ALSTON&BIRD LLP

The Atlantic Building
950 F Street, NW
Washington, DC 20004-1404

202-756-3300
Fax: 202-756-3333

Bradley R. Miliauskas Direct Dial: 202-756-3405 Email: bradley.miliauskas@alston.com

REDACTED VERSION FOR PUBLIC RELEASE

PRIVILEGED INFORMATION CONTAINED IN SEPARATE VOLUME

May 18, 2007

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

Re: California Independent System Operator Corporation Filing of Non-Conforming Service Agreement No. 798 and Termination of Service Agreement Nos. 424 and 636 Docket No. ER07-____-000

Dear Secretary Bose:

Pursuant to Section 205 of the Federal Power Act ("FPA"), 16 U.S.C. § 824d, the California Independent System Operator Corporation ("CAISO") submits for Commission filing and acceptance an executed Metered Subsystem ("MSS") Agreement between the CAISO and the City of Riverside, California ("Riverside").[1] In addition, pursuant to Sections 35.15 and 131.53 of the Commission's regulations (18 C.F.R. §§ 35.15, 131.53), the CAISO hereby provides notice to the Commission of the termination of the existing Utility Distribution Company Operating Agreement ("UDCOA") between the CAISO and Riverside. Also, pursuant to the procedures described in the Commission's

[1] Capitalized terms not otherwise defined herein have the meanings set forth in the Master Definitions Supplement, Appendix A to the ISO Tariff, and in the MSS Agreement.

Order No. 2001,[2] the CAISO hereby provides notification to the Commission of the termination of the existing Meter Service Agreement for ISO Metered Entities ("MSA-ISOME") between the CAISO and Riverside and commits to include such notice in the CAISO's next Electronic Quarterly Report. The CAISO proposes that the MSS Agreement and the termination of the UDCOA and MSA-ISOME be made effective on July 1, 2007.[3]

I. The MSS Agreement

Under the ISO Tariff, a MSS is "[a] geographically contiguous system located within a single Zone which has been operating as an electric utility for a number of years prior to the ISO Operations Date as a municipal utility, water district, irrigation district, State agency or Federal power administration subsumed within the ISO Control Area and encompassed by ISO certified revenue quality meters at each interface point with the ISO Controlled Grid and ISO certified revenue quality meters on all Generating Units . . . ." Riverside, which is currently a UDC, seeks to become a MSS effective on July 1, 2007. The enclosed MSS Agreement establishes the terms and conditions on which Riverside will operate electric resources within the ISO Control Area; will, as or through a Scheduling Coordinator, schedule transactions using the ISO Controlled Grid and participate in the CAISO's markets; and will meet its obligations under the ISO Tariff.

On July 15, 2002 (as corrected on July 30, 2002), in Docket No. ER02-2321-000, the CAISO submitted MSS agreements with the City of Roseville ("Roseville") and with Silicon Valley Power ("SVP"), and a MSS aggregator agreement with the Northern California Power Agency ("NCPA"). On August 30, 2002, the Commission accepted those agreements, subject to compliance requirements, in *California Independent System Operator Corporation*, 100 FERC ¶ 61,234 ("August 30, 2002 Order"). On September 27, 2002, the CAISO submitted versions of the agreements that complied with the Commission's directives, which the Commission accepted by letter order issued on January 3, 2003.[4]

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[2] *See Revised Public Utility Filing Requirements*, Order No. 2001, 67 Fed. Reg. 31043 (May 8, 2002), FERC Stats. & Regs., Regs. Preambles ¶ 31,127, at PP 249-50 (2002) ("Order No. 2001"). The MSA-ISOME is being terminated with Riverside's consent (see footnote 3, below), and therefore the CAISO is not required to provide any notification of termination beyond the described above. *See* Order No. 2001 at P 249; *Standardization of Generator Interconnection Agreements and Procedures*, Order No. 2003-A, 69 Fed. Reg. 15932, FERC Stats. & Regs., Regs. Preambles ¶ 31,160, at P 201 (2004).

[3] Section 3.2.8 of the MSS Agreement states that the MSA-ISOME and UDCOA will terminate at the same time that the MSS Agreement becomes effective. Because the CAISO and Riverside have executed the MSS Agreement, the termination of the MSA-ISOME and UDCOA is with both parties' consent.

[4] On November 1, 2004, in Docket No. ER05-153-000, the CAISO submitted a notice of cancellation of the Roseville MSS agreement, which the Commission accepted in *California*

The MSS Agreement provided in the present filing includes the following significant components, among others:

- The CAISO will consider Riverside's interests, including cost causation and the option to elect Load following, when unilaterally proposing changes to the ISO Tariff. *See* MSS Agreement, §§ 3.4.2.1, 3.4.2.2.[5]

- Riverside may participate in the CAISO's markets. *See id.*, § 3.4.2.5.

- Riverside will coordinate Generating Unit and transmission outages with the CAISO pursuant to the ISO Tariff. *See id.*, § 5.1.3.

- Riverside will pay Grid Operations Charges based on net metered Demand and exports from the ISO Control Area for Intra-Zonal Congestion that is outside Riverside. For Intra-Zonal Congestion that is inside Riverside, then it will bear all costs associated with the Congestion. *See id.*, §§ 5.5, 13.2.

- Riverside will be responsible for providing telemetry at Riverside's Generating Units and at each of the Points of Delivery of its MSS to the electric grid. *See id.*, § 6.7.

- The operation of Riverside's Generating Units will be subject to various limitations during normal conditions, but Riverside may provide available Generation to the CAISO during a threatened or imminent System Emergency. However, Riverside will not be expected or required to curtail Load or offer to the CAISO generating capacity or Energy from its Generating Units in a System Emergency that is due to the failure of other Load serving entities to provide resources adequate to serve Load and maintain Operating Reserves or maintain an Approved Credit Rating in accordance with the ISO Tariff. *See id.*, § 7.1.

- Riverside will be responsible for any reliability Generation, Voltage Support, and Black Start service requirements within Riverside's System at the Point of Interconnection, if any. *See id.*, § 8.1.2.

- A process is established for the determination of appropriate resources for Riverside's use in following its own Load within a three percent (3%) deviation band, should Riverside elect that option. *See id.*, § 8.6.

Independent System Operator Corporation, 109 FERC ¶ 61,391, at P 79 (2004), effective on January 1, 2005.

[5] The citations in the instant filing to sections of the MSS Agreement are intended to be illustrative only, rather than exhaustive.

- Riverside will submit all Schedules, including Schedules for the use of its Existing Contracts and Encumbrances, within the timelines established by the ISO Tariff. *See id.*, § 11.3.

- The Generation Meter Multiplier (GMM) for Riverside's Generating Units within Riverside's System will be deemed to be 1.0 if Riverside's Load exceeds its Generation. *See id.*, § 13.1.

- Riverside will not have to pay Voltage Support charges and Black-Start service charges to the extent it demonstrates that it is providing those services for its own system. *See id.*, §§ 13.5, 13.6.

- Riverside's Scheduling Coordinator's obligation to pay neutrality adjustments and Existing Contracts cash neutrality charges (or collect refunds) will be based on Riverside's net metered Demand and exports from the ISO Control Area, rather than Riverside's gross Demand and exports. *See id.*, § 13.7.

- If Riverside provides documentation on an annual basis to the CAISO that it has its own peaking resources to meet its peak demand plus fifteen percent (15%), then the CAISO will exempt it from paying for any peak Demand reduction program or any peak reliability Generation procurement program pursuant to Section 42.1.8 of the ISO Tariff. *See id.*, § 13.8.

- If Riverside elects not to make its Generating Units eligible for Emissions Costs, Start-up Costs, and Minimum Load Costs, its allocation of Minimum Load Costs will be either (i) based on its Net Negative Uninstructed Deviations if it follows its Load within a three percent (3%) deviation band or (ii) based in part on its net metered Demand and exports if it does not elect such Load following. *See id.*, §§ 13.9.2, 13.9.3.

- Riverside will not be charged portions of the Grid Management Charge allocated to uninstructed deviations for any deviations associated with Load following. *See id.*, § 13.10.

- Riverside will have the option to elect to follow its own Load with its own resources within a deviation band of three percent (3%), subject to specified financial penalties for exceedance of the deviation band. *See id.*, § 13.11.

The MSS Agreement differs in some respects from the Roseville and SVP MSS agreements, and the NCPA MSS aggregator agreement, described above, in order to reflect the particular features of Riverside as a MSS and the results of the negotiations that resulted in this MSS Agreement. These differences are permissible pursuant to the directives in the August 30, 2002 Order that the

individual MSS agreements filed in that proceeding "were not intended to and do not establish a *pro forma* MSS agreement" and that "[t]he terms of an MSS agreement may reflect the unique nature of differing systems." August 30, 2002 Order at PP 52, 53.[6] The MSS Agreement has been designated as CAISO Service Agreement No. 798.

Included in a separate volume along with this MSS Agreement, pursuant to Commission Order Nos. 630 and 630-A,[7] is a sealed copy of the non-public portions of the MSS Agreement, specifically, all of Schedules 6 and 15.1, a portion of Schedule 8 that contains contact information and a spreadsheet regarding Riverside's Underfrequency Load Shedding Plan, a portion of Schedule 10 that includes Riverside's Standard Practice Nos. 190.001 and 190.002, and portions of Schedules 14 and 17. The CAISO is seeking privileged treatment for Schedule 6 under 18 C.F.R. § 388.112, because it contains confidential telephone numbers of CAISO and Riverside operating personnel. Public disclosure of the telephone numbers would unnecessarily reveal sensitive information. The CAISO is seeking privileged treatment for portions of Schedules 8 and 10 under the same C.F.R. provision that applies to Schedule 6, because those portions of Schedules 8 and 10 list confidential contact information, sensitive information about Riverside's load shedding procedures, specific electric circuits, and customer names in conjunction with Riverside's emergency operating procedures. The CAISO is seeking privileged treatment for a portion of Schedule 14 and all of Schedule 15.1 under the same C.F.R. provision that applies to Schedule 6, because they contain confidential Generating Unit and meter information and addresses of key components of the Riverside System. The CAISO is seeking privileged treatment for a portion of Schedule 17 under the same C.F.R. provision that applies to Schedule 6, because it contains confidential telephone numbers, facsimile numbers, and e-mail addresses. The CAISO submits that public disclosure of the materials in the Schedules described above would unnecessarily reveal sensitive information, and therefore the identified portions of the Schedules should be granted privileged treatment.

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[6] In previous proceedings, the Commission has accepted other MSS agreements submitted by the CAISO that differed from the Roseville and SVP MSS agreements due to particular features of MSSs and the results of negotiations with those MSSs. *See California Independent System Operator Corp.*, 113 FERC ¶ 61,251, at Ordering Paragraph (A) (2005) (accepting MSS agreement between the CAISO and the City of Anaheim, California, subject to conditions that are not relevant here); *California Independent System Operator Corp.*, 113 FERC ¶ 61,262, at Ordering Paragraph (A) (2005) (same with regard to MSS agreement between the CAISO and the City of Vernon, California).

[7] *Critical Energy Infrastructure Information*, Order No. 630, FERC Stats. and Regs. ¶ 31,140, *order on reh'g*, Order No. 630-A, FERC Stats. and Regs. ¶ 31,147 (2003).

II. The UDCOA

The CAISO submitted the UDCOA on January 30, 2002 in Docket No. ER02-887-000. The Commission accepted the UDCOA by a letter order issued on March 26, 2002. The UDCOA is designated as CAISO Service Agreement No. 424.

III. The MSA-ISOME

The MSA-ISOME is a conforming service agreement under Order No. 2001 and the Commission regulations related thereto, and therefore the CAISO has included the MSA-ISOME in its Electronic Quarterly Reports instead of submitting it for Commission approval.[8] The MSA-ISOME is designated as CAISO Service Agreement No. 636.

IV. Request for Waiver

The CAISO respectfully requests a waiver of the Commission's 60-day prior notice requirement, pursuant to Sections 35.11 and 35.15 of the Commission's regulations, 18 C.F.R. §§ 35.11, 35.15, to allow the enclosed MSS Agreement to become effective as of July 1, 2007 and to allow the MSA-ISOME to terminate as of that same date. Granting the waiver will permit Riverside to become a MSS and will permit the MSA-ISOME to terminate effective on that date, as provided for in the MSS Agreement. Granting the requested waiver, therefore, is appropriate.

Further, the information submitted with this filing substantially complies with the requirements of Part 35 of the Commission's regulations applicable to filings of this type. The CAISO therefore requests waiver of any applicable requirement of Part 35 for which waiver is not specifically requested, if necessary, in order to permit this filing to become effective as proposed.

V. Expenses

No expense or cost associated with this filing has been alleged or judged in any judicial or administrative proceeding to be illegal, duplicative, unnecessary, or demonstratively the product of discriminatory employment practices.

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[8] *See* Order No. 2001 at P 18; 18 C.F.R. §§ 35.1(g), 35.10a, 35.10b.

VI. Service

Copies of this filing have been served upon Riverside, the California Public Utilities Commission, the California Electricity Oversight Board, and all parties on the official service list for Docket No. ER02-887. In addition, the filing has been posted on the ISO Website.

Enclosed for filing are six copies of each of the following:

(1) this letter of transmittal;

(2) the public version of the MSS Agreement, which is in a format that complies with Order No. 614, *Designation of Electric Rate Schedule Sheets*, FERC Stats. and Regs. ¶ 31,096 (2000) (Attachment A); and

(3) a notice of termination of the UDCOA (Attachment B).

The filing also includes a separate volume that contains the non-public portions of the MSS Agreement described above.

Also enclosed are two additional copies of this filing to be date-stamped and returned to our messenger.

VII. Correspondence

The CAISO requests that all correspondence, pleadings and other communications concerning this filing be served upon the following:

John Anders*
Assistant General Counsel
California Independent System
Operator Corporation
151 Blue Ravine Road
Folsom, CA 95630
Tel: (916) 351-4400
Fax: (916) 608-7222
E-mail: janders@caiso.com

Bradley R. Miliauskas*
Alston & Bird LLP
The Atlantic Building
950 F Street, NW
Washington, DC 20004
Tel: (202) 756-3300
Fax: (202) 756-3333
E-mail: bradley.miliauskas@alston.com

* Individuals designated for service pursuant to Rule 203(b)(3), 18 C.F.R. § 203(b)(3).

Respectfully submitted,

Bradley R. Miliauskas

John Anders
Assistant General Counsel
California Independent System
Operator Corporation
151 Blue Ravine Road
Folsom, CA 95630

Sean A. Atkins
Bradley R. Miliauskas
Alston & Bird LLP
The Atlantic Building
950 F Street, NW
Washington, DC 20004

Attorneys for the California Independent System Operator Corporation

ATTACHMENT A

METERED SUBSYSTEM AGREEMENT WITH THE CITY OF RIVERSIDE

CALIFORNIA INDEPENDENT SYSTEM OPERATOR

AND

CITY OF RIVERSIDE

METERED SUBSYSTEM AGREEMENT

METERED SUBSYSTEM AGREEMENT

THIS AGREEMENT is dated this 16TH day of May, 2007 and is entered into, by and between:

(1) The **City of Riverside**, a municipal corporation of the State of California, which owns and operates a municipal electric utility system engaged in the Generation, transmission, distribution, purchase and sale of electric power and Energy at wholesale and retail, having its registered and principal place of business located at 3900 Main Street, Riverside, California 92522 ("Riverside");

and

(2) **California Independent System Operator Corporation**, a California non-profit public benefit corporation having its principal place of business located in such place in the State of California as the ISO Governing Board may from time to time designate, initially 151 Blue Ravine Road, Folsom California 95630 (the "ISO").

