

*Sample Black Start Agreement
June 15, 2017*

BLACK START AGREEMENT

XX.

(As the Black Start Generator)

AND

XX

(As a Participating Transmission Owner)

AND

**CALIFORNIA INDEPENDENT SYSTEM OPERATOR
CORPORATION**

DATED: _____

BLACK START AGREEMENT

THIS BLACK START AGREEMENT (“Agreement”) is dated this ___ day of _____, 20XX and is entered into, by and among:

- 1) XX with its principal place of business located at XX(the “Black Start Generator”);
- 2) **XX**, a California corporation, with its principal place of business located at XX(the “Participating Transmission Owner” or “PTO”); and
- 3) **California Independent System Operator Corporation**, a California nonprofit public benefit Corporation with its principal place of business located at 250 Outcropping Way, Folsom, California 95630 (“the CAISO”).

The Black Start Generator, the PTO, the CAISO are hereinafter referred to as the “Parties”.

Whereas:

- A. The CAISO exercises Operational Control over the CAISO Controlled Grid;
- B. The Participating TO owns, operates, and maintains the Participating Transmission System;
- C. The Black Start Generator intends to provide Black Start Service;
- D. The CAISO and the PTO intend to include the Black Start Generating Units in their grid restoration plan following execution of this Agreement and obtain Black Start Service from the Black Start Generating Units for system restoration ;
- E. The CAISO and Black Start Generator are Parties to that certain Participating Generator Agreement dated _____, as amended;
- F. The Black Start Generator has proposed rates for the capability to provide Black Start Service, the CAISO desires to procure Black Start Service at these rates, and the Parties believe that these terms and conditions are appropriate for the provision of Black Start Service.
- G. This Agreement sets out the obligations for Black Start Service which the Black Start Generator has agreed to provide to the CAISO and PTO.

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- H. The Parties are entering into this Agreement in order to establish the terms and conditions on which the CAISO, the PTO and the Black Start Generator will discharge their respective duties and responsibilities under the CAISO Tariff.

NOW THEREFORE, in consideration of the mutual covenants set forth herein, THE PARTIES AGREE as follows:

ARTICLE I
DEFINITIONS AND INTERPRETATION

1.1 Master Definitions Supplement. Except as set forth in Section 1.2, the terms and expressions used in this Agreement shall have the same meaning as those contained in the Master Definitions Supplement, Appendix A to the CAISO Tariff.

1.2 Special Definitions for this Agreement. In this Agreement, the following words and expressions shall have the meanings set forth below:

“Black Start Generating Unit” means the Generating Unit which has been designated as a Black Start Generating Unit under a system restoration plan for the PTO or CAISO and providing Black Start Service under this Agreement. Operating details of which unit are contained in Schedule 2.

“Black Start Service” means the capability to provide Energy during a Black Start event.

“Commencement Date” means the date upon which the Black Start Generating Unit successfully completes a Performance Test, no later than ____ XX, 20XX.

“Expiry Date” shall be the date specified in Section 2.1, as extended from time to time

“Party” means a party to this Agreement.

“Performance Test” means any of the performance tests for demonstrating the capability to provide Black Start Service which the CAISO or the PTO may periodically undertake in accordance with the CAISO and the PTO Operating Procedures for Black Start testing.

“Reasonable Efforts” shall mean with respect to an action required to be taken by a Party under this Agreement, efforts that are timely and consistent with Good Utility Practice and are otherwise

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substantially equivalent to those a Party would use to protect its own interest.

