,265,960	2,299,334	(506,822)	(310,287)
<b>TRBA Monthly Balance</b>														
10	Beginning TRBA Balance	Line 13, Previous Month	(9,027,980)	(10,657,752)	(11,079,452)	(10,456,311)	(7,424,002)	(4,925,346)	(2,812,313)	(1,672,700)	1,189,210	4,455,171	6,756,551	6,249,730
11	(Over) Under Collection	Line 9	(1,629,772)	(421,700)	623,141	3,162,348	2,498,656	2,113,033	1,238,420	2,861,910	3,265,960	2,299,334	(506,822)	(310,287)
12	Interest	Line 19, Quarter End				(130,040)			(98,807)			2,047		
13	Ending TRBA Balance	Sum (Lines 10, 11, & 12)	(10,657,752)	(11,079,452)	(10,456,311)	(7,424,002)	(4,925,346)	(2,812,313)	(1,672,700)	1,189,210	4,455,171	6,756,551	6,249,730	5,939,443
14	Last Quarter Interest	Line 19, September Column												122,565
15	Ending Balance - TRBAA	Line 13 + Line 14, Total Column												6,062,008
<b>Interest Calculation</b>														
16	Interest Rate	Note 1	.0042	.0040	.0042	.0054	.0048	.0054	.0062	.0064	.0062	.0068	.0068	.0066
17	Average Balance	(Line 10 + Line 13)/2	(9,842,866)	(10,868,602)	(10,767,881)	(8,940,156)	(6,174,674)	(3,868,830)	(2,242,507)	(241,745)	2,822,191	5,605,861	6,503,141	6,094,586
18	Interest	Line 16 * Line 17	(41,340)	(43,474)	(45,225)	(48,277)	(29,638)	(20,892)	(13,904)	(1,547)	17,498	38,120	44,221	40,224
19	Quarterly Compounding				(130,040)			(98,807)			2,047			122,565
Note 1	FERC Interest Rates <sup>1</sup>													
	Annual Rate	4.91%	4.91%	4.91%	6.31%	6.31%	6.31%	7.50%	7.50%	7.50%	8.02%	8.02%	8.02%	
	Days in Invoice / Calendar Month	31	30	31	31	28	31	30	31	30	31	31	30	

<sup>1</sup> Source: <https://ferc.gov/enforcement-legal/enforcement/interest-calculation-rates-and-methodology>  
<sup>2</sup> Includes Generator Interconnection Process Forfeited Deposit Allocation

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**TRANSMISSION REVENUE  
BALANCING ACCOUNT ADJUSTMENT  
OVERVIEW  
CALENDAR YEAR 2023**

Prepared by  
GridLiance West LLC

DESCRIPTION	TOTAL	REFERENCE
TRBA Balance 9/30/2023	\$6,062,008	GLW-002
Transmission Revenue Credit Forecast 2024	(\$10,405,848)	GLW-004
TRBA Adjustment 2024	(\$4,343,840)	TO Tariff Appendix I

### Transmission Revenue Credit Forecast 2024

[illegible]

FERC rendition of the electronically filed tariff records in Docket No. ER24-00780-000

Filing Data:

CID: C005519

Filing Title: Annual TRBAA Filing 2024

Company Filing Identifier: 2547

Type of Filing Code: 10

Associated Filing Identifier:

Tariff Title: GridLiance Formula Rate Template Initial Filing

Tariff ID: 33

Payment Confirmation:

Suspension Motion: Y

Tariff Record Data:

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Appendix I, TRR and TRBAA, 9.0.0, A

Record Narrative Name:

Tariff Record ID: 56

Tariff Record Collation Value: 1800 Tariff Record Parent Identifier: 0

Proposed Date: 2024-01-01

Priority Order: 520

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier:

## **APPENDIX I**

### **Transmission Revenue Requirement and TRBAA**

1. The GridLiance West Base Transmission Revenue Requirement shall be determined pursuant to the formula rate in Appendix III of this TO Tariff.
2. The TRBAA is (\$4,343,840) for the twelve-month period effective January 1, 2024, as computed in accordance with Section 5.5 of this TO Tariff and the ISO Tariff.
3. All of GridLiance West's facilities and Entitlements placed under the ISO's Operational Control are related to High Voltage Facilities as defined in the ISO Tariff.
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Document Content(s)

GLW 2024 Transmittal.pdf.....1

GLW-Redline Appendix I.pdf.....4

GLW-Clean Appendix 1.pdf.....5

GLW-001 Testimony.pdf.....6

GLW-002.pdf.....13

GLW-003.pdf.....14

GLW-004.pdf.....15

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