Riverside and the ISO are hereinafter referred to individually as "Party" or collectively as the "Parties."

Whereas:

A. The City of Riverside is a MSS Operator of a Metered Subsystem ("MSS") engaged in, among other things, generating, transmitting and distributing electric power in the Riverside Service Area;

B. The ISO operates the ISO Control Area and is engaged in, among other things, exercising Operational Control over certain electric transmission facilities forming the ISO Controlled Grid, including transmission facilities owned by Southern California Edison Company (hereinafter referred to as "SCE") and Riverside's transmission Entitlements, scheduling transactions that utilize those transmission facilities and Entitlements, and operating certain markets, including markets for Imbalance Energy and Ancillary Services, pursuant to the terms of the ISO Tariff and has certain statutory obligations under California law to maintain the reliability of the ISO Controlled Grid, as well as certain NERC and Western Electricity Coordinating Council or its successor ("WECC")-mandated responsibilities to ensure the reliable operation of the entire electric grid within the ISO Control Area;

C. Riverside is a municipal electric utility formed under Article XII of the Riverside City Charter and utilizes, either directly or indirectly through the Southern California Public Power Authority ("SCPPA"), tax-exempt financing for one or more of its projects that restricts the amount of private use of such projects;

D. Riverside's System is within the ISO Control Area, is indirectly interconnected to the ISO Controlled Grid, and is directly interconnected to the SCE Distribution System through the Wholesale Distribution Access Tariff (WDAT);

E. Riverside desires to continue to operate its generating resources, its transmission, and the distribution resources of Riverside's System in an integrated manner to reliably serve Riverside's Loads and also desires, as or through a Scheduling Coordinator, to schedule transactions using the ISO Controlled Grid and participate in the ISO's markets as a buyer and a seller;

F. The Parties are entering into this Metered Subsystem Agreement ("Agreement") in order to establish the terms and conditions on which (1) Riverside will operate Riverside's Generating Units within the ISO Control Area; (2) Riverside will, as or through its Scheduling Coordinator, schedule transactions within the ISO Control Area and participate in the ISO's markets; and (3) the Parties will meet their obligations under the ISO Tariff, as may be modified by this Agreement, in connection therewith;

G. Riverside desires to have the option at some future date to elect to utilize Riverside's System resources and imports into its MSS to follow Riverside's Loads and exports from its MSS.

H. The intent of the Parties is that any ISO charges will be charged to Riverside's Scheduling Coordinator based on the principle of cost causation, with due regard for historic considerations, timing and transition issues, and other relevant factors;

I. In order to maintain the reliability of the interconnected electric systems encompassed by the WECC, the WECC RMS Agreement requires the ISO to require all Generators in its Control Area, including Riverside, to comply with certain WECC reliability criteria and to be subject to penalties imposed by the WECC Reliability Criteria Agreement should they fail to do so, which requirements are set forth in Section 10.4;

J. Riverside represents that it has a responsibility to serve its customer Loads pursuant to the Riverside City Charter. Consistent with that responsibility, the Parties acknowledge that Riverside's Generation resources are dedicated first and foremost to service Riverside's retail native Load within Riverside's Service Area and that such resources are, except for times of System Emergency as specified in and consistent with Section 7.1.5 or Riverside's voluntary participation in ISO markets or other circumstances, as specified in this Agreement, not subject to ISO Dispatch; and

K. The Parties acknowledge that the ISO is responsible for the efficient use and reliable operation of the ISO Controlled Grid and the operation of the ISO's Control Area consistent with achievement of planning and Operating Reserve

criteria no less stringent than those established by the WECC and NERC and in accordance with the ISO Tariff. The Parties acknowledge that the ISO may not be able to satisfy fully these responsibilities if parties to agreements with the ISO, including Riverside, fail to comply fully with all of their obligations under those agreements. The Parties further acknowledge that Riverside may not be able to satisfy fully its native Load responsibilities in the event the ISO fails to comply fully with all of its obligations under this Agreement and the ISO 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. Unless defined in the introduction or Section 1.2, all terms used in this Agreement with initial capitalization shall have the same meaning as those contained in the Master Definitions Supplement to the ISO Tariff.

1.2 Special Definitions for this Agreement. In this Agreement, the following terms shall have the meanings set opposite them:

"Point of Delivery" means any point at which Riverside's System interfaces with the ISO Control Grid for transactions into ISO markets. The Point of Delivery is described in Schedule 1.

"Point of Interconnection" means any point at which the City of Riverside may in the future be directly interconnected with the ISO Controlled Grid in the ISO Control Area. The initial Points of Interconnection are described in Section 4.1.

"Riverside's System" means all transmission facilities, distribution facilities and Generating Units owned or controlled by Riverside on Riverside's side of the Points of Interconnection or Points of Delivery for its MSS, as listed in Schedule 1. A description of the generating facilities and any Point of Interconnection facilities comprising Riverside's System is set forth in Schedule 1.

"Under Frequency Load Shedding" or "UFLS" means automatic Load Shedding, accomplished by the use of such devices as under frequency relays, intended to arrest frequency decline and assure continued operation within anticipated islands.

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

(a) the singular shall include the plural and vice versa;

(b) the masculine shall include the feminine and neutral and vice versa;

(c) "includes" or "including" shall mean "including without limitation";

(d) references to a Section, Article or Schedule shall mean a Section, Article or a Schedule of this Agreement, as the case may be, unless the context otherwise requires;

(e) any reference to the ISO Tariff or any provision of the ISO Tariff will mean a reference to the ISO Tariff or provision then in effect as modified during the term of this Agreement, unless otherwise specifically provided;

(f) 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;

(g) 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;

(h) unless the context otherwise requires, any reference to a Party includes a reference to its permitted successors and assigns;

(i) any reference to a day, week, month or year is to a calendar day, week, month or year; and

(j) 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.

ARTICLE II
TERM AND TERMINATION

2.1 Effective Date. This Agreement shall be effective as of the date it is accepted for filing and made effective by FERC and shall remain in full force and effect until terminated pursuant to Section 2.2 or upon such other date as the Parties shall mutually agree.

2.2 Termination

2.2.1 Termination by Default. Either Party (the terminating Party) may terminate this Agreement by giving written notice of termination in the event that

the other Party (the defaulting Party) commits any default under this Agreement or the applicable provisions of the ISO Tariff which, if capable of being remedied, is not remedied within 30 days after the terminating Party has given the defaulting Party written notice of the default, unless excused by reason of Uncontrollable Forces under Article XVIII.

2.2.2 Termination for Cause. Riverside may terminate this Agreement by giving ninety (90) days written notice of termination in the event that: (i) any changes to the ISO Tariff or state or federal law are approved or implemented that substantially alter Riverside's rights or obligations under this Agreement; (ii) the ISO fails to maintain reliable system operations as required by Good Utility Practice and NERC and WECC standards; or (iii) non payment by the ISO for services rendered by Riverside.

2.2.3 Termination for Tax Reasons. Riverside may terminate this Agreement immediately on the loss or threatened loss in whole or in part of exemption from taxation for bonds used directly or indirectly by Riverside for generation, transmission, and distribution projects as a result of Riverside's obligations under this Agreement.

2.2.4 Termination on Notice. Either Party shall have the right to terminate this Agreement in accordance with this Section 2.2.4, subject to the procedural requirements set forth in Section 2.2.5.

2.2.4.1 Either Party may terminate this Agreement by giving the other Party written notice at least six (6) months in advance of the intended effective date of termination.

2.2.4.2 Riverside shall have the right to terminate this Agreement as provided for in Section 11.4.1.

2.2.5 Filing. With respect to any notice of termination given pursuant to this Section, the ISO must file a timely notice of termination with FERC. The filing of the notice of termination by the ISO will be considered timely if: (1) the request to file a notice of termination is made after the preconditions for termination set forth in Sections 2.2.1, 2.2.2, 2.2.3 or 2.2.4 have been met, and (2) the ISO files the notice of termination within 30 days of receipt of such request from Riverside or issuance of its own notice of termination. This Agreement shall terminate upon the date on which the notice of termination is permitted by FERC to become effective; provided, however, that if Riverside is the terminating Party, Riverside shall be relieved of its obligations and shall forego its rights herein as of the termination effective date associated with the provision of this Agreement pursuant to which Riverside has provided its notice of termination, regardless of action or inaction by the ISO or FERC, provided that Riverside shall cease taking any service pursuant to this Agreement as of the effective date associated with

Riverside's notice of termination and provided further that any outstanding charges or settlements that arose under this Agreement shall survive until they are satisfied.

ARTICLE III
GENERAL TERMS AND CONDITIONS

3.1 Scope of Agreement. Except as specifically provided otherwise, the provisions of this Agreement will apply only with respect to the facilities comprising Riverside's System and to Loads and Generating Units that comprise or are directly connected only to Riverside's System. Subject to the terms of Article II, this Agreement shall not affect Riverside's ability to join or establish another Control Area or Riverside's right to exercise any available legal recourse to obtain or confirm that it possesses other forms of transmission rights.

3.2 Relationship Between Agreement and ISO Tariff

3.2.1 If and to the extent a matter is specifically addressed by a provision of this Agreement (including any schedules or other attachments to this Agreement), the provision of this Agreement shall govern notwithstanding any inconsistent provision of the ISO Tariff and, except as provided in Section 3.2.2, any ISO Tariff provision that is referenced in this Agreement.

3.2.2 If and to the extent this Agreement provides that a matter shall be determined in accordance with the applicable provisions of the ISO Tariff, the applicable provisions of the ISO Tariff shall govern.

3.2.3 Except as provided in Section 3.2.1, Riverside shall, with respect to the operation of any of its Generating Units listed in Schedule 14, comply with the requirements applicable to Participating Generators under Section 4.6 of the ISO Tariff and all other provisions of the ISO Tariff governing Participating Generators. Nothing in this Agreement shall obligate Riverside to execute a Participating Generator Agreement with respect to any Riverside Generating Units.

3.2.4 Except as provided in Section 3.2.1, Riverside shall, with respect to the operation of any Load listed in Schedule 14, comply with the requirements applicable to Participating Loads under Section 4.7 of the ISO Tariff and all other provisions of the ISO Tariff governing Participating Loads. Nothing in this Agreement shall obligate Riverside to execute a Participating Load Agreement with respect to any Riverside Load.

3.2.5 Except as provided in Section 3.2.1, Riverside shall, with respect to the operation of the distribution facilities of Riverside's System, comply with the requirements applicable to Utility Distribution Companies under Section 4.4 of the

ISO Tariff and all other provisions of the ISO Tariff governing Utility Distribution Companies. Nothing in this Agreement shall obligate Riverside to execute a UDC Operating Agreement.

3.2.6 The applicability of any provision of the ISO Tariff to Riverside, including as provided in Sections 3.2.1 through 3.2.5, inclusive, shall, in the event of a dispute between the Parties, be determined through the ISO ADR Procedures in accordance with Article 13 of the ISO Tariff.

3.2.7 So long as Riverside remains a Participating Transmission Owner ("TO"), Riverside shall comply with the requirements applicable to Participating TOs under Section 4.3 of the ISO Tariff and all other provisions of the ISO Tariff governing Participating TOs or any settlement of FERC Docket No. ER00-2019.

3.2.8 This Agreement shall serve, with respect to Riverside, as the written agreements required by Sections 4.4.1.1, 4.6, 4.9.1.1, 4.9.4, and 10.2.7.1 of the ISO Tariff and the written agreement required for Participating Loads. Riverside's existing Meter Service Agreement for ISO Metered Entities and Utility Distribution Company Operating Agreement shall terminate simultaneously upon this Agreement becoming effective in accordance with Section 2.1 of this Agreement, subject to FERC acceptance of the notice of termination of these agreements requesting that effective date, which shall be filed with FERC by the ISO concurrently with the filing of this Agreement.

3.3 Amendment to Agreement

3.3.1 Riverside and the ISO shall retain all rights under Section 206 of the Federal Power Act. Except with respect to the ISO's rights set forth in Section 3.3.2 and the Parties' rights under Section 206 of the Federal Power Act, this Agreement may be modified only by mutual written agreement between the Parties. Amendments that require FERC approval shall not take effect until FERC has accepted such amendments for filing and made them effective.

3.3.2 The ISO shall have the right to apply unilaterally under Section 205 of the Federal Power Act to change the rates, terms, and conditions under this Agreement for services provided to Riverside. In proposing any changes, unless in response to a FERC order as provided in Section 3.6, the ISO will consider the principles in this Agreement as detailed in Section 3.4.2. Additionally, unless in response to a FERC order as provided in Section 3.6, any changes proposed by the ISO shall be subject to the following:

3.3.2.1 The ISO shall provide Riverside 30 days advance written notice of such change.

3.3.2.2 The ISO shall meet and confer with Riverside regarding the change, provided that the scheduling of such meeting shall not be unreasonably delayed.

3.3.2.3 Riverside's representative designated in Schedule 17 may waive these requirements upon written request by the ISO

3.3.2.4 The ISO shall provide Riverside with a copy of the FERC filing if, and when, made.

3.3.3 In addition to changes that may otherwise be contemplated by Section 3.5 or Section 3.6, the Parties recognize that the ISO's responsibilities and operations, as set forth in the ISO Tariff, and that Riverside's responsibilities and operations may change during the term of this Agreement. The Parties agree that, in the event any such change substantially affects the allocation of rights, responsibilities and obligations between the Parties under this Agreement, the Parties, while continuing to honor the terms and conditions of this Agreement, will make good faith efforts to negotiate an appropriate amendment to this Agreement and shall endeavor in that process to restore that allocation. Schedules to this Agreement may be revised by agreement of the authorized representatives of the Parties designated in Schedule 17. Revisions to Schedules other than with regard to the contact information in Schedules 6 and 17 shall be filed by the ISO with FERC.

3.4 Amendment to ISO Tariff

3.4.1 Nothing in this Agreement shall affect in any way the authority of the ISO to modify unilaterally the ISO Tariff in accordance with Section 15 of the ISO Tariff or of the ISO and Riverside to exercise their rights under the Federal Power Act or any other law, or to pursue any legal remedies.

3.4.2 In making amendments to the ISO Tariff as provided in Section 3.4.1, the ISO will consider the impact on Metered Subsystems and the principles reached in this Agreement, including but not limited to:

3.4.2.1 Cost Causation: The intent of the Parties is that ISO charges will be charged to Riverside or Riverside's Scheduling Coordinator based on the principle of cost causation, with due regard for historic considerations, timing and transition issues, and other relevant factors.

3.4.2.2 Load Following Capability: Riverside desires the option to elect to implement Load following capability, through its Scheduling Coordinator, to match Riverside's Load and exports from its MSS with Riverside's resources and imports into its MSS approved in advance by the ISO as not causing an undue operational burden, including not having the potential to exacerbate Congestion or otherwise adversely affect reliable operation of the ISO Control Area, and to make economic resource decisions with the resources in Riverside's portfolio.

3.4.2.3 Compatibility of Market Participants: For efficient use of transmission facilities and to decrease Congestion, the ISO desires that all Market Participants operate using similar rules and Scheduling timelines.

3.4.2.4 Private Use Restrictions: Riverside has financed, either directly or indirectly through SCPPA, one or more projects with tax-exempt bonds, which bond indentures require limitations on operational control of such projects.

3.4.2.5 Obligation to Serve and Voluntary Participation in ISO Markets: In order to preserve Riverside's ability to meet its obligation to serve its customers within its Service Area, the ISO shall recognize the principle that the ISO should minimize to the extent practicable any interference with Riverside's use of its resources to meet its obligation to serve. The ISO shall recognize the principles that Riverside's participation in ISO markets should be strictly voluntary and that the ISO's right to request surplus generation from Riverside above that which is bid or scheduled with the ISO shall be limited to occurrence of System Emergencies consistent with Section 7.1.5 and other contingencies recognized in Sections 7.1 and 8.2.