1.3 Rules of Interpretation. The following rules of interpretation and conventions shall apply to this Agreement:

- (a) if there is any inconsistency between this Agreement and the CAISO Tariff, the CAISO Tariff will prevail to the extent of the inconsistency except this Agreement will prevail to the extent of any inconsistencies with the CAISO Tariff with regard to definitions of terms in Section 1.2;
- (b) the singular shall include the plural and vice versa;
- (c) the masculine shall include the feminine and neutral and vice versa;
- (d) “includes” or “including” shall mean “including without limitation”;
- (e) references to a Section, Article or Schedule shall mean a Section, Article or Schedule of this Agreement, as the case may be, unless the context otherwise requires;
- (f) a reference to a given agreement or instrument shall be a reference to that agreement or instrument as modified, amended, supplemented or restated through the date as of which such reference is made;
- (g) unless the context otherwise requires, references to any law shall be deemed references to such law as it may be amended, replaced or restated from time to time;
- (h) unless the context otherwise requires, any reference to a “person” includes any individual, partnership, firm, company, corporation, joint venture, trust, association, organization or other entity, in each case whether or not having separate legal personality;
- (i) unless the context otherwise requires, any reference to a Party includes a reference to its permitted successors and assigns;
- (j) any reference to a day, week, month or year is to a calendar day, week, month or year; and
- (k) the captions and headings in this Agreement are inserted solely to facilitate reference and shall have no bearing upon the interpretation of any of the terms and conditions of this Agreement.

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ARTICLE II
TERM AND TERMINATION

- 2.1 Effective Date.** This Agreement shall be effective the date it is permitted to become effective by the FERC, and shall, subject to Section 2.2, remain in full force and effect through XX, 20XX or the date the Agreement has been extended to (“Expiry Date”). The CAISO may at its sole option, upon giving at least ninety (90) calendar days written notice prior to the Expiry Date, extend the term of this Agreement for a new term not to exceed five (5) years. Such extension shall not limit or affect in any way the rights of either Party to terminate this Agreement in accordance with Section 2.3.
- 2.2 Extension.** In the event that the CAISO extends the term of this Agreement under Section 2.1, the CAISO, PTO and the Black Start Generator shall negotiate in good faith modifications to this Agreement.
- 2.3 Termination**
- 2.3.1 Termination by CAISO and PTO due to Default under this Agreement.** The CAISO and PTO may terminate this Agreement by giving written notice of termination in the event that the Black Start Generator commits any default under this Agreement and/or the CAISO Tariff which, if capable of being remedied, is not remedied within thirty (30) calendar days after the CAISO has given it written notice of the default, unless excused by reason of Uncontrollable Force in accordance with Section 14 of the CAISO Tariff. With respect to any notice of termination given pursuant to this Section, the Black Start Generator will file and the CAISO and PTO will support a timely notice of termination with the FERC. This Agreement shall terminate upon acceptance by the FERC of such a notice of termination. Termination of this Agreement pursuant to this Section 2.3.1 shall be without prejudice to the right of any Party to collect any amounts due to it prior to the time of termination. If the CAISO and PTO terminate this Agreement as to any Black Start Unit(s) due to the Black Start Generator’s default, the Black Start Generator will not have the right to seek recovery of unamortized costs outlined in Section 3.2.1.
- 2.3.2 Other Events Justifying Termination by CAISO and PTO.** The CAISO and PTO may also terminate this Agreement:
- (a) in relation to Black Start Services, if the Black Start Generator fails persistently to provide Black Start Service from the Black Start Generating Unit in accordance with this Agreement;
 - (b) if the Black Start Generator ceases to be a Market Participant; or

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- (c) If the Black Start Generator fails to demonstrate the capability of the Black Start Generating Unit to provide Black Start Service through a Performance Test.

Termination of this Agreement pursuant to this Section 2.3.2 shall be without prejudice to the right of any Party to collect any amounts due to it prior to the time of termination. If the CAISO and PTO terminate this Agreement as to any Black Start Unit(s) due to the Black Start Generator's default, the Black Start Generator will not have the right to seek recovery of unamortized costs outlined in Section 3.2.1.

2.3.3 Termination by CAISO and PTO on Notice. The CAISO and PTO may terminate this Agreement either in whole, or in relation to any one or more Black Start Generating Units, by giving one (1) calendar year written notice to the Parties to this Agreement. With respect to any notice of termination given pursuant to this section, the Black Start Generator will file and the CAISO and PTO will support a timely notice of termination with the FERC. This Agreement shall terminate upon the effective date determined by FERC after acceptance of such a notice of termination.

2.3.4 Petition to Terminate by Black Start Generator. The Black Start Generator may petition the CAISO to terminate this Agreement in relation to a Black Start Generating Unit by giving one (1) calendar year written notice prior to the Expiry Date to the CAISO and PTO. The CAISO and PTO will agree to such termination, which will take effect on the date accepted for filing and made effective by the FERC. With respect to any termination pursuant to this section, the Black Start Generator will file and the CAISO and PTO will support a timely notice of termination with the FERC.

2.3.5 Termination by Black Start Generator on Sale of Black Start Generating Unit. The Black Start Generator may terminate this Agreement in relation to a Black Start Generating Unit if it sells the Black Start Generating Unit(s) to a purchaser who, if the CAISO requires such unit(s) to continue to provide Black Start Service:

- (a) executes a Black Start Agreement with the CAISO and PTO, and files cost of service based rates accepted by the FERC, to provide the CAISO with Black Start Service from the Black Start Generating Unit; and
- (b) satisfies the CAISO's reasonable requirements as to the technical and financial ability of the purchaser to meet its obligations under the contract or rate schedule, as the case may be.

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The Black Start Generator will provide one (1) calendar year written notice to the CAISO and PTO prior to the sale of the Black Start Generating Unit. The Black Start Generator will file and the CAISO and PTO will support a timely notice of termination with the FERC. This Agreement shall terminate upon acceptance by the FERC of such a notice of termination.

- 2.3.6 Termination by Black Start Generator on Modification to Authorization.** The Black Start Generator may terminate this Agreement in relation to a Black Start Generating Unit by giving one (1) calendar year written notice to the CAISO and PTO, if the Black Start Generator's authorization from a governmental authority (including, where applicable, licenses under Part I of the Federal Power Act) that is necessary to site, operate or obtain access to that Black Start Generating Unit is terminated or expires or is reissued or modified so that it becomes illegal, uneconomical or otherwise impractical for the Black Start Generator to continue operating the Black Start Generating Unit. Black Start Generator shall be obligated to use Reasonable Efforts to renew and keep effective its licenses and authorizations and to oppose conditions or modifications which would make continued operation illegal, uneconomical or otherwise impractical.
- 2.3.7 Termination by Black Start Generator on Retirement or temporary cessation of operations of Black Start Generating Unit.** If the Black Start Generator requests and the CAISO concurs on temporary cessation of operations or retirement of a Black Start Generating Unit such that it can no longer provide Black Start Service under this Agreement, it may terminate this Agreement in relation to the Black Start Generating Unit by giving one (1) calendar year written notice to the CAISO and PTO (such cessation of operations could include mothballing or temporary shutdown of the Black Start Generating Unit under the current rules and procedures of the CAISO). With respect to any termination pursuant to this section, the Black Start Generator will file and the CAISO and PTO will support a timely notice of termination with the FERC. This Agreement shall terminate upon acceptance by the FERC of such a notice of termination. Termination of this Agreement pursuant to this Section 2.3.7 shall be without prejudice to the right of Black Start Generator or CAISO to collect any amounts due to it prior to the time of termination. The Black Start Generator will not have the right to seek recovery of unamortized costs outlined in Section 3.2.1.
- 2.3.8 Termination for Uncontrollable Forces.** Any Party may terminate this Agreement in relation to the Black Start Generating Unit by giving written notice to the other Parties in the event that, in relation to the

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Black Start Generating Unit concerned, the other Party is prevented from performing its obligations under this Agreement for a continuous period of ninety (90) calendar days by reason of Uncontrollable Forces as defined in Section 14 of the CAISO Tariff. With respect to any notice of termination given pursuant to this section, the Black Start Generator will file and the CAISO and PTO will support a timely notice of termination with the FERC. This Agreement shall terminate upon acceptance by the FERC of such a notice of termination. Termination of this Agreement pursuant to this Section 2.3.8 shall be without prejudice to the right of Black Start Generator or CAISO to collect any amounts due to it prior to the time of termination. The Black Start Generator will not have the right to seek recovery of unamortized costs outlined in Section 3.2.1.