3.4.2.6 Protection Against Load Shedding: An MSS Operator that has sufficient resources to meet applicable resource adequacy standards and schedules sufficient resources to meet its own Load obligations, as specified in Section 7.4.11.4 of the ISO Tariff and its firm energy obligations to third parties shall not be subject to Load Shedding that results from deficiencies by other Market Participants as to such requirements.

3.4.2.7 Affected Generating Units: Riverside's generating resources subject to provisions of this Agreement applicable to Generating Units, and that are to be listed in Schedule 14, are those generating resources in the ISO Control Area over which Riverside has operational control.

3.5 Market Redesign and Technology Upgrade. The ISO is in the process, simultaneously with the negotiations of this Agreement, of redesigning the ISO markets ("MRTU"). If and when components of the MRTU design necessitate a revision to this Agreement, the ISO will amend this Agreement in accordance with Section 3.3 and consistent with the principles in Section 3.4.2.

3.6 Changes to Conform To FERC Orders. Nothing in this Article III shall be interpreted to limit the ISO's right to modify the ISO Tariff or this Agreement to comply with or conform to any FERC order.

3.7 Facilities Financed by Local Furnishing Bonds or Other Tax-Exempt Bonds. This Section 3.7 applies only to facilities which are under the Operational Control of the ISO and are owned by a MSS Operator with Local Furnishing Bonds or other tax-exempt bonds. Nothing in this Agreement shall compel (and the ISO is not authorized to request) any MSS Operator with Local Furnishing Bonds, or

other tax-exempt bonds, to violate restrictions applicable to facilities which are part of a system that was financed in whole or in part with Local Furnishing Bonds or other tax-exempt bonds.

ARTICLE IV
INTERCONNECTION

4.1 Points of Interconnection. The Points of Interconnection are described in Schedule 1. Additional Points of Interconnection may be established only by mutual agreement of the authorized representatives of the Parties pursuant to Section 3.3.3, which agreement shall not be unreasonably withheld.

4.2 Interconnection Operation Standards. The ISO and Riverside shall maintain stable established operating parameters and control power and reactive flow within standards stated in Schedule 2.

4.3 Operation, Maintenance, and Load Serving Responsibilities. Riverside shall operate and maintain all facilities under Riverside control forming any part of Riverside's System, and shall be responsible for the supply, including any purchases, of the Energy and Ancillary Services required to reliably provide electric service to the Loads connected to Riverside's System in accordance with Applicable Reliability Criteria, including WECC and NERC criteria.

4.4 Expansion, Retirement, and Modification of Facilities. The Parties shall coordinate with each other in the planning and implementation of any expansion, retirement, or modification of those facilities forming or interconnected to parts of Riverside's System that are identified in Schedule 1, proposed replacements for such facilities, and other facilities forming parts of Riverside's System that serve similar functions or that otherwise will or may significantly affect the Points of Interconnection, and shall provide sufficient advance notice to enable the ISO or Riverside to conduct any necessary studies. The authorized representatives of Parties will amend Schedule 1 pursuant to Section 3.3.3, as necessary, should any new Point of Interconnection be established in accordance with Section 4.1.

4.5 Installation of Facilities and Rights of Access

4.5.1 Pursuant to Schedule 3, the Parties shall permit one another, on reasonable notice and with mutual agreement in each case, to install equipment or have installed equipment or other facilities on the property of the other Party to enable the installing Party to meet its service obligations, unless doing so would negatively impact the reliability of service provided by the owning Party. Unless otherwise agreed, all costs of installation shall be borne by the installing Party.

4.5.2 A Party installing equipment on the property of the other Party shall be granted, free of charge, reasonable rights of access to inspect, repair, maintain and upgrade that equipment. Access shall be provided only on prior notice and such access shall not be unreasonably withheld.

4.5.3 Notwithstanding any other provision in this Section 4.5, Riverside shall provide, subject to any contractual limitations concerning Riverside's entitlements to facilities, the ISO with access for inspection or audit, to any equipment or other facilities of Riverside's System, the operation of which affects any Point of Interconnection or the ISO Controlled Grid. Riverside will allow access during normal working hours with no prior notice, provided that Riverside shall have the right to delay access to any personnel for no longer than the minimum amount of time required for Riverside to verify their identity, business purpose, and right of access. For access during times outside of normal working hours, the ISO shall provide Riverside with one (1) Business Day advance notice. A shorter advance notice time may be attained subject to mutual agreement of the Parties' representatives.

ARTICLE V
OPERATIONS

5.1 Outages

5.1.1 Riverside shall coordinate Outages of its Generating Units and of transmission facilities, including the Points of Interconnection, constituting parts of Riverside's System with the owners of the transmission or distribution facilities with which Riverside's System is interconnected so that each of those owners can take those Outages into account in coordinating maintenance of its transmission facilities with the ISO.

5.1.2 Riverside shall schedule with the ISO on an annual basis, pursuant to Schedule 4, any Maintenance Outages of the equipment included in Schedule 1, and shall coordinate the Outage requirements of Riverside's System with the Participating TO with which Riverside's System is interconnected.

5.1.3 Without waiving the right to terminate this Agreement in accordance with the terms of Section 2.2, Riverside shall coordinate Outages of its Generating Units, and of transmission facilities constituting parts of Riverside's System, with the ISO, pursuant to any generally applicable program established by the ISO to the extent required by the applicable sections of the ISO Tariff or as required by any law, regulation or order applicable to Riverside where such law, regulation,

or order applies to entities that have executed a written undertaking required by Section 4.6 of the ISO Tariff.

5.2 Safety and Reliability. Riverside shall operate and maintain Riverside's System in accordance with applicable safety and reliability standards, WECC and NERC requirements, regulatory requirements, operating guidelines, and Good Utility Practice so as to avoid any material impact on the ISO Controlled Grid. Without limiting the foregoing, Riverside shall operate and maintain Riverside's System, during normal and System Emergency conditions, in compliance with the requirements applicable to Utility Distribution Companies in the ISO Operating Procedures and standards. In the event any such ISO Operating Procedure or standard is revised to modify the requirements applicable to Utility Distribution Companies, the Parties shall comply with such revision.

5.3 Critical Protective Systems. Riverside will coordinate with the ISO, SCE, and any Generators on Riverside's System to ensure that ISO Controlled Grid Critical Protective Systems, including relay systems and other systems described in Schedule 5, are installed and maintained in order to function in a coordinated and complementary fashion with protective devices installed by Riverside, SCE, and Generators. Riverside shall notify the ISO as soon as is reasonably possible of any condition that it becomes aware of that may compromise or affect the operating safety and reliability of the ISO Controlled Grid Critical Protective Systems, including the systems described in Schedule 5.

5.4 Control Center. Riverside shall maintain and operate a control center that is staffed twenty-four (24) hours per day, seven (7) days per week for the exchange of operational procedures and information and shall, together with the ISO, establish appropriate communications facilities and procedures between Riverside's control center and the ISO Control Center. The initial points of contact are set forth in Schedule 6. A Party's representative must update the information in Schedule 6 as the information changes. Changes to Schedule 6 shall not constitute an amendment to this Agreement.

5.5 Transmission Losses, Outages, and Congestion. Riverside shall be responsible for transmission losses within Riverside's System and to any Points of Interconnection. In addition, Riverside shall be responsible for transmission line Outages and transmission Congestion within Riverside's System and at the Points of Interconnection. This Section 5.5 does not affect Congestion on the ISO Controlled Grid, which shall be managed in accordance with the ISO Tariff.

ARTICLE VI
INFORMATION SHARING

6.1 Forecasts. Riverside shall provide to the ISO annually its ten-year forecasts of Demand growth, internal Generation, and expansions of or replacements for

those transmission facilities that are part of Riverside's System identified in Schedule 1 and other transmission facilities that are part of Riverside's System that serve similar functions or that otherwise will or may significantly affect any Point of Interconnection. Such forecast shall be provided on the date that Utility Distribution Companies are required to provide similar forecasts, which is currently October 15. The ISO shall notify Riverside of any changes in this date. Peak Demand forecasts for Riverside's System shall be submitted weekly by Riverside's Scheduling Coordinator and monthly in accordance with the ISO Demand Forecasting Protocol, and biannually as part of the ISO's summer and winter assessment process.

6.2 **System Surveys and Inspections.** Riverside and the ISO shall cooperate to perform system surveys and inspections of facilities at or near the Points of Interconnection that may significantly affect the facilities of the other Party.

6.3 **Maintenance Schedules.** Riverside shall provide the ISO on an annual basis with a schedule of planned maintenance of those Generation and transmission facilities identified in Schedule 1, as specified by joint agreement of the Parties, in accordance with Schedule 4. Riverside and the ISO shall also maintain records of the Maintenance Outages scheduled by Riverside on such facilities and their actual duration. Riverside shall coordinate maintenance of its transmission facilities with the ISO in accordance with the Transmission Control Agreement. Should Riverside withdraw any of its transmission facilities from ISO Operational Control pursuant to the Transmission Control Agreement, it shall coordinate maintenance of its transmission facilities within the ISO Control Area with the ISO in accordance with this Agreement.

6.4 **Reliability Information.** Riverside and the ISO shall each have the obligation to inform the other Party, as promptly as possible, of any circumstance of which it becomes aware (including, but not limited to, abnormal temperatures, storms, floods, earthquakes, and equipment depletions and malfunctions and deviations from Registered Data and operating characteristics) that is reasonably likely to threaten the reliability of the ISO Controlled Grid or the integrity of Riverside's System respectively. Riverside and the ISO each shall also inform the other Party as promptly as possible of any incident of which it becomes aware (including, but not limited to, equipment outages, over-loads or alarms) which, in the case of Riverside, is reasonably likely to threaten the reliability of the ISO Controlled Grid, or, in the case of the ISO, is reasonably likely to adversely affect Riverside's System. Such information shall be provided in a form and content which is reasonable in all the circumstances, sufficient to provide timely warning to the other Party of the threat and, in the case of the ISO, not unduly discriminatory with respect to the ISO's provision of similar information to other entities.

6.5 **Major Outage Reports.** Riverside shall promptly provide such information as the ISO may reasonably request concerning Riverside's operation of Riverside's

System to enable the ISO to meet its responsibility under the ISO Tariff to conduct reviews and prepare reports following major Outages. Where appropriate, the ISO will provide appropriate assurances that the confidentiality of commercially sensitive information shall be protected. The ISO shall have no responsibility to prepare reports on Outages that affect customers on Riverside's System, unless the Outage also affects customers connected to the system of another entity within the ISO Control Area. Riverside shall be solely responsible for the preparation of any reports required by any governmental entity or the WECC with respect to any Outage that affects solely customers on Riverside's System.

6.6 Annual Reviews and Reports

6.6.1 The ISO shall make available to Riverside any public annual reviews or reports regarding performance standards, measurements or incentives relating to the ISO Controlled Grid that the ISO makes available to MSS Operators and Participating TOs.

6.6.2 Riverside shall make available to the ISO any public annual reviews or reports regarding performance standards, measurements or incentives relating to Riverside's System that may affect the ISO Control Area.

6.6.3 The ISO and Riverside shall jointly develop any necessary forms and procedures for collection, study, treatment, and transmittal of system data, information, reports and forecasts.

6.7 Riverside shall cause to be installed and cause to be maintained direct telemetry links from facilities comprising Riverside's System to the ISO's EMS system to provide real-time data to the ISO, subject to any exemption available in accordance with the ISO Tariff. Such data points may include without limitation: output of Generating Units under Riverside control; Riverside's line and transformer power flows at any Riverside Points of Interconnection; and bus voltages at each Generating Unit and any Point of Interconnection. With regard to Generating Units in the ISO Control Area in which Riverside has an entitlement; and at each Point of Delivery, over which Riverside does not have legal authority to exercise control, Riverside shall, at a minimum, support the installation and maintenance of direct telemetry links to the ISO's EMS system from those Generating Units and Points of Delivery before the appropriate bodies of the projects and/or Points of Delivery pursuant to the individual related agreements to the full extent allowed by such agreements and applicable laws and regulations. Additional data points to be transmitted to the ISO EMS system will be as mutually agreed by the ISO and Riverside representatives.

ARTICLE VII
EMERGENCY OPERATIONS

7.1 In General.

Except with respect to Sections 7.4.1, 7.4.3, 7.4.4, 7.5.1, and 7.5.2, or unless Riverside is short of resources to meet its forecasted Demand, as determined in accordance with Section 7.4.11.4 of the ISO Tariff, the terms of this Article VII shall only apply during a System Emergency that is not a result of a deficiency of resources to serve Loads in the ISO Control Area but instead occurs due to operating contingencies, which may include but not be limited to forced loss of resources and/or transmission components or may otherwise be caused by an Uncontrollable Force. In the event a System Emergency occurs or the ISO determines that a System Emergency is threatened or imminent, Riverside shall, in accordance with Good Utility Practice: (a) comply with all directions from the ISO concerning the management and alleviation of a threatened or actual System Emergency, which may include shutting down or starting a Generating Unit, altering the scheduled delivery of Energy or Ancillary Services throughout the ISO Control Area, or disconnecting Riverside Load; and (b) comply with all procedures concerning System Emergencies set out in the Riverside EEP, ISO Protocols, and ISO Operating Procedures, in accordance with the applicable provisions of this Agreement. Without limiting the generality of the foregoing:

Applicability. Subsequent to the declaration by the ISO of a threatened and imminent System Emergency in accordance with the ISO's Operating Procedure applicable to System Emergencies, in the event Riverside has chosen not to follow its load in accordance with Section 4.9.9 of the ISO Tariff, and otherwise during a System Emergency, the ISO may issue Dispatch Instructions or request additional output from Riverside's Generating Unit in addition to the Energy and Ancillary Services Riverside has scheduled with the ISO or bid into the ISO's markets. Unless the request or Dispatch Instruction is issued by the ISO to implement a FERC approved market mitigation measure applicable to MSS Operators consistent with Section 7.1.5.1, Riverside shall not be required by this Agreement to comply with such requests or Dispatch Instructions, although it may consent to do so in a particular case (without prejudice to Riverside's right to direct its Scheduling Coordinator to decline any such requests or instructions thereafter), if: (i) the ISO has not exhausted market resources prior to calling on Riverside's resources and such market resources, if dispatched, would have had a similar operational effect as dispatching Riverside's Generating Unit in alleviating the System Emergency; or (ii) the System Emergency is a result of insufficient resources to meet Load and/or inability to meet Operating Reserve obligations (as defined by WECC or its successor and implemented by the ISO), as determined in accordance with Section 7.4.11.4 of the ISO Tariff. If Riverside or its Scheduling Coordinator chooses not to follow such a request or Dispatch Instruction, it shall notify the ISO as soon as possible that it will not follow the request or Dispatch Instruction due to one of the reasons set forth above.

Operating Limitations/Conditions. Any dispatch Instructions or requests for output from Riverside's Generating Unit by the ISO during System Emergencies shall be subject to the terms of Section 10.2.