ARTICLE III
COMPENSATION

- 3.1 Compensation to Black Start Generator.** The Black Start Generator will file with the FERC in rates the following categories of incremental costs expected to be incurred for the provision of Black Start Service to the CAISO and PTO. The filed rates will be reflected in Schedule 5 of this Agreement. The Black Start Generator will be compensated as per Section 11 of the CAISO Tariff and applicable CAISO Business Practice Manuals.
- 3.1.1 Fixed Black Start Service Costs:** shall include the annual amortized incremental fixed costs that a Black Start Generator incurs to be able to provide Black Start Service. If the CAISO and PTO terminates the Agreement pursuant to Section 2.3.3 and the Black Start Generating Unit was established as required by this Agreement for the purpose of providing Black Start Service under the CAISO Tariff, the Black Start Generator shall be entitled, upon termination, to full recovery over a five (5) year period of any unamortized fixed capital costs (including its financing costs of capital), that the Black Start Generator invested in the Black Start Generating Unit. Upon termination, the Black Start Generator shall provide information regarding fixed costs to the CAISO and PTO consistent with information filed with the FERC in support of its revenue requirements, to support recovery of unamortized capital costs.
- 3.1.2 Variable Black Start Service Costs:** shall include the reasonable incremental operating costs, maintenance costs, and costs to maintain sufficient fuel inventory that can be attributed to supporting Black Start Service for a Black Start Generating Unit.

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- 3.1.3 Training and Compliance Costs:** shall include those training and compliance costs that are reasonably incurred to enable the Black Start Generator's employees to efficiently operate the Black Start Service capabilities of the Black Start Generating Unit, including costs incurred to comply with Applicable Reliability Criteria such as, but not limited to, Critical Infrastructure Protection ("CIP") reliability standard requirements.

ARTICLE IV
BLACK START SERVICE

- 4.1 Obligation to Complete Black Start Performance Test.** Black Start Generator shall complete Black Start Performance Test for the Black Start Generating Unit listed in Schedule 2 of this Agreement. The CAISO reserves its right to terminate the Agreement if the Black Start Generator fails to complete such Performance Test according to Section 2.3.1.
- 4.1.1 Obligation to Maintain Black Start Service.** With effect from the Commencement Date and until the Expiry Date the Black Start Generator shall maintain the capability to provide Black Start Service at each of its Black Start Generating Units in an amount no less than that stated for such Black Start Generating Units in Schedule 2. Black Start Service shall be provided only from the designated Black Start Generating Units listed in Schedule 2 of the Agreement.
- 4.2 Specific Obligations.** The Black Start Generator shall from the Commencement Date and thereafter until the Expiry Date, consistent with the requirements of this Agreement provide and maintain at each Black Start Generating Unit all necessary stocks of fuel and related supplies, water, consumables, and equipment, and shall maintain all necessary communication systems, have in place all necessary valid permits, licenses, procedures and provide all necessary staff training. From the Commencement Date until the Expiry Date, the Black Start Generating Unit shall comply with Applicable Reliability Criteria, including but not limited to CIP reliability standards.
- 4.3 CAISO Tariff.** The Black Start Generator shall comply with the obligations and requirements set out in the CAISO Tariff, in particular Appendix D requirements in relation to Black Start Service, CAISO Operating Procedures and Applicable Reliability Criteria. In the event that either the CAISO, PTO or the Black Start Generator identifies any areas in which the Black Start Generator may be deficient in meeting such obligations or requirements, before the CAISO pursues

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remedies or makes a determination of non-compliance, the Parties may work together to develop a reasonable and mutually-agreeable schedule by which the Black Start Generator will correct such deficiencies, prior to the CAISO and PTO pursuing remedies as per the CAISO Tariff.