7.1.1 When requested by the ISO subsequent to the declaration by the ISO of an alert regarding a threatened or imminent System Emergency in accordance with the ISO's Operating Procedure applicable to System Emergencies in the event Riverside has chosen not to follow its load in accordance with Section 4.9.9 of the ISO Tariff, and otherwise during a System Emergency, Riverside shall operate all of its Generating Units listed in Schedule 14 to supply the ISO with generating capacity and/or Energy that can be made available by those Generating Units in order to make available as much generating capacity and/or Energy as possible to the ISO during the term of any System Emergency, consistent with: (a) maintaining the supply of Energy to Loads on Riverside's System, other than in accordance with Section 7.4; and (b) due consideration for Riverside obligations specified in the EEP attached to Schedule 11 or limitations specified in Schedule 14 resulting from, but not necessarily limited to: (1) licenses/permits related to Generating Units (including air emission constraints), (2) water release constraints imposed by regulatory agencies, (3) internal policies related to fuel and contract management, and (4) abnormal Generating Unit and transmission maintenance, provided that Riverside shall provide the ISO with advance notice of any changes to the limitations in Schedule 14 that Riverside's obligations impose on the operation of its Generating Units, and any such changes agreed to by the ISO shall be amendments to this Agreement. Such agreement by the ISO shall not be unreasonably withheld. For that purpose, Riverside shall provide the ISO with any change in Schedule 14 with regard to the limitations on the operation of its Generating Units. Riverside shall provide the ISO updates regarding the status of the limitations in Schedule 14 promptly whenever it becomes aware of factors that affect such limitations, provided that updates shall be provided at least quarterly and no updates may be provided later than the deadline for the submission by other Generators of changes in limitations on the operation of Generating Units, which is currently the deadline for the submission of final Hour-Ahead Schedules, except when a change is due to a Forced Outage. In making as much generating capacity and/or Energy available that can be made available by its Generating Units to the ISO as possible for use subsequent to the declaration by the ISO of an alert regarding a threatened or imminent System Emergency in accordance with the ISO's Operating Procedure applicable to System Emergencies and during System Emergency conditions, subject to the foregoing, Riverside shall:

7.1.1.1 Schedule, reschedule and operate to the maximum extent possible, the Generating Units, within the limits set forth in Schedule 14 and, to the extent possible, other Riverside resources within and outside the ISO's Control Area to maximize the amount of generating capacity and/or Energy available that can be made available by those Generating Units and other

resources to the ISO, provided that Riverside shall not be required to terminate any firm sales of generating capacity or Energy that it is committed to provide pursuant to contracts in effect at the time of the System Emergency; and

7.1.1.2 Reschedule Maintenance Outages of equipment and facilities, including Generating Units and facilities which impact the operation of Generating Units, to maximize the amount of generating capacity and/or Energy available that can be made available by those Generating Units to the ISO.

7.1.2 In the event that the ISO issues a Dispatch instruction that contravenes the Riverside EEP attached to Schedule 11 or any limitation set forth in Schedule 14 duly communicated in accordance with Section 7.1.1, Riverside or its Scheduling Coordinator shall not be required to follow that instruction, although it may consent to do so in a particular case (without prejudice to Riverside's right to direct its Scheduling Coordinator to decline any such instructions thereafter). If Riverside or its Scheduling Coordinator chooses not to follow such an instruction, it shall notify the ISO as soon as possible that it will not follow the Dispatch instruction due to the previously communicated limitation.

7.1.3 Riverside's Scheduling Coordinator shall receive compensation for generating capacity and/or Energy supplied in response to System Emergency Dispatch instructions issued by the ISO in accordance with the ISO Tariff.

7.1.4 During a System Emergency, the ISO and Riverside shall communicate through their respective control centers and in accordance with procedures established in this Agreement and the ISO Tariff.

7.1.5 Notwithstanding anything to the contrary in Articles V, VII, VIII, IX, or X, or any ISO Tariff provision, Riverside shall not be expected or required to curtail Load or offer to the ISO generating capacity or Energy from its Generating Units in a System Emergency that is due to the failure of other Load serving entities to provide resources adequate to serve Load and maintain Operating Reserves or maintain an Approved Credit Rating in accordance with the ISO Tariff.

7.1.5.1 Nothing in this Section 7.1.5 or this Agreement is intended to affect Riverside's obligation to comply with any market mitigation requirement, including any must-offer requirement, that the FERC may impose on MSS Operators such as Riverside.

7.2 **Notice.** When a System Emergency occurs, the ISO shall notify Riverside's control center as part of the process by which it notifies all Utility Distribution Companies and MSS Operators of System Emergency conditions. To the extent practical, such notices shall include sufficient information for Riverside to

determine which conditions of Article VII may apply. Details of the notification process are set forth in Schedule 7.

7.3 **Records.** Riverside and the ISO shall maintain all appropriate records with respect to operations during a System Emergency in accordance with the ISO Tariff.

7.4 Load Shedding

7.4.1 Automatic Load Shedding. Riverside shall implement and have at all times operational an automatic Under Frequency Load Shedding program, or shall be included in another MSS's or UDC's WECC-compliant UFLS program, as described in Schedule 8, and any undervoltage relay protection program that may be described in Schedule 9.

7.4.2 Manual Load Shedding

7.4.2.1 Applicability. Riverside shall not be subject to manual Load Shedding if: (i) it has sufficient resources to meet its forecasted Demand, as determined in accordance with Section 7.4.11.4 of the ISO Tariff; and (ii) the Load Shedding is required solely due to insufficient resources to meet Load and/or inability to meet Operating Reserve obligations (as defined by WECC or its successor and implemented by the ISO), as determined in accordance with Section 7.4.11.4 of the ISO Tariff.

7.4.2.2 Verification of MSS Resource Sufficiency. Riverside shall provide the ISO with detailed real time information, in graphical or tabular format for those contracts and resources that do not have direct telemetry, demonstrating its full resource sufficiency during any time that the ISO interrupted firm Load within the ISO Control Area or during which time an ISO direction to interrupt firm Load was in force, like other MSS Operators and UDCs seeking similar exclusion from firm Load Shedding obligations, and Riverside and its Scheduling Coordinator shall be subject to the provisions of Section 7.4.11.4 of the ISO Tariff for any failure to make such demonstration.

7.4.2.3 Implementation. When called upon to do so by the ISO in accordance with Section 7.4.2 to avert, manage, or alleviate a System Emergency, Riverside shall implement the manual Load Shedding program described in Schedule 10. The ISO shall notify Riverside when conditions exist that would require Riverside to implement the Load curtailment and Interruptible Load programs described in Schedules 10, 10A, and 10B. Subject to the provisions of Sections 7.1.2 and 7.4.2, if the ISO determines that manual Load curtailment is required to manage a System Emergency, the ISO shall determine the amount and location of Load to be reduced and, to the extent practicable, shall allocate a portion of the required Demand reduction to Riverside and each UDC and MSS

Operator based on the ratio of its Demand at the time of the ISO Control Area annual peak Demand for the previous year to total ISO Control Area annual peak Demand for the previous year, taking into account system considerations and Riverside's curtailment rights.

7.4.2.4 Audit. In the event the ISO calls upon Riverside to implement manual Load Shedding, Riverside shall have the right to request an audit, in accordance with the provisions of ISO Tariff Section 22.1.2.4, of the ISO's implementation of manual Load Shedding to verify the ISO's compliance with the conditions set forth in Section 7.4.2. The ISO shall cooperate fully with such audits. Riverside shall bear the full cost of any such audit, including the cost of ISO activities in cooperation with the audit.

7.4.3 Load Restoration. Load shed in accordance with Section 7.4.1, 7.4.2, and 7.4.2.3 shall be restored pursuant to Schedule 12.

7.4.4 The ISO shall use reasonable efforts to coordinate Riverside's Under Frequency Load Shedding program with the Under Frequency Load Shedding programs of other MSS Operators and Utility Distribution Companies, and the implementation of all such other programs, so that no one entity bears a disproportionate share of Under Frequency Load Shedding in the ISO Control Area. Riverside warrants that its UFLS program does and will continue to fully adhere to the applicable WECC plans and requirements governing such programs, in accordance with Schedule 8.

7.4.5 To the extent Riverside reduces Riverside's System Load in response to a System Emergency, it shall exercise its best efforts to maintain the same level of Generation and imports as was scheduled prior to the Load reduction in order to provide the ISO with Energy, subject to the provisions of Section 7.1.2. Riverside's Scheduling Coordinator shall receive compensation for any Energy or Ancillary Services made available to the ISO as a result of such Load Shedding in accordance with the ISO Tariff and ISO Operating Procedures and, in accordance with Section 11.2.4.1.2(a) of the ISO Tariff, shall not be subject to any Uninstructed Deviation Penalty for positive Uninstructed Imbalance Energy for so long as the System Emergency condition exists.

7.5 Electrical Emergency Plan

7.5.1 Riverside shall cooperate with the ISO's implementation of the Electrical Emergency Plan ("ISO EEP") developed by the ISO in accordance with Section 7.4.5 of the ISO Tariff. Riverside shall implement Riverside's EEP attached to Schedule 11 and filed with FERC for informational purposes, and the ISO shall cooperate with Riverside's implementation of Riverside's EEP.

7.5.2 Riverside shall notify its customers pursuant to its EEP of any requests for voluntary Load curtailments of which the ISO notifies Riverside pursuant to the ISO EEP.

7.5.3 When the ISO allocates an amount of Load curtailment to Riverside pursuant to Section 7.4 and to the ISO EEP to manage a System Emergency, Riverside shall cause customers to curtail that amount of Load.

7.6 Records. Riverside and the ISO shall maintain all appropriate records with respect to operations during a System Emergency in accordance with the ISO Tariff.

ARTICLE VIII
LOCAL AND REGIONAL RELIABILITY

8.1 Reliability Within Riverside's System

8.1.1 Riverside shall be solely responsible for maintaining the reliability of electric service to customers in Riverside's System in accordance with Applicable Reliability Criteria, WECC and NERC requirements, regulatory requirements, and Good Utility Practice, subject to the responsibilities of the ISO as the operator of the Control Area in which Riverside's System is located.

8.1.2 Riverside shall be responsible for any reliability Generation, Voltage Support, and Black Start service requirements within Riverside's System at the Point of Interconnection, if any.

8.1.3 If and to the extent the WECC criteria change or Riverside does not maintain sufficient Generation to meet the reliability criteria in Schedule 16, as may be amended, as applied to Riverside's System and thus avoid adverse impacts on the ISO Controlled Grid, then Riverside's Scheduling Coordinator may be assessed costs incurred by the ISO to support the reliability of Riverside's System. The ISO will notify Riverside that the reliability criteria have not been met and the Parties shall negotiate in good faith over necessary modifications and, if they cannot reach agreement, submit the dispute to dispute resolution in accordance with Article XV..

8.2 Control Area Reliability. For the costs specified in this Article VIII, Riverside, through its Scheduling Coordinator, shall be responsible for supplying or bearing its proportionate share of the costs of generating resources required for the reliability of electric service to Loads in the ISO Control Area, except for (i) Reliability Must-Run ("RMR") Generation costs on the ISO Controlled Grid, where such costs are the responsibility of the Participating TO where the RMR Unit is interconnected and Riverside is not the applicable Participating TO, and

(ii) any other costs of generating resources required for the reliability of electric service to Loads in the ISO Control Area that FERC may order to be inapplicable to Riverside. Riverside, through its Scheduling Coordinator, may meet such obligation from resources it owns or with respect to which it has contractual entitlements to the Energy and Ancillary Services or it may purchase those products through the ISO's markets in accordance with the terms of the ISO Tariff.

8.3 Voltage Support.

8.3.1 Until such time as Riverside may become directly interconnected with the ISO Controlled Grid, Riverside shall maintain stable operating parameters and control of real and reactive power flows in accordance with Attachment B Technical and Operational Implementation of the Tariff for Wholesale Distribution Load of the Wholesale Distribution Access Tariff ("WDAT") and the Service Agreement for Wholesale Distribution Service between SCE and Riverside (or a replacement agreement provided that any replacement agreement preserves Riverside's obligations in accordance with this Section 8.3 and Schedule 2), which are incorporated herein by reference.

8.3.2 If Riverside becomes directly interconnected with the ISO Controlled Grid, Riverside shall maintain stable operating parameters and control of real and reactive power flows in accordance with the ISO Tariff and the operation standards set forth in Schedule 2, and the responsibilities described below and in Schedule 2 shall apply at each Point of Interconnection, if any, with the ISO Controlled Grid. Riverside shall maintain the voltage on Riverside's System so that reactive flows at the Points of Interconnection are at the level specified by the ISO within the power factor band of 0.97 lag to 0.99 lead. Riverside shall not be compensated for maintaining the power factor at the levels required by the ISO within this bandwidth. If Riverside fails to maintain the power factor at the levels specified by the ISO, Riverside's Scheduling Coordinator shall bear a portion of the ISO's Voltage Support costs in accordance with Section 13.6.

8.4 Black Start. Riverside shall either provide its own share of ISO Control Area Black Start capability or, through its Scheduling Coordinator, shall bear a portion of the ISO's Black Start costs in accordance with Section 13.7.

8.5 Ancillary Services. Riverside's responsibility for the ISO Control Area requirements of Ancillary Services shall be determined in accordance with the ISO Tariff. If Riverside's Scheduling Coordinator schedules sufficient self-provided capacity complying with the applicable requirements of the ISO Tariff, which capacity is committed to the various required Ancillary Services, and maintains the Ancillary Service capacity as available to the ISO for that purpose, Riverside's Scheduling Coordinator shall not be required to purchase capacity in the ISO's Ancillary Service markets. To the extent Riverside's Scheduling Coordinator does not schedule sufficient capacity for this purpose, Riverside

may, through its Scheduling Coordinator, purchase the required capacity in the ISO's Ancillary Service markets. To the extent Riverside's Scheduling Coordinator does not maintain the availability of capacity committed to the ISO for Ancillary Services for that purpose, the Scheduling Coordinator shall be responsible for the applicable charges under the ISO Tariff.

8.6 Imbalance Energy. To the extent that sufficient Energy for the purpose of serving Load in Riverside's System and exports from Riverside's System, including losses, is not reflected in Schedules submitted by Riverside's Scheduling Coordinator and delivered in real time, Riverside shall be deemed (through its Scheduling Coordinator) to have purchased or sold Imbalance Energy in the ISO's Imbalance Energy market. The ISO will settle with Riverside's Scheduling Coordinator with regard to Imbalance Energy in accordance with the ISO Tariff. If Riverside elects in accordance with Section 4.9.9 of the ISO Tariff to have its Scheduling Coordinator follow Riverside's Load and exports from the MSS with Riverside's resources and imports into the MSS, which resources and imports into the MSS must be approved in advance by the ISO as not causing an undue operational burden for following Riverside's Load and exports from the MSS in accordance with Section 11.4, to the extent that the net Imbalance Energy for all of Riverside's Loads and exports from the MSS, and resources and imports into the MSS, is within Riverside's portfolio deviation band, as specified in Section 13.12, Riverside's Scheduling Coordinator will not be subject to costs or penalties, other than the cost of the Imbalance Energy itself. To the extent that Riverside's Scheduling Coordinator is operating outside of its portfolio deviation band, Riverside's Scheduling Coordinator shall be subject to penalties as specified in Section 13.12. In following Load, Riverside's Scheduling Coordinator may utilize any resource available to it approved in advance by the ISO as not causing an undue operational burden in accordance with Section 11.4, regardless of whether, or at what level, that resource is reflected in Schedules submitted by Riverside's Scheduling Coordinator, except with respect to any portion of the capacity of a resource for which Riverside's Scheduling Coordinator has submitted an Ancillary Services capacity bid to the ISO for that resource or to the extent the ISO has issued a System Emergency operating order consistent with Section 7.1.1.

8.7 MSS Aggregator: Riverside may elect to have its Load and exports from Riverside's system, including losses, included in the aggregated Load and exports of its MSS aggregator and reflected in Schedules submitted by the MSS aggregator's Scheduling Coordinator. The terms and conditions of the MSS aggregator's agreement with the ISO shall govern the inclusion of Riverside's Load and exports in the portfolio of the MSS aggregator's Scheduling Coordinator regarding charges, Load following, Imbalance Energy and any application of a deviation band provided for in the context of Load following.

8.8 Ratings and Limits. At no time shall the power flow between the ISO and Riverside at the Points of Interconnection be allowed to cause any circuit or equipment at the Points of Interconnection to exceed the allowable applicable ampacity rating or to exceed the simultaneous transfer limit between the ISO and

Riverside (such simultaneous transfer limit shall be studied and established by the Parties). If the actual or anticipated power flow between the ISO and Riverside causes a circuit at any Point of Interconnection to exceed its applicable ampacity rating or such flow exceeds or is anticipated to exceed the agreed to allowable simultaneous transfer limit between the ISO and Riverside, and further if the ISO determines and Riverside concurs with the ISO's determination, in accordance with Good Utility Practice, that Riverside is the cause of such exceedance or anticipated exceedance, Riverside retains the right, and the ISO shall have the right to require Riverside, to take immediate action to reduce such flow on the overloaded circuit or reduce such simultaneous power flow between the ISO and Riverside by one or more actions (as determined by Riverside), including, but not limited to, increasing internal Generation within Riverside or curtailing Riverside Load as necessary. If the ISO determines, in accordance with Good Utility Practice, that Riverside is not the cause of the existing or anticipated exceedance, the ISO may require third parties to take necessary action to reduce flows on overloaded circuits or reduce simultaneous power flows between the ISO and Riverside if applicable and allowable through arrangements that the ISO may have with such third parties or pursuant to the ISO's authority under the ISO Tariff or its delegated jurisdictional authority through WECC or NERC. If the ISO is unable to determine a) whether Riverside caused, or b) to what extent Riverside may have caused, such exceedance or anticipated exceedance, or c) the Parties do not agree on the causation determination, the Parties agree, in accordance with Good Utility Practice, to confer and mutually decide what actions shall be taken.

8.9 **SILT.** Riverside's implementation of the WECC Southern Island Load Tripping ("SILT") program shall fully adhere to applicable WECC plans and requirements governing such program, in accordance with Schedule 8.

ARTICLE IX
ACCESS TO THE ISO CONTROLLED GRID AND MARKETS

9.1 Existing Contracts and Encumbrances and Access to the ISO Controlled Grid

9.1.1 Nothing in this Agreement shall be construed or interpreted in any manner that would interfere with the terms and conditions of any Existing Contract or Encumbrance or relieve the ISO of its obligation to honor such Existing Contracts and Encumbrances.

9.1.2 Riverside shall have open and non-discriminatory access to the ISO Controlled Grid for the scheduling of transactions that do not utilize Existing Contracts and Encumbrances in accordance with the ISO Tariff and for other transmission services the ISO may provide in the future under the ISO Tariff, or under any other appropriate regulatory avenue.

9.1.3 Riverside may use the ISO Controlled Grid in accordance with the ISO Tariff to buy and sell electric products in the ISO's markets and in bilateral transactions with other Market Participants.

9.1.4 Riverside shall afford open and non-discriminatory access to the transmission facilities included in Riverside's System to any entity qualified to obtain an order under Section 211 of the Energy Policy Act of 1992 that affords such access to the transmission facilities that such entity owns or controls.

9.2 Access to ISO Markets

9.2.1 Sales of Energy and Ancillary Services. Energy and Ancillary Services produced by Riverside's Generating Units and Loads listed in Schedule 14 may be sold in the ISO's markets on the terms applicable under the ISO Tariff to Participating Generators and Participating Loads, respectively, as modified by this Agreement. If Riverside's Scheduling Coordinator submits a bid for Energy or Ancillary Services from a Generating Unit or Load listed in Schedule 14, Riverside warrants to the ISO that it has the capability to provide that service in accordance with the ISO Tariff and that it shall comply with ISO Dispatch Instructions for the provision of the service in accordance with this Agreement. If Riverside's Scheduling Coordinator submits a bid for Energy or Ancillary Services from a Generating Unit or Load within Riverside's System, any Energy delivered from that Generating Unit or Load shall be added to the calculation of Riverside's net metered Demand and exports from Riverside's System for purposes of determining deliveries to Riverside's System in assessing charges pursuant to Article XIII.

9.2.2 Certification. Riverside shall not use a Scheduling Coordinator to submit a bid for the provision of an Ancillary Service or submit a Schedule for the self-provision of an Ancillary Service unless the Scheduling Coordinator serving Riverside is in possession of a current certificate pursuant to Sections 8.4 and 8.10 of the ISO Tariff.

9.2.3 Supplemental Energy and Ancillary Service Bids. Bids in the ISO's Supplemental Energy and Ancillary Service markets may only be submitted by Riverside's Scheduling Coordinator.

9.2.4 Black Start and Voltage Support. Riverside or its Scheduling Coordinator shall be entitled to bid its Generating Units and the resources on Riverside's System in any open solicitation held by the ISO for Black Start or Voltage Support services, provided that the supply of any service by Riverside shall not impair its ability to provide the service it is required by Article VIII to provide for Riverside's System, and, if the services are sold to the ISO, Riverside or its Scheduling Coordinator shall provide such services in accordance with the ISO Tariff.

ARTICLE X
GENERATING UNITS AND MARKET-PARTICIPATING LOADS

10.1 Identification of Resources. Riverside has identified in Schedule 14 the individual Generating Units and Loads proposed for participation in the ISO's markets that it owns, operates or to which it has a contractual entitlement that are included in Riverside's System.

10.1.1 Technical Characteristics. Riverside has provided to the ISO in Schedule 14 the required information regarding the capacity and operating characteristics of each of the Generating Units and Loads listed in that schedule. The ISO may verify, inspect, and test the capacity and operating characteristics provided in Schedule 14, and any changes thereto made pursuant to Section 10.1.2 in accordance with Section 8.10.1 of the ISO Tariff.

10.1.2 Notification of Changes. Riverside shall notify the ISO sixty (60) days prior to any change to the information provided in Schedule 14, provided that such notice shall not be required for changes to parameters of operating limitations set forth in Schedule 14, which shall be made in accordance with the ISO's Operating Procedures. The Parties shall amend Schedule 14, as applicable, to reflect that change. Subject to such notification, and verification, inspection, and testing in accordance with Section 10.1.1, but without waiting for the execution and effectiveness of an amended Schedule 14, the Parties shall implement any new information for a Generating Unit or Load identified in Schedule 14 upon the effective date for the next scheduled update to the ISO's Master File.

10.1.3 Nothing in this section shall preclude Riverside from informing the ISO of changes in limitations on the operation of a Generating Unit, as provided in Section 7.1, or to comply with environmental laws and regulations, provided that Riverside provides the ISO with advance notice of any changes in such limitations.

10.2 Generating Unit Operation

10.2.1 Riverside shall install and maintain direct telemetry links to the ISO's EMS system for each Generating Unit under Riverside's control that enables the ISO to view the status, voltage, and output of the Generating Unit and ISO certified meters that transmits data automatically to the ISO's meter data acquisition system. Riverside shall calculate and specify to the ISO any distribution loss factor applicable to its Generating Units.

10.2.2 If Riverside, through its Scheduling Coordinator, chooses to supply Regulation or self-provide Regulation from a Generating Unit, it must provide the ISO with control over the Generating Unit providing Regulation and place the Generating Unit on Automatic Generation Control ("AGC") responsive to the ISO's Regulation signal. Regulation service shall be provided in accordance with

the ISO Tariff. Riverside or its Scheduling Coordinator may adjust output of Generating Units under Riverside's control, in response to Riverside's Load following needs, if elected in accordance with Section 4.9.9 of the ISO Tariff, provided that, if Riverside is providing Regulation to the ISO from any Generating Unit, it may not adjust the output of that Generating Unit unless the integrity of the ISO's Regulation signal, and the continuous responsiveness of such Generating Unit, via AGC, to the ISO's Regulation signal, is not compromised. If the ISO determines that the integrity of the ISO's Regulation signal or the continuous responsiveness to the ISO's Regulation signal is compromised, Generating Unit under Riverside's control shall be deemed not to have provided the Regulation, and Riverside shall be subject to the provisions of the ISO Tariff applicable to failure to provide Regulation. To the extent that Riverside chooses not to provide Regulation from a Generating Unit under Riverside's control, the ISO shall not control the Generating Unit via a direct link between the ISO and the Generating Unit without Riverside's consent.

10.3 ISO Authority to Dispatch Riverside Resources. The ISO's authority to Dispatch any portion of the capacity of any Generating Unit under Riverside's control, other than in accordance with a bid submitted to the ISO by Riverside's Scheduling Coordinator, is set forth in and subject to Section 7.1.

10.4 WECC Requirements Applicable to Participating Generators

10.4.1 Reliability Criteria. Riverside shall comply with the requirements of Section 4.6.5 of the ISO Tariff applicable to Participating Generators.

10.4.2 Payment of WECC Sanctions. Riverside shall be responsible for payment directly to the WECC of any monetary sanction assessed against Riverside by the WECC, as provided in Section 4.6.5.3 of the ISO Tariff.

10.5 Market-Participating Load Operation

10.5.1 Technical Characteristics. As required by Section 8.4.1 of the ISO Tariff, Riverside shall provide the ISO with all technical and operational information requested in Schedule 14, Section 3 for each Curtailable Demand that it owns, operates, or has a contractual entitlement to. For those Loads designated by Riverside as providing Curtailable Demand, Schedule 14, Section 3 requires Riverside to indicate in Schedule 14, Section 3 whether the Load can be scheduled or bid as Non-Spinning Reserve or Replacement Reserve. Pursuant to Section 8.10.1 of the ISO Tariff, the ISO may verify, inspect and test the capacity and operating characteristics provided in Schedule 14, Section 3 for Curtailable Demands.

10.5.2 Metering and Communication. Pursuant to Sections 8.4.5 and 8.4.6 of the ISO Tariff, Curtailable Demand that is scheduled or bid as Non-

Spinning Reserve or Replacement Reserve is required to comply with the ISO's communication and metering requirements.

10.5.3 UDC Interruptible Load Programs. Due to the ISO's reliance on interruptible Loads to relieve System Emergencies and its contractual relationship with each UDC, the ISO will not accept, and Riverside shall not submit Adjustment Bids, Supplemental Energy bids, or Ancillary Services bids or self-provided Ancillary Service Schedules from interruptible Loads which are subject to curtailment criteria established under existing retail tariffs, except under such conditions as may be specified in the ISO Tariff.

10.5.4 Incentive Mitigation. For individual Loads or aggregated Loads receiving incentives for interruption under existing programs approved by a Local Regulatory Authority as identified in Schedule 14, Section 3, Riverside shall not receive a capacity payment or credit for Ancillary Services bids or self-provided Ancillary Service Schedules for the time, if any, that there exists an overlap between such Ancillary Services bids or self-provided Ancillary Service Schedules and the time during which such individual or aggregated Loads have been interrupted pursuant to the existing program approved by a Local Regulatory Authority to which it is subject. This provision shall in no way be interpreted to limit the authority of the ISO under the ISO Tariff in any other respect.

ARTICLE XI
SCHEDULING

11.1 Scheduling Coordinator. All Schedules submitted on behalf of Riverside for the delivery of Energy and Ancillary Services to Loads in Riverside's System and for exports from Riverside's System shall be submitted by a Scheduling Coordinator certified in accordance with the applicable provisions of the ISO Tariff that has entered into a Scheduling Coordinator Agreement with the ISO that is currently in effect. The Scheduling Coordinator may be Riverside itself or a Scheduling Coordinator designated by Riverside.

11.2 Self-Provided Energy and Ancillary Services. Riverside may self-provide all or any portion of its obligation for Energy and Ancillary Services. Whether or not Riverside engages in such self-provision, Riverside's Scheduling Coordinator shall include the gross output, less auxiliary load, of each Generating Unit and import from which Riverside meets that obligation and the gross Load served on Riverside's System and gross exports from Riverside's System in Schedules submitted to the ISO. If the ISO amends the ISO Tariff to relieve Scheduling Coordinators of the obligation to schedule gross Generation, imports, Loads, and exports, and the amendment would have applied to Riverside in the absence of this Agreement, the Parties shall negotiate an amendment to this Agreement to conform the obligations of this section to the modified procedures.

11.3 Scheduling Timelines. Riverside's Scheduling Coordinator shall submit all Schedules, including Schedules for the use of its Existing Contracts and Encumbrances, Schedules for the use of the ISO Controlled Grid as a new firm use, and Schedules for the self-provision of Energy and Ancillary Services, within the timelines established by the ISO Tariff.

11.4 Load Following Resources. Schedule 14A identifies each power resource authorized for use by Riverside's Scheduling Coordinator in following Riverside's load if Riverside elects to load follow.

11.4.1 The ISO may file with the FERC to remove a resource from Schedule 14A if the ISO determines that a resource identified in Schedule 14A adversely affects the reliable operation of the ISO Control Area. The ISO shall provide notice to Riverside at least 60 days in advance of such a filing. Such notice to Riverside shall be accompanied by an ISO explanation of the grounds on which the ISO asserts that the resource adversely affects the reliable operation of the ISO Control Area. To the extent the ISO makes such a filing pursuant to this Section 11.4.1, Riverside shall have the right to terminate this agreement upon 60 days notice to the ISO.

11.4.2 Riverside may add additional resources to Schedule 14A through the following procedures. Riverside shall provide notice to the ISO 60 days in advance of the proposed date of an ISO filing at FERC to implement the addition of a resource to Schedule 14A. Within 60 days of such notice, the ISO must file at the FERC to add the resource to Schedule 14A unless, within that 60 day period, the ISO determines and notifies Riverside that such resource would adversely affect reliable operation of the ISO Control Area. Notice of such determination shall be accompanied by an ISO explanation of the grounds on which the ISO asserts that such resource would adversely affect the reliable operation of the ISO Control Area. If Riverside disagrees with an ISO determination that a resource Riverside proposes to add to Schedule 14A, would adversely affect reliable operation of the ISO Control Area, Riverside may bring a complaint at the FERC for a FERC determination of whether the resource would adversely affect reliable operation of the ISO Control Area, and thus whether the resource is to be added to Schedule 14A.

11.4.3 In no case shall resources located within Riverside's System be removed by the ISO from Schedule 14A or be rejected by the ISO for addition to Schedule 14A.

ARTICLE XII
METERING

12.1 Riverside shall ensure installation of ISO-certified revenue quality meters and associated equipment at or near (a) the Points of Delivery, (b) Points of Interconnection and, (c) at each bus to which one or more Generating Units is connected.

12.2 The provisions of the ISO Tariff applicable to ISO Metered Entities shall apply to Riverside, subject to the particular rights and obligations of the Parties with respect to metering set forth in Schedule 15, including access to and testing of Riverside's meters.

12.3 The calculation of Riverside's Settlement Quality Meter Data shall be in accordance with Schedule 15.

ARTICLE XIII
CHARGES

13.1 **Charges Generally.** Except as may be provided otherwise in the provisions of this Article XIII, Riverside's Scheduling Coordinator shall be responsible for charges incurred in accordance with the ISO Tariff, provided that nothing in this Agreement shall prohibit Riverside from challenging the allocation of any new charge under the ISO Tariff to Riverside on the ground that the proposed charge is not appropriately assessed against a MSS Operator, or on any other ground. In addition, the provisions of Sections 13.2 through 13.13, inclusive, shall not apply to Riverside, and the otherwise applicable provisions of the ISO Tariff shall apply, until such time as both (1) Riverside has satisfied the requirements of Sections 6.7, 10.2.1, 12.1 and (2) the ISO has activated the associated system changes necessary to provide for automated application of charges to Riverside in accordance with the provisions of Sections 13.2 through 13.13, inclusive.