ARTICLE V
UTILIZATION OF BLACK START

- 5.1 Black Start Instructions.** The Black Start Generator shall, when instructed to provide services under this Agreement by the CAISO or by the PTO when designated by the CAISO through an Exceptional Dispatch Instruction issued in accordance with the CAISO Tariff provide Black Start Services in accordance with the requirements relating to Black Start set out in Schedule 2 and Schedule 3, the CAISO and PTO operating procedures, and the CAISO's instruction.
- 5.2 Performance Tests.** The CAISO may carry out a Performance Test on a Black Start Generating Unit as outlined in the CAISO's Operating Procedures for Black Start testing.
- 5.3 Emergency Operation.** The Black Start Generator acknowledges that during a Black Start situation its Black Start Generating Units may be asked to operate outside of their normal operational capability in Schedule 2. The Black Start Generator shall comply with such an instruction unless the Black Start Generator believes it is necessary for safety reasons or to maintain compliance with law (whether relating to personnel or plant and/or equipment). If a CAISO, or by the PTO when designated by the CAISO, Exceptional Dispatch Instruction or Performance Test would risk damage to the Black Start Generator's facilities, the Black Start Generator shall, if time permits, inform the CAISO, or if applicable the PTO, of any such risk and seek confirmation of the relevant Exceptional Dispatch Instruction. Should the Black Start Generator fail to reasonably meet the performance guidelines specified in Schedule 2 and Schedule 3, other than during Uncontrollable Force or for safety reasons, then appropriate penalties may be applied in accordance with Article XIII of this Agreement.
- 5.4 Black Start Outage Reporting.** The Black Start Generator shall notify the CAISO via Outage Management System ("OMS") in accordance with the CAISO Tariff and CAISO Operating Procedures when Black Start Service is not available. Such notification will include an estimate by the Black Start Generator as to the time needed to restore Black Start Service capability.

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- 5.5 Communication.** The Parties shall each operate and maintain a 24-hour, 7-day control center with real-time scheduling and control functions. Appropriate control center staff will be provided by each Party who shall be responsible for operational communications and who shall have sufficient authority to commit and bind that Party. The Parties shall jointly develop communication procedures necessary to support scheduling and dispatch functions relative to Black Start Service. The Parties agree to exchange operational contact information in a format to be provided by the CAISO and completed as of the effective date of this Agreement. Each Party shall provide the other Party ten (10) calendar days advance notice of updates to its operational contact information for known changes, and as soon as practical, for unplanned changes.

ARTICLE VI
Invoicing and Payment

- 6.1 Invoicing for Black Start Service:** The invoicing for Black Start Service will be as per the Section 11 of the CAISO Tariff.
- 6.2 Payment for Black Start Service.** The CAISO shall pay the Black Start Generator for Black Start Service in accordance with Schedule 5.
- 6.3 Payment for Black Start Performance Testing.** In the event of an Exceptional Dispatch Instruction for Black Start Generator Performance Testing by the CAISO, the Black Start Generator may enter into market transactions or agreements for the delivery of the dispatched Energy in any manner that does not preclude compliance with dispatch notices, if any. The Black Start Generator shall retain any and all payments for the delivery of Energy under this provision. The payment for Black Start Performance Testing will be as per the CAISO Tariff
- 6.4 Payment for Energy provided during a Black Start event:** Payment for Energy provided during a Black Start event from an Exceptional Dispatch Instruction will be settled as per the Section 11 of the CAISO Tariff.