Transmission Losses. Riverside's Scheduling Coordinator shall be responsible for transmission losses, in accordance with the ISO Tariff, only for the delivery of Energy to Riverside's System or from Riverside's System, provided Riverside fulfills its obligation to provide for transmission losses on the transmission facilities forming part of Riverside's System in accordance with Section 5.5. A Generation Meter Multiplier ("GMM") shall be assigned to Riverside's Generating Units for use of the ISO Controlled Grid. That GMM shall be 1.0 for all Generating Units within Riverside's System that are located at or behind a Point of Delivery and/or any Point of Interconnection, to the extent that the Load at the Point of Delivery and/or any Point of Interconnection for that portion of Riverside's System exceeds the amount of Generation produced by the Generating Units connected to that portion of Riverside's System.

13.2 Congestion Costs. Riverside's Scheduling Coordinator shall be responsible for Usage Charges and Grid Operations Charges, and any successor charges through which the ISO collects Congestion costs from Scheduling Coordinators, in accordance with the ISO Tariff only with respect to Riverside's Scheduling Coordinator's delivery of Energy and Ancillary Services to Riverside's System or from Riverside's System, including Riverside's Scheduling Coordinator's delivery of Energy and Ancillary Services from Riverside's Generating Units to Riverside's System Loads other than Loads within the same Service Area to which the Generating Units are connected, provided that Riverside fulfills its obligation to manage Congestion on Riverside's System and at the Points of Delivery and at the Points of Interconnection at its own cost in accordance with Section 5.5.

13.3 Unaccounted-For Energy Costs. Riverside's Service Area shall be treated as a Utility Distribution Company Service Area for purposes of allocating responsibility for Unaccounted-for Energy costs in accordance with the ISO Tariff.

13.4 Reliability Generation. Riverside shall be responsible for the costs of maintaining the reliability of facilities in Riverside's System, including costs of Generating Units operated by or on behalf of Riverside for that purpose. If and to the extent Riverside does not maintain sufficient Generation to meet the reliability criteria in Schedule 16 as applied to Riverside's System and thus avoid material adverse impacts on the ISO Controlled Grid, then Riverside may be assessed costs incurred by the ISO to support the reliability of Riverside's System.

13.5 Voltage Support Costs. If and to the extent Riverside does not satisfy the Voltage Support obligations set forth in accordance with Section 8.3, Riverside's Scheduling Coordinator shall bear a proportionate share of the ISO's Voltage Support cost in accordance with the ISO Tariff.

13.6 Black Start Costs. If and to the extent Riverside does not provide its own Black Start capability in accordance with Section 8.4, Riverside's Scheduling Coordinator shall bear a proportionate share of the ISO's Black Start cost in accordance with the ISO Tariff.

13.7 Neutrality Costs. Riverside's Scheduling Coordinator's obligation to pay neutrality adjustments and Existing Contracts cash neutrality charges (or collect refunds) shall be based on Riverside's net metered Demand and exports from the ISO Control Area.

13.8 Peak Reliability Costs. Riverside, through its Scheduling Coordinator, shall have the option to avoid any share of the ISO's costs for any peak Demand reduction program or for any peak reliability Generation procurement program pursuant to ISO Tariff Section 42. 1.8. In order to avoid such costs, Riverside shall secure capacity reserves on an annual basis at least equal to fifteen percent (15%) of its annual peak Demand responsibility, and shall provide documentation to the ISO of the resources proposed to meet that peak Demand

responsibility plus such capacity reserves. Such capacity reserves may include peaking capacity and Demand reduction programs. To the extent that Riverside demonstrates its provision of capacity reserves, Riverside's Scheduling Coordinator shall not be obligated to bear any share of the ISO's costs for any peak Demand reduction program or for any peak reliability Generation procurement program pursuant to ISO Tariff Section 42.1.8.

13.9 Generating Unit Minimum Load, Emissions, and Start-Up Costs. If the ISO is compensating Generating Units for Minimum Load Costs, Emissions Costs, and Start-Up Costs, and if Riverside has elected to follow its Load in accordance with Section 8.6, then Riverside shall elect either the option set forth in Section 13.10.1 or the option set forth in Section 13.10.2. If Riverside has not elected to follow its Load in accordance with Section 8.6, then Riverside may not elect the option set forth in Section 13.10.2, and shall elect either the option set forth in Section 13.10.1 or the option set forth in Section 13.10.3.

13.9.1 Riverside may elect to be eligible for recovery of Minimum Load Costs and charge the ISO for the Emissions Costs and Start-Up Costs of the Generating Units serving the Load of Riverside's System whether following its Load or not. If Riverside makes such election, then Riverside's Scheduling Coordinator shall bear its proportionate share of the total amount of those costs incurred by the ISO in accordance with ISO Tariff Sections: 40.11.1, 40.12.1, and 40.8.6.

13.9.2 If Riverside has elected to follow its Load in accordance with Section 8.6, Riverside may elect not to be eligible for recovery of Minimum Load Costs and choose not to charge the ISO for the Emissions Costs and Start-Up Costs of the Generating Units serving the Load of Riverside's System. If Riverside makes such election, then Riverside's Scheduling Coordinator shall bear its proportionate share of the total amount of those costs incurred by the ISO based on Riverside's Net Negative Uninstructed Deviations.

13.9.3 If Riverside has elected not to follow its Load in accordance with Section 8.6, Riverside may elect not to be eligible for recovery of Minimum Load Costs and choose not to charge the ISO for the Emissions Costs and Start-Up Costs of the Generating Units serving the Load of Riverside's System. If Riverside makes such an election, then Riverside's Scheduling Coordinator shall be allocated Emissions Costs and Start-Up Costs in accordance with ISO Tariff Section 4.9.16.3 and shall be allocated Minimum Load Costs in accordance with ISO Tariff Section 40.8.6, except that the allocation of Minimum Load Costs pursuant to ISO Tariff Section 40.8.6 (2) and 40.8.6 (3)(b) shall be based on Riverside's net metered Demand and exports.

13.9.4 Riverside shall make the election whether to be eligible for Minimum Load Cost recovery and charge the ISO for the subject Generating Unit Emissions Costs and Start-Up Costs annually by November 1 for the following calendar year.

13.10 Grid Management Charge Adjustment for MSS Load Following. If the ISO is charging Grid Management Charges for uninstructed deviations (currently the Energy Transmission Services Uninstructed Deviations Charge and a portion of the Market Usage Charge), and if Riverside's Scheduling Coordinator has uninstructed deviations associated with Load following from resources listed in Schedule 14, then the ISO will net the Generation and imports into the MSS to match the Load and exports out of the MSS, and will not assess Grid Management Charges associated with uninstructed deviations for such portion of Energy that is used to match MSS Load and net exports out of the MSS. If Generation and imports into the MSS are above the amount to cover Load and exports out of the MSS and were sold into the ISO's Imbalance Energy market, then Riverside's Scheduling Coordinator will only be charged Grid Management Charges associated with uninstructed deviations for this quantity. If Generation and imports into the MSS are below the amount to cover Load and exports out of the MSS, and Imbalance Energy is purchased from the ISO, then Riverside's Scheduling Coordinator will only be charged Grid Management Charges associated with uninstructed deviations for this quantity. Riverside's Scheduling Coordinator will otherwise be assessed all components of the Grid Management Charge in accordance with the ISO Tariff.

13.11 Deviation Band and Penalties Calculation. Subject to an election by Riverside made in accordance with Section 4.9.9 of the ISO Tariff to have its Scheduling Coordinator follow Load using resources and imports into the MSS approved in advance by the ISO as not causing an undue operational burden for following Riverside's Load and exports from the MSS, the ISO will settle with Riverside's Scheduling Coordinator with regard to Imbalance Energy, based on the applicable zonal or locational ex post prices, in accordance with the ISO Tariff. For purposes of assessing penalties to Riverside's Scheduling Coordinator associated with operating outside the portfolio deviation band described in Section 8.6, the portfolio deviation band shall be three percent (3%) of the lesser of Riverside's metered or Hour-Ahead scheduled Demand and exports from the MSS, adjusted for Forced Outages and any ISO directed firm Load Shedding, for Riverside's portfolio as a whole. Penalties for operating outside of the deviation band will be based on a price that is the effective weighted average ex post price applicable to Riverside for the billing interval. If the metered Generation resources and imports into the MSS exceed the Demand, exports from the MSS, and Energy expected to be delivered by Riverside in response to the ISO's Dispatch instructions and/or Regulation set-point signals issued by the ISO's AGC by more than the deviation band, then the ISO will take back its payment for Imbalance Energy by assessing Riverside's Scheduling Coordinator a penalty of one hundred percent (100%) of the amount of Imbalance Energy that is outside the deviation band. If metered Generation resources and imports into the MSS are deficient in meeting Demand, exports from the MSS, and Energy expected to be delivered by Riverside in response to the ISO's Dispatch instructions and/or Regulation set-point signals issued by the ISO's AGC by more than the deviation band, then Riverside's Scheduling Coordinator shall be assessed a two hundred

percent (200%) penalty for the amount of Imbalance Energy that is outside of the deviation band, in addition to the Imbalance Energy charges that may be applicable. Riverside shall not oppose the ISO's allocation of the proceeds of any deviation band penalties as an offset to the ISO's Grid Management Charge.

13.12 Penalties for Failure to Provide Ancillary Services Capacity. The Parties agree that Ancillary Services should be provided from the resources that the ISO actually instructs to respond and that the resources instructed to deliver Ancillary Services are expected to provide an incremental response consistent with the standards for the Ancillary Service. However, since Riverside's Scheduling Coordinator may simultaneously be undertaking economic trades or following Loads using the same resource that the ISO has instructed to deliver Ancillary Services, the ISO will incorporate Riverside's documented Load following instructions into its evaluation of Ancillary Services compliance. Penalties for failure to provide committed Ancillary Services capacity will be assessed by the ISO in accordance with the ISO Tariff, on an individual Generating Unit basis, whenever that capacity is considered to have not been made available to the ISO. If the ISO believes that a Riverside Generating Unit did not supply the committed amount of Ancillary Services capacity or associated Energy, based on the Ancillary Services capacity reservation, any instructions issued by the ISO to Riverside or its Scheduling Coordinator to provide associated Energy, and the supporting meter data, when assessing penalties the ISO will give due consideration to operational data that Riverside or its Scheduling Coordinator may provide to demonstrate that the Generating Unit's output was being adjusted for Load-following purposes as allowed by the terms of this Agreement and within the Ancillary Services capacity not provided to the ISO. Additionally, the Parties agree that the current equations for the settlement of real time Energy may under some circumstances result in Ancillary Services capacity penalties that are inappropriate when the Generating Unit is being used simultaneously to follow Load and provide Ancillary Services Energy.

13.13 Operating and Maintenance Costs. Riverside shall be responsible for all its costs incurred in connection with procuring, installing, operating, and maintaining Riverside's facilities, including the Generating Units and Loads listed in Schedule 14, for the purpose of meeting its obligations under this Agreement.

13.14 Billing and Payment. Billing and payment will be in accordance with the ISO Tariff.

ARTICLE XIV
PENALTIES AND SANCTIONS

14.1 Penalties. Riverside or its Scheduling Coordinator shall be subject to penalties and/or sanctions for failure to comply with any provisions of this Agreement only to the extent that (a) the penalty or sanction is set forth in the ISO Tariff and has

been approved by FERC; and (b) the ISO Tariff provides for the imposition of the same penalty or sanction on a UDC, MSS Operator, or Participating Generator, or Participating Load in the same circumstances. Nothing in this Agreement, with the exception of the provisions of Article XV, shall be construed as waiving the rights of Riverside to oppose or protest any penalty or sanction proposed by the ISO to the FERC or the specific imposition by the ISO of any FERC-approved penalty or sanction on Riverside.

14.2 Corrective Measures. If Riverside fails to meet or maintain the requirements set forth in this Agreement or in the applicable provisions of the ISO Tariff, the ISO shall be permitted to take any of the measures, contained or referenced herein or in the applicable provisions of the ISO Tariff that the ISO deems to be necessary to correct the situation.

ARTICLE XV
DISPUTE RESOLUTION

15.1 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 ISO ADR Procedures set forth in Section 13 of the ISO Tariff, which is incorporated by reference, except that any reference in Section 13 of the ISO Tariff to Market Participants shall be read as a reference to Riverside and references to the ISO Tariff shall be read as references to this Agreement.

ARTICLE XVI
REPRESENTATIONS AND WARRANTIES

16.1 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.

16.2 Necessary Approvals. Each Party represents that all necessary leases, approvals, licenses, permits, easements, rights of way or access to install, own and/or operate its facilities subject to this Agreement have been or will be obtained prior to the effective date of this Agreement.

ARTICLE XVII
LIABILITY AND INDEMNIFICATION

17.1 Liability and Indemnification. The provisions of Section 14 of the ISO Tariff will apply to liability and indemnification arising under this Agreement, except that all

references in Section 14 of the ISO Tariff to Market Participants shall be read as references to Riverside and references to the ISO Tariff shall be read as references to this Agreement.

ARTICLE XVIII
UNCONTROLLABLE FORCES

18.1 Section 14.1 of the ISO Tariff shall be incorporated by reference into this Agreement, except that all references in Section 15 of the ISO Tariff to Market Participants shall be read as a reference to Riverside and references to the ISO Tariff shall be read as references to this Agreement.

ARTICLE XIX
MISCELLANEOUS

19.1 Notices. Any notice, demand or request which may be given to or made upon either Party regarding this Agreement shall be made in writing to the employee or official identified in Schedule 17, and shall be deemed properly given: (a) upon delivery, if delivered in person, (b) five (5) days after deposit in the mail if sent by first class United States mail, postage prepaid, (c) upon receipt of confirmation by return facsimile if sent by facsimile, or (d) upon delivery if delivered by prepaid commercial courier service. A Party must update the information in Schedule 17 as the information changes. Such changes shall not constitute an amendment to this Agreement.

19.2 Waivers. Any waiver at any time by either Party 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.

19.3 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 its conflict of laws provisions. The Parties agree that any legal action or proceeding arising under or relating to this Agreement to which the ISO ADR Procedures do not apply shall be brought in one of the following forums as appropriate: 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 jurisdiction, before the Federal Energy Regulatory Commission.

19.4 Merger. This Agreement constitutes the complete and final agreement of the Parties with respect to the subject matter hereof and supersedes all prior agreements, whether written or oral, with respect to the provisions of this Agreement.

19.5 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.

19.6 Consistency with Federal Laws and Regulations. Nothing in this Agreement shall compel either Party to violate federal statutes or regulations, or orders lawfully promulgated thereunder. If any provision of this Agreement is inconsistent with any obligation imposed on a Party by such federal statute, regulation or order, to that extent, it shall be inapplicable to that Party. No Party shall incur any liability by failing to comply with a provision of this Agreement that is inapplicable to it by reason of being inconsistent with any such federal statutes, regulations, or orders lawfully promulgated thereunder; provided, however, that such Party shall use its best efforts to comply with this Agreement, to the extent that applicable federal laws, regulations, and orders lawfully promulgated thereunder permit it to do so.

19.7 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 government 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.

19.8 Assignments. Either Party may assign its rights and obligations under this Agreement, with the other Party's prior written consent, in accordance with Section 22.2 of the ISO Tariff, which is incorporated by reference into this Agreement. Such consent shall not be unreasonably withheld.

19.9 No Regional Transmission Organization or Participating TO Obligation: Nothing in this Agreement shall obligate or commit Riverside to become a member of any regional transmission organization (RTO) or to remain a Participating TO.

19.10 FERC Jurisdiction over Riverside. Riverside is not a "public utility" as currently defined in the Federal Power Act and by entering into this Agreement does not

consent to FERC jurisdiction or waive its rights to object to FERC asserting jurisdiction over Riverside.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed on behalf of each by and through their authorized representatives as of the date hereinabove written.

California Independent System Operator Corporation

By: _____

Name: JAMES M DETMERS

Title: VP OPERATIONS

Date: 5/9/07

City of Riverside

By: _____

Name: Michael J. Beck

Title: Assistant City Manager

Date: May 16, 2007

APPROVED AS TO FORM
CITY ATTORNEY'S OFFICE

BY Mark Parsons
Deputy City Attorney

Attest: Sherry Morton-Ellis
City Clerk

SCHEDULE 1

RIVERSIDE'S SYSTEM FACILITIES

[Section 1.2]

The following facilities form Riverside's System, including the Points of Interconnection, excepted as noted in B) Point of Delivery, Load and Generation.

For Riverside:

A) Point of Interconnection: Not applicable at the present time.

B) Point of Delivery: Vista Substation 220_kV bus

The interface between the City of Riverside and the ISO Controlled Grid is at the Vista Substation 220_kV bus, which is the Point of Delivery for transactions in the ISO wholesale market.

The Vista Substation 220_kV bus is not part of Riverside's System.

C) Riverside Load

D) Generation Facilities
Spring Units 1, 2, 3, & 4
RERC Units 1 & 2

SCHEDULE 2

OPERATION STANDARDS

[Section 4.2]

The ISO shall maintain stable operating parameters and control of real and reactive power flows in accordance with the following Operation Standards. Until such time as Riverside may become directly interconnected with the ISO Controlled Grid, Riverside shall maintain stable operating parameters and control of real and reactive power flows in accordance with Attachment B Technical and Operational Implementation of the Tariff for Wholesale Distribution Load of the Wholesale Distribution Access Tariff ("WDAT") which is attached hereto and the Service Agreement for Wholesale Distribution Service between SCE and Riverside which is incorporated herein by reference (or a replacement agreement provided that any replacement agreement preserves Riverside's obligations in accordance with Section 8.3 of this Agreement and this Schedule 2). If Riverside becomes directly interconnected with the ISO Controlled Grid, Riverside shall maintain stable operating parameters and control of real and reactive power flows in accordance with the ISO Tariff and the following Operation Standards, and the responsibilities described below shall apply at each Point of Interconnection, if any, with the ISO Controlled Grid.

Riverside Responsibilities

1.0 Riverside shall operate the facilities of Riverside's System in such manner as to avoid any material or adverse impact on the ISO Control Area. In accordance with this performance goal, Riverside shall:

1.1 Operate the facilities of Riverside's System within established operating parameters including normal ratings, emergency ratings, voltage limits, and balance of Load between electrical phases.

1.2 Maintain primary and backup protective systems such that faults on Riverside's System facilities will be cleared within the timeframe specified by SCE, the Participating TO and Riverside with minimal impact on the ISO Controlled Grid.

1.3 Maintain Load power factor at each Point of Interconnection, if any, with the ISO Controlled Grid in accordance with Section 8.3 of this Agreement.

1.4 Operate the facilities of Riverside's System at each Point of Interconnection, if any, in accordance with the requirements applicable to Utility Distribution Companies in the ISO Operating Procedures and standards, except as otherwise provided in this Agreement.

ISO Responsibilities

2.0 The ISO shall operate the ISO Controlled Grid in such manner as to avoid any material or adverse impact on Riverside facilities. In accordance with this performance goal, the ISO shall:

2.1 Participate with Riverside and SCE in the development of joint power quality performance standards and jointly maintain compliance with such standards.

2.2 Observe Riverside grid voltage limits specified in Attachment 1 including requirements for reduced voltage on ISO Controlled Grid facilities which apply during heavy fog (or other unusual operating conditions) as needed to minimize the risk of insulator flashover. Any anticipated reduction in operating voltages on ISO Controlled Grid facilities shall be studied and established by Riverside and the ISO.

2.3 Approve Riverside's maintenance requests in a timely manner for transmission facilities that impact the ISO Controlled Grid, and shall not unreasonably withhold approval of such requests for authorization to perform energized insulator washing work or to take planned Outages needed to replace or insul-grease insulators.

2.4 Support Riverside investigation of power quality incidents, and provide related data to Riverside in a timely manner.

2.5 Support installation of apparatus on the ISO Controlled Grid to improve power quality, and take all reasonable measures to investigate and mitigate power quality concerns caused by actions or events in neighboring systems or Control Areas.

2.6 Maintain Load power factor at any future direct Point of Interconnection, if any, with Riverside's System in accordance with Section 8.3.

SCHEDULE 2

ATTACHMENT 1

RIVERSIDE GRID VOLTAGE LIMITS

There are no Riverside grid voltage limitations at the present time.

ATTACHMENT B

TECHNICAL AND OPERATIONAL IMPLEMENTATION OF THE TARIFF FOR WHOLESALE DISTRIBUTION LOAD

1. Metering And Communications Equipment: Data retrieval requirements, procedures, and schedules shall generally be consistent with ISO requirements. The Distribution Provider shall not impose metering and communication equipment requirements pursuant to the Tariff and the Service Agreement that are more stringent than the ISO's metering and communication requirements.

1.1 Distribution Provider shall install, own, and maintain revenue quality meters at the point of interconnection between the Distribution Provider's Distribution System and the Distribution Customer's Wholesale Distribution Load. If feasible, such meters shall be installed at the high voltage bus at each such point of interconnection. The meters shall measure and record real power (watts) and reactive power (vars) flow, if applicable, in both directions and shall meet the requirements of the ISO. Meters not installed at the high voltage bus or at the point of interconnection shall be compensated for line losses and transformation losses to the point of interconnection, if applicable.

1.1.1 Distribution Provider shall read or retrieve meter data on the first normal business day after the end of each billing cycle or such other time as may be required to carry out the provisions of Section 10 of the ISO Tariff. Distribution Provider shall use the meter data for determining accounting

and billing information and shall report the data to the ISO. Distribution Customer's scheduling coordinator and Distribution Provider's scheduling coordinator, as applicable.

1.1.2 The revenue meters shall be tested by the Distribution Provider at least once a year and within ten normal business days after a request by the Distribution Customer. The Distribution Customer shall pay for the cost of the requested test if the meter has been tested within the previous twelve months. The Distribution Customer will be afforded the opportunity to be present during any meter test. The Distribution Provider shall immediately repair, adjust, or replace any meter or associated equipment found to be defective or inaccurate.

1.1.3 The Distribution Provider shall adjust the recorded data to compensate for the effect of an inaccurate meter. Such adjustment shall be made for the period during which such inaccuracy may be determined to have existed, or if such period cannot be determined or reasonably estimated, for a period thirty days prior to the date of the test. In no event shall the period of adjustment exceed six months. Should any meter fail to register, the Distribution Provider shall estimate, from the best information available, the demand created, energy flow, and var flows during the period of the failure. The Distribution Provider shall, as soon as possible, correct the bills rendered to the Distribution Customer by the Distribution Provider which are affected by the inaccurate meter. That correction, when made,

shall constitute full adjustment of any claim arising out of the inaccurate meter for the period of the correction.

1.2 The Distribution Customer and the Distribution Provider shall install communications facilities, equipment, and software to schedule and monitor the Distribution Customer's Wholesale Distribution Load connected to the Distribution Provider's Distribution System, to exchange data, and for any other purpose as reasonably required to implement the Service Agreement and the Tariff in accordance with Good Utility Practice.

1.3 All metering, communications, and data exchanges required to implement the Service Agreement and the Tariff shall be automated to the greatest extent practical. The Operating Representatives shall coordinate standards and specifications for metering and communications equipment as well as any related hardware and software required to implement the Service Agreement and the Tariff, provided such metering and communications equipment and any related hardware and software shall, if possible, be compatible with the Distribution Provider's existing or planned facilities or software, meet all applicable ISO, Western Systems Coordinating Council ("WSCC") and North American Electric Reliability Council ("NERC") requirements, and be consistent with Good Utility Practice.

1.4 The Distribution Customer shall procure, install and maintain, at its sole expense, communications equipment, and any related hardware and software required to be installed on its system in accordance with Section 1. The Distribution Customer shall reimburse the Distribution Provider for all expenses incurred by the

Distribution Provider for any metering and communications equipment, and related hardware and software, including any modifications to existing facilities or software required for the Distribution Provider to provide service in accordance with the Service Agreement and the Tariff.

2. Interconnection of Distribution Customer's Wholesale Distribution Load:

2.1 Facilities for the interconnection of the Distribution Customer's Wholesale Distribution Load to the Distribution Provider's Distribution System shall be installed, operated and maintained in accordance with Good Utility Practice.

2.2 The Distribution Customer shall specify: (i) the voltage level of service desired, provided such voltage shall be compatible with standard voltages used on the Distribution Provider's system, and (ii) any applicable service criteria of the Distribution Customer, including, but not limited to, any redundancy desired in elements available to service Wholesale Distribution Load from Distribution Provider's Distribution System. If technically feasible, the Distribution Provider shall provide service at such voltage and in accordance with such criteria, conditioned on the Distribution Provider obtaining any necessary regulatory permits and complying with any other federal, state, or local requirements for the construction of any such facilities.

2.3 The Distribution Customer shall keep the Distribution Provider informed on a timely basis of changes in Wholesale Distribution Load and cooperate in planning any addition to or upgrade of interconnection facilities to accommodate load growth or additions. The Distribution Customer shall provide to the Distribution Provider by September 1 of each year an update of the information set forth in

Sections 4 and 5 of the Specifications For Wholesale Distribution Service for the following five calendar years.

2.4 The Distribution Provider shall own, operate, and maintain all interconnection facilities on the Distribution Provider's side of the Point of Delivery. The Distribution Customer shall pay all costs and expenses for such interconnection facilities that are used exclusively to provide Distribution Service to the Distribution Customer including, but not limited to, the costs of permitting, planning, procuring, constructing, owning, maintaining, and operating any such facilities. The Distribution Provider may, where circumstances warrant and on a non-discriminatory basis, elect to permit the Distribution Customer to own exclusive use facilities within the Distribution Customer's Service Area constructed after [insert day after FERC decision], pursuant to an Application for Distribution Service under this Tariff.

2.5 The Distribution Customer shall provide and maintain, at its sole expense, facilities on its side of the Point of Delivery in accordance with Good Utility Practice. The Distribution Customer shall install protective equipment on its system and take any other reasonable measures to protect the safe and reliable operation of the Distribution Provider's system from disturbances on the Distribution Customer's system in accordance with Good Utility Practice.

2.6 If the Distribution Customer, by reason of its action or inaction, does not maintain its power factor pursuant to Section 20.4 of the Tariff for any reason other than following an operating instruction directly given by the ISO, then the Distribution Provider may, if required by Good Utility Practice, install the necessary

distribution capacitors or other power factor correction devices. The Distribution Provider shall file with the Commission under Section 205 of the Federal Power Act to recover the associated costs attributable to the Distribution Customer, including the installation costs of such equipment and the on-going costs of ownership.

2.7 The Parties shall cooperate with one another in scheduling maintenance to any interconnection facility or in taking any interconnection facility out of service, provided that in an emergency the Distribution Provider may take facilities out of service if necessary to protect the Distribution Provider's system.

3. Each party shall appoint an Operating Representative for the purpose of facilitating communication between the parties, exchanging data on forecasted Wholesale Distribution Load necessary for long-term planning, coordinating operating criteria and activities, developing detailed operating procedures as necessary, and addressing other technical and operational considerations required for implementation of the Service Agreement and Tariff. The Operating Representatives shall not have any authority to modify, amend, terminate, or supersede any provision of the Service Agreement or Tariff; or to require any expansion of or addition to the Distribution Provider's Distribution System. The Distribution Provider shall have the authority to adopt rules or procedures for the implementation of the Service Agreement and the Tariff that are consistent with such Service Agreement and Tariff, provided that the Distribution Customer shall not be deemed to have waived any right it may have to contest such rules or procedures before the Commission or any other forum having jurisdiction over the Service Agreement.

4. Each Party shall, upon request, provide the other Party with such reports and information concerning its operation as are reasonably necessary to enable each Party to operate its distribution system safely and efficiently.

5. Load Shedding and Curtailment Procedures:

5.1 If a system contingency requires Curtailment of ISO schedules, the Distribution Customer shall curtail its ISO schedules as requested by the Distribution Provider. Such ISO schedule Curtailments shall be implemented only to the extent that they effectively relieve the constraint or that they are directed by the ISO, and to the extent practical, shall be made on a pro-rata basis, based on the share of the total load served from the constrained facility, with all other distribution service users of the affected path, including the Distribution Provider.

5.2 The Parties shall implement Load Shedding programs to maintain the reliability and integrity of the electric system, as provided in Section 12.7 of the Tariff.

5.2.1 Load Shedding shall include any combination of the following: (i) automatic Load Shedding; (ii) manual Load Shedding; and (iii) rotating interruption of customer load. The Distribution Provider will order Load Shedding to maintain the relative sizes of load served within the area requiring Load Shedding to the extent practicable, unless otherwise required by circumstances beyond the control of the Distribution Provider or the Distribution Customer or unless otherwise directed by the ISO.

5.2.2 Automatic load shedding devices will operate without notice. When manual load shedding or rotating interruptions are necessary, the Distribution Provider shall notify the Distribution Customer's dispatchers

or schedulers of the required action and the Distribution Customer shall comply as directed by the Distribution Provider.

5.2.3 Where reasonably necessary in accordance with Good Utility Practice to maintain reliability of service to other customers receiving distribution service from the Distribution Provider, and where consistent with the prevailing practices of the Distribution Provider, the Distribution Customer may, on a nondiscriminatory basis, be required, at its own expense, to provide, operate, and maintain in service high-speed, digital under-frequency load-shedding equipment. The Distribution Customer's equipment shall be: (i) compatible and coordinate with the Distribution Provider's load shedding equipment; and (ii) set for the amount of load to be shed, with frequency trips and tripping time as determined by the Distribution Provider on a nondiscriminatory basis in accordance with Good Utility Practice. The Distribution Provider shall coordinate and consult with the Distribution Customer with respect to any changes in the load-shedding system that would affect service to the Distribution Customer. In the event the Distribution Provider modifies the load-shedding system following such consultation, the Distribution Customer shall, at the Distribution Customer's expense, make changes to the Distribution Customer's equipment and setting of such equipment, as may be required to comply with (i) and (ii) above. The Distribution Customer shall test and inspect any required load-shedding equipment within ninety days of taking Distribution Service under the Tariff or within ninety days

after the installation of such equipment, whichever is later, and at least once every two years thereafter and promptly provide a written report to the Distribution Provider of the results of such test. The Distribution Provider may request a test of any load-shedding equipment with reasonable notice.

SCHEDULE 3

RIGHTS OF ACCESS TO FACILITIES
[Section 4.5.1]

1.0 **Equipment Installation.** In order to give effect to this Agreement, a Party that requires use of particular equipment (the equipment owner) may require installation of such equipment on property owned by the other Party (the property owner), provided that the equipment is necessary to meet the equipment owner's service obligations and that the equipment shall not have a negative impact on the reliability of the service provided, nor prevent the property owner from performing its own obligations or exercising its rights under this Agreement.

1.1 **Free Access.** The property owner shall grant to the equipment owner free of charge reasonable installation rights and rights of access to accommodate equipment inspection, maintenance, repair, upgrading, or removal for the purposes of this Agreement, subject to the property owner's reasonable safety, operational, and future expansion needs.

1.2 **Notice.** The equipment owner shall provide reasonable notice to the property owner when requesting access for site assessment, equipment installation, or other relevant purposes. Such access shall not be provided unless the parties mutually agree to the date, time, and purpose of each access. Agreement on the terms of the access shall not be unreasonably withheld or delayed.

1.3 **Removal of Installed Equipment.** Following reasonable notice, the equipment owner shall be required, at its own expense, to remove or relocate equipment, at the request of the property owner, provided that the equipment owner shall not be required to do so if it would have a negative impact on the reliability of the service provided, or would prevent the equipment owner from performing its own obligations or exercising its rights under this Agreement.

1.4 **Costs.** The equipment owner shall repair at its own expense any property damage it causes in exercising its rights and shall reimburse the property owner for any other reasonable costs that it may be required to incur to accommodate the equipment owner's exercise of its rights under Section 4.5 of this Agreement.

2.0 **Rights to Assets.** The Parties shall not interfere with each other's assets, without prior written agreement.

3.0 **Inspection of Facilities.** In order to meet their respective obligations under this Agreement, each Party may view or inspect facilities owned by the other Party. Provided that reasonable notice is given, a Party shall not

unreasonably deny access to relevant facilities for viewing or inspection by the requesting Party.

SCHEDULE 4

MAINTENANCE COORDINATION

[Section 5.1.2]

By October 15th of each year, Riverside shall exchange with the ISO a provisional planned outage program for all lines and equipment in Schedule 1. That document will be updated quarterly and as changes occur to the proposed schedule.

The ISO shall approve all proposed outages on equipment and lines listed on Schedule 1 unless a proposed outage would cause the ISO to violate Applicable Reliability Criteria. Approval of outages shall not be unreasonably withheld.

Applications for scheduled work shall be submitted to the ISO by Riverside via means to be agreed to by both Parties. The documents submitted by Riverside shall record the details for all work and become the database for reporting and recording outage information.

SCHEDULE 5

CRITICAL PROTECTIVE SYSTEMS

[Section 5.3]

Distribution protective relay schemes affecting the ISO Controlled Grid are those associated with transformers that would trip transmission breakers and/or busses when activated. These would include any of the following:

1. High Side Overcurrent Relays
2. Differential Overcurrent Relays
3. Sudden Pressure Relays
4. Low Oil Relays
5. Neutral Ground Overcurrent Relays
6. On fuse protected transformers, it would be the high-side fuses.

With respect to Riverside, operational control and maintenance responsibilities related to the facilities described above reside with SCE.

Riverside does not have any systems that meet these criteria.

SCHEDULE 6

[PRIVILEGED MATERIAL REDACTED PURSUANT TO 18 C.F.R. § 388.112]

SCHEDULE 7

EMERGENCIES

[Section 7.2]

The ISO shall notify Riverside's Electric System Dispatcher, as identified in Schedule 6, of the emergency, including information regarding the cause, nature, extent, and potential duration of the emergency. Depending on the nature of the emergency and the particular response required, such notification shall be made to Riverside directly by the ISO. The Riverside Electric System Dispatcher shall make the appropriate notifications within the Riverside organization. The Riverside Electric System Dispatcher shall then take such actions as are appropriate for the emergency in accordance with Section 7.

Riverside shall make requests for real-time information from the ISO regarding emergencies through contacts to the ISO's Operations Shift Manager, by Riverside's Electric System Dispatcher, and may coordinate public information with the ISO Communication Coordinator.

Riverside is required to estimate service restoration by geographic areas, and shall use its call center and the media to communicate with customers during service interruptions. Riverside will communicate necessary information to appropriate state, local governmental entities, and its customers as needed. For Riverside outages that may be caused by events affecting the transmission system, the Riverside Electric System Dispatcher will make appropriate notifications to the ISO of any information related to the outage such as cause, nature, extent, potential duration and customers affected.

Riverside and ISO Grid Control Center logs, Electric Switching Orders and Energy Management System temporal database will be used in preparation of outage reviews. These documents are defined as the chronological record of the operation of the activities which occur with the portion of the electrical system assigned to that control center. The log shall contain all pertinent information, including orders received and transmitted, relay operations, messages, clearances, accidents, trouble reports, daily switching program, etc.

Riverside and the ISO shall retain records in accordance with their respective standard practices for record retention for not less than six years.

SCHEDULE 8

UNDERFREQUENCY LOAD SHEDDING

[Section 7.4.1]

The objective of the Under Frequency Load Shedding ("UFLS") program is to provide security and protection to the interconnected bulk power network by arresting frequency decay during periods of insufficient resources

Riverside's UFLS program set forth in this Schedule 8 establishes Under Frequency Load Shedding objectives consistent with the Load Shedding policies of the Western Electricity Coordinating Council, the North American Electric Reliability Council and Riverside. Riverside's Load Shedding program will be in accordance with the WECC Coordinated Off-Nominal Frequency Load Shedding and Restoration Plan (Final Report November 25, 1997, as revised December 5, 2003 or as it may be amended by the WECC from time to time) and acknowledge Riverside's Compliance with the WECC Off-Nominal Frequency Load Shedding and Restoration Plan survey of 2007 which is attached hereto. The Riverside UFLS program shall utilize WECC planning criteria in this area. Per WECC requirements, UFLS shall be on the feeder side of the transformer.

Riverside currently maintains an Underfrequency Load Shedding Plan under Standard Practice No.190.002, as revised August 31, 2005, and spreadsheet listing frequency trip points and identifying circuits tripped, as revised Apirl 01, 2007 which are attached hereto. This plan establishes UFLS objectives consistent with the Load Shedding policies of the WECC, the NERC, and Riverside as set forth in the referenced documents incorporated in this Schedule 8. Riverside shall notify the ISO of any changes to its existing UFLS program prior to implementation of such changes. At no time shall Riverside be exempt from either participating in an ISO-sanctioned third party UFLS program or implementing such plan independently in full compliance with WECC requirements.

Riverside shall also comply with the WECC Southern Island Load Tripping Plan (July 22, 1997, or as it may be amended by the WECC from time to time) ("SILT"). To the extent Riverside chooses to comply with the SILT by means of UFLS, Riverside's SILT program shall be coordinated with Riverside's UFLS program.

OFF-FREQUENCY SYSTEM PROTECTION AND RESTORATION COMMITTEE

2007

Compliance with the WECC Southern Island Load Tripping Plan

What is the name of your company; City of Riverside

How is your company complying with the Southern Island Load Tripping Plan (SILTP)?
___Direct Load Tripping ___59.6 Hz Tripping _X_59.5 Hz Tripping

Based on the response above, what is the amount of load that your company trips to comply with the Southern Island Load Tripping Plan? During Spring: ___MWs_ and during Summer: 33.3 MWs.

Does your company use supervision to change the amount of load tripped seasonally (spring or summer)? ___Yes _X_No

Does your company use supervision to change the amount of load tripped depending upon COI and TOT2 levels and system inertia? ___Yes _X_No

Are there any other exceptions to the **WECC Southern Island Load Tripping Plan?**
Please explain here: No exceptions.

Compliance with the WECC Off-Nominal Frequency Load Shedding and Restoration Plan

Forecasted 2007 Summer Peak _572 MWs.

Did you move load from 59.1Hz to 59.5/59.6 Hz.? _Yes

How much load will your company trip at each of the following frequency points to comply with the WECC 59.1 Hz Plan (no intentional tripping time delay):

Frequency	% of Load Spring/Summer	MW Spring/Summer	Total Tripping (relay + breaker) Time
DLT (SILTP)	/	/	
59.6 (SILTP)	/	/	
59.5 (SILTP)	/ 5.8%	/ 33.3	13 cycles
59.1	/ *	/ *	13 cycles
58.9	/ 5.5%	/ 31.3	13 cycles
58.7	/ 6.7%	/ 38.6	13 cycles
58.5	/ 6.9%	/ 39.2	13 cycles
58.3	/ 7.3%	/ 41.9	13 cycles
Total	**32.2%**	**184.3**	

* 33.3 MW dropped at 59.5 or 59.1 Hz. Setpoint changed by SCADA control.

Does your company trip additional load at frequencies lower than the minimum standard of 58.3 Hz? If so please fill in the following table completely.

Frequency	% of Load	MW	Total Tripping (relay + breaker) Time
Total			

Comments: No additional load dropped at frequencies less than 58.3 Hz

How much load will your company trip at each of the following frequency points to comply with the WECC 59.1 Hz Plan (load shedding to correct underfrequency stalling);

Frequency	% of Load	MW	Total Tripping (relay + breaker) Time
59.3	2.3	13.0	15 seconds
59.5	1.6	9.4	30 seconds
59.5	3.0	17.1	60 seconds
Total	**6.9**	**39.5**	

Comments:

How much load will your company restore at each of the following frequency points to comply with the WECC 59.1 Hz Plan (automatic load restoration to correct frequency overshoot):

Frequency	% of Load	MW	Total Restoration (relay + breaker) Time
60.5	0.9	5.0	30 seconds
60.7	1.3	7.7	5 seconds
60.9	3.3	18.8	0.25 seconds
Total			

Comments:

Does your company have additional automatic load restoration at frequencies not listed in the table above? If so please fill out the following table completely and add comments to demonstrate your compliance with MORC.

Frequency	**% of Load**	**MW**	**Total Restoration (relay + breaker) Time**
Total			

Comments: No additional automatic load restoration.

Does your company plan to trip tie lines on underfrequency? If so please fill in completely the following table.

Frequency	**Tie Line**

Comments:

NOTE:

Privileged Material Redacted Pursuant
To 18 C.F.R. § 388.112

Please provide a frequency-tripping schedule that you use for your generators to comply with the WECC Off-Nominal Frequency Load Shedding and Restoration Plan. If you use different tripping plans for different generators please fill in the Generator Group column. If your tripping plan differs from the recommended WECC plan please explain in the comments section.

Frequency	Tripping Time Delay	Generator Group
56.3 Hz	2 cycles	4 – 10MW gas turbine generators
61.8 Hz	2 cycles	4 – 10MW gas turbine generators

Comments:

Does your company use only solid state and/or microprocessor underfrequency relays to comply with the WECC off nominal program? __X__ Yes _____ No

If No, please explain here:

Will your company's frequency relays use definite time characteristics and operate within any voltage above 80% of nominal? __X__ Yes _____ No

If No, please explain here:

Are there any other exceptions to the **WECC Off-Nominal Frequency Load Shedding and Restoration Plan?** Please explain here: _____
No exceptions.

Name of Respondent: [redacted] Phone No. [redacted]
Fax No__951 826 5597_____ E-mail [redacted]

[PRIVILEGED MATERIAL REDACTED PURSUANT TO
18 C.F.R. § 388.112]

[PRIVILEGED MATERIAL REDACTED PURSUANT TO
18 C.F.R. § 388.112]

SCHEDULE 9

OTHER AUTOMATIC LOAD SHEDDING

[Section 7.4.1]

Riverside does not employ any other automatic load shedding programs. If other automatic load shedding plans are developed in the future they will be identified in this Schedule 9 before implementation.

SCHEDULE 10

MANUAL LOAD SHEDDING

[Section 7.4.2]

City of Riverside Standard Practices No. 190.001 and No. 190.002 which are attached hereto, provides the procedures for Riverside's rotating service interruptions to nonessential distribution circuits when required by the ISO to implement manual load shedding in accordance with the relevant applicable ISO Emergency Procedures. Riverside shall continue to operate in accordance with its Standard Procedures No. 190.001 and No. 190.002.

For purposes of this Agreement, Riverside and the ISO agree that City of Riverside Standard Practices No. 190.001 and No. 190.002 shall be interpreted to provide that:

1) Riverside shall act upon the ISO's instructions and cause the required amount of Riverside's firm load to be interrupted during any hour of any day (24 x 7);
2) Riverside shall satisfy its requirement to interrupt the required amount of firm load within ten minutes from the time of notification by the ISO;
3) the implementation of any substitution of back-up generation and "voluntary" load interruptions, on an "as-available" basis, for the required amount of firm load interruption, as set out in Standard Practices No. 190.001 and No. 190.002, shall not obviate or interfere with required timely compliance;
4) should Riverside use, wholly or partially, any combination of back-up generation or "voluntary" load interruption to substitute for an amount of its firm load interruption obligation, the effects of such substitution shall be no different than those that would have resulted from an equivalent amount of firm load interruption without such back-up generation or voluntary load interruption, and the actual cumulative effect(s) of such substitution shall be subject to the same rules of verifiability and reporting as those for the firm load conventionally interrupted on such occasions; and
5) should rotation of Riverside's firm load blocks be required to maintain a minimum amount of continuously interrupted load, as defined by the ISO, for an extended amount of time, no block of Riverside's firm load shall be restored unless an equal or greater amount of another block of load is interrupted first, and in the event Riverside uses any combination of substitutions for its firm load interruption obligation as permitted in section 4) above, any rotation of, or changes to, such substitutions shall be made such that the equivalent required load relief level is maintained during the entire applicable time.

The information to be contained in this Schedule may be subject to additional filing due to subsequent revisions as these may be required from time to time.

CITY OF RIVERSIDE-ELECTRIC OPERATIONS
STANDARD PRACTICE

Title: Stage 3 Emergency Involuntary Load Curtailment. **Date:** 08/31/05
Supersedes No. 190.001 8-20-02 Date 3/28/05
File: Standard Operating Practice 190.001 09-15-05.doc

Purpose:

To provide a procedure for involuntary load curtailment when required by the California Independent System Operator (CAISO) to implement load manual shedding in accordance with CAISO Operating Procedure E–508, Electrical System Emergency.

The Initiation Message: California ISO has issued a Stage 3 Emergency that operating reserves are less than 1.5% real time and a Stage 3 Emergency exists.

General:

The intent of this standard practice is to provide maximum assistance to the CAISO, meet the assigned load reduction amount, and to maintain reliable electric service to Riverside Public Utilities (RPU) customers.

The RPU share of involuntary load curtailment in a Stage 3 Emergency shall be directed by the CAISO, (Possibly through the Riverside Load Scheduler) as described in the procedure section. RPU policy to achieve the required involuntary load curtailment amount is to interrupt firm load, dispatch all available generation, and dispatch voluntary load curtailment. As generation and voluntary load curtailment reports in, the amount of firm load shedding will be reduced by the amount reported in.

The amount of load to be interrupted will be determined by the CAISO using ISO Operating Procedure E-508. For every system emergency, 100 MW's of CAISO firm load shed, Riverside will be called to shed [redacted]. The amount of firm load shedding for transmission or regional emergencies will vary based on the event and the CAISO work sheet calculation for that region or transmission constraints.

The circuit(s) shed will be de-energized for periods of approximately one half-hour. After one half hour, the System Dispatcher will order the next block of circuit(s) to be dropped and the first block of circuits picked up; this will continue until the emergency condition has been concluded. The circuits, which were interrupted, will be rotated to be the last of the list for future interruptions.

Immediate Involuntary Load Curtailment Procedure:

1. The CAISO will implement manual load shedding by notifying the System Dispatcher or Load Scheduler, stating "Due to a
   1) System Emergency or
   2) Transmission Emergency, or
   3) System Resource Deficiency, or
   4) Regional Reserve Deficiency.
   At ____ time, in accordance with CAISO Operating Procedure E-508, Emergency Electrical Plan drop __ MW's of load".

2. The System Dispatcher will acknowledge the order, repeating stating "Due to a
   1) System Emergency or
   2) Transmission Emergency, or
   3) System Resource Deficiency, or
   4) Regional Reserve Deficiency.
   At ____ time, in accordance with CAISO Operating Procedure E-508, Emergency Electrical