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ARTICLE VII
DEFAULT

- 7.1 Failure to Perform Black Start Services.** If the Black Start Generator fails to provide a Black Start Service in accordance with the terms of this Agreement, the CAISO will provide notice to the Black Start Generator and the PTO. Subject to Section 13.1, if the Black Start Generator's default causes or exacerbates system conditions for which FERC, the North American Electric Reliability Corporation (NERC), the Western Electric Coordination Council (WECC), or any other regulatory body imposes a penalty for reliability-related violations, the CAISO may, consistent with applicable provisions of the CAISO Tariff and this Agreement, and subject to FERC approval, seek to directly allocate, in whole or in part, the cost of any such penalties assessed upon the CAISO to the Black Start Generator whose conduct or omission contributed, in whole or in part, to the violation that gave rise to the penalty, provided that the applicable conditions are met as set forth in the CAISO Tariff.

ARTICLE VII
MONITORING

- 8.1 Access to Records and the Facilities.** Subject to Section 8.2, the Black Start Generator shall provide, arrange and make available to the CAISO and the PTO such of the following as the CAISO may reasonably require, and as is strictly necessary to enable the CAISO to monitor and predict Black Start Service and performance of a Black Start Generating Unit or service provider:
- (a) the Black Start Generator's relevant records and relevant data relating to all the Black Start Generating Units within the Black Start Generator's Black Start facilities including any relevant air quality/emission reports, environmental certifications, operational limits for emissions and related State or local permits;
 - (b) the Black Start Generator's relevant records and relevant data relating to auxiliary and Generating Units, gas turbine and startup equipment at the Black Start Generator's Black Start facilities;
 - (c) the Black Start Generator's relevant records and relevant data relating to the Black Start Generator's plant, apparatus, equipment and stocks of all relevant fuels and consumables at the Black Start Generator's Black Start facilities; and

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(d) the Black Start Generator's documentation relating to the procedures used at the Black Start Generator's Black Start facilities for the provision of Black Start Service.

8.2 The CAISO shall give the Black Start Generator not less than five (5) business days written notice of the CAISO's intent to inspect Black Start facilities and not less than five (5) business days written notice of the CAISO's request for information in order for the Black Start Generator to provide access to records and data.

ARTICLE IX
DISPUTE RESOLUTION

9.1 Dispute Resolution. The Parties shall make reasonable efforts to settle all disputes arising out of or in connection with this Agreement. In the event any dispute is not settled, the Parties shall adhere to the CAISO ADR Procedures in accordance with Section 13 of the CAISO Tariff, which is incorporated by reference except that all references in Section 13 of the CAISO Tariff to Market Participants shall be read as references to the Black Start Generator and references to the CAISO Tariff shall be read as references to this Agreement.

ARTICLE X
REPRESENTATIONS AND WARRANTIES

10.1 Representations and Warranties. Each Party represents and warrants that the execution, delivery and performance of this Agreement by it has been duly authorized by all necessary corporate and/or governmental actions, to the extent authorized by law.

ARTICLE XI
LIABILITY AND INDEMNIFICATION

11.1 Extent of Liability. The provisions of Section 14 of the CAISO Tariff will apply to liability arising under this Agreement except that all references in Section 14 of the CAISO Tariff to Market Participants shall be read as references to the Black Start Generator and references to the CAISO Tariff shall be read as references to this Agreement. The Black Start Generator shall not be responsible under any circumstances for any consequential or indirect financial loss including but not limited to loss of profit, loss of earnings or revenue, loss of use, loss of contract or loss of goodwill.

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ARTICLE XII
UNCONTROLLABLE FORCES

- 12.1 Uncontrollable Forces Tariff Provisions.** Section 14 of the CAISO Tariff shall be incorporated by reference into this Agreement except that all references in Section 14 of the CAISO Tariff to Market Participants shall be read as references to the Black Start Generator and references to the CAISO Tariff shall be read as references to this Agreement. If, as a result of an Uncontrollable Force, Black Start Generator cannot provide Black Start Service from its Black Start Generating Unit(s) consistent with Schedule 2 and Schedule 3, the CAISO will have no obligation to pay Black Start Generator for Black Start capability from such Black Start Generator Unit(s) under Article III of this Agreement during the time of the Uncontrollable Force.

ARTICLE XIII
PENALTIES AND SANCTIONS

- 13.1 Penalties.** Any penalties to be levied under this Agreement shall be established in accordance with the CAISO Tariff and acceptance by the FERC, and shall be set out in Schedule 4. No penalties or sanctions may be imposed under this Agreement unless a Schedule providing for such penalties or sanctions has first been filed with and made effective by the FERC. Nothing in this Agreement, with the exception of the provisions relating to ADR, shall be construed as waiving the rights of the Black Start Generator to oppose or protest any penalty proposed by the CAISO to the FERC or the specific imposition by the CAISO of any FERC-approved penalty on the Black Start Generator.

ARTICLE XIV
MISCELLANEOUS

- 14.1 Confidentiality and Data Sharing.** The Parties acknowledge they may be exposed to, or acquire, information that is proprietary to or confidential to the other Party due to their relationship. "Confidential Information" means all confidential or proprietary information and shall include, but not be limited to materials marked confidential, restricted or not publicly available or the like. Each Party agrees to hold Confidential Information of the other in confidence and not to copy, reproduce, sell, assign or otherwise disclose or make such information available to third parties or to use such information for any purpose other than as required to satisfy the terms of this Agreement. The Parties will cause each of its employees, agents and

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representatives who will have access to the Confidential Information to agree to abide by these terms. In the event that Confidential Information of the Parties is requested by any agency with proper regulatory authority, the Parties agree that no further written consent other than this Agreement is required prior to sharing the information with the appropriate agency. However, the Parties agree to provide notice to the affected Party that its data is being shared with a particular regulatory agency, if permitted.

- 14.2 Assignments.** Any Party to this Agreement may assign any or all of its obligations under this Agreement with the other Party's prior written consent in accordance with Section 22.2 of the CAISO Tariff. Such consent shall not be unreasonably withheld.
- 14.3 Notices.** Any notice, demand or request which may be given to or made upon either Party regarding this Agreement shall be made in accordance with Section 22.4 of the CAISO Tariff. A Party must update the information in Schedule 1 as information changes. Such changes shall not constitute an amendment to this Agreement.
- 14.4 Waivers.** Any waivers at any time by any Party to this Agreement of its rights with respect to any default under this Agreement, or with respect to any other matter arising in connection with this Agreement, shall not constitute or be deemed a waiver with respect to any subsequent default or other matter arising in connection with this Agreement. Any delay, short of the statutory period of limitations, in asserting or enforcing any right under this Agreement shall not constitute or be deemed a waiver of such right.
- 14.5 Governing Law and Forum.** This Agreement shall be deemed to be a contract made under and for all purposes shall be governed by and construed in accordance with the laws of the State of California except in its conflict of laws provisions. The Parties irrevocably consent that any legal action or proceeding arising under or in relation to this Agreement to which the CAISO ADR Procedures do not apply, shall be brought in any of the following forums: any court of the State of California, any federal court of the United States of America located in the State of California or, where subject to its primary or exclusive jurisdiction, before the Federal Energy Regulatory Commission.
- 14.6 Consistency with State & Federal Laws and Regulations.** Nothing in this Agreement shall compel any person to violate state or federal statutes or regulations. If any provision of this Agreement is inconsistent with any obligation imposed on any person by state or federal law or regulation, to that extent it shall be inapplicable to that person. No person shall incur any liability by failing to comply with any provision of this Agreement that is inapplicable to it by reason of

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being inconsistent with any state or federal statutes, regulations, or orders lawfully promulgated thereunder; provided, however, that such person shall use its Reasonable Efforts to comply with the CAISO Tariff to the extent that applicable state or federal laws, regulations, and orders lawfully promulgated thereunder permit it to do so.

- 14.7 Agreement Subject to CAISO Tariff.** This Agreement shall be subject to the provisions of the CAISO Tariff, which shall be deemed to be incorporated by reference herein.
- 14.8 Severability.** If any term, covenant, or condition of this Agreement or the application or effect of any such term, covenant, or condition is held invalid as to any person, entity, or circumstance, or is determined to be unjust, unreasonable, unlawful, imprudent, or otherwise not in the public interest by any court or governmental agency of competent jurisdiction, then such term, covenant, or condition shall remain in force and effect to the maximum extent permitted by law, and all other terms, covenants, and conditions of this Agreement and their application shall not be affected thereby, but shall remain in force and effect and the Parties shall be relieved of their obligations only to the extent necessary to eliminate such regulatory or other determination unless a court or governmental agency of competent jurisdiction holds that such provisions are not separable from all other provisions of this Agreement.
- 14.9 Amendments.** This Agreement and the Schedules attached hereto may be amended from time to time by the mutual agreement of the Parties in writing. Amendments that are subject to FERC approval shall not take effect until the FERC has accepted such amendments for filing and has made them effective.
- 14.10 Counterparts.** This Agreement may be executed in one or more counterparts at different times, each of which shall be regarded as an original and all of which, taken together, shall constitute one and the same Agreement.
- 14.11 Section 205 and 206 Filings.** Nothing contained in this Agreement shall be construed as affecting in any way the right of either of the Parties furnishing or receiving service under this rate schedule to unilaterally make application to the FERC for a change in rates, terms and conditions under Sections 205 or 206 of the Federal Power Act (FPA) and pursuant to FERC rules and regulations promulgated thereunder.
- 14.12 Final and Entire Agreement.** This Agreement constitutes the final and entire agreement between and among the Parties concerning the provision of and payment for Black Start Service.

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[Remainder of this page intentionally left blank].

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IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective authorized officials.

California Independent System Operator Corporation

By: _____

Name: _____

Title: _____

Date: _____

XX.

By: _____

Name: _____

Title: _____

Date: _____

XX

By: _____

Name: _____

Title: _____

Date: _____

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SCHEDULE 1

CONTACTS FOR NOTICES

[Section 14.3]

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SCHEDULE 2

BLACK START GENERATING UNIT DESCRIPTION

NORMAL OPERATING CAPABILITY

[Sections 4.1, 4.1.1, 5.1, 5.3, and 12.1]

1	Resource ID:	
2	Resource Name:	
3	Transmission Operator Name:	
4	Transformer	
5	Transmission Line Voltage, kV	
6	Transmission Line Identifier	
7	Generator Operator Name:	
8	Power Plant Name:	
9	Power Plant Address:	
10	Power Plant Control Room Phone Number:	
11	Generator Net Capacity at full rated output, MW: /1	
12	Generator Leading MVAR Capacity at full rated output: /2	
13	Generator Lagging MVAR Capacity at full rated output: /2	~
14	System Emergency: Minimum sustainable output, MW: /3	
15	System Emergency: Minimum time the unit can operate at this minimum load, Min: /3	
16	Type of Generator :	
17	Time to energize the bus: /4	

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18	Transmission Operator's Name if the Black Start resource is located in another Transmission Operator's System:	
19	Starting Method: (Diesel, air, battery etc.)	
20	Black Start Gen Environmental Permit Limits: /5	

Schedule Notes:

Additional Characteristics and Limitations on Black Start Generating Units:

Unless otherwise stated, all operational parameters of the Black Start Generating Units will be identical to the values contained in the CAISO Masterfile for each Resource ID.

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SCHEDULE 3

BLACK START PERFORMANCE REQUIREMENTS

[Sections 5.1, 5.3, and 12.1]

***Sample Black Start Agreement
June 15, 2017***

SCHEDULE 4

PENALTIES

[Section 13.1]

***Sample Black Start Agreement
June 15, 2017***

SCHEDULE 5

**BLACK START GENERATING UNIT ANNUAL REVENUE REQUIREMENT
FOR PROVISION OF BLACK START SERVICE**

[Sections 3.1, 3.1.1, 3.1.2, 3.1.3, 6.1, and 6.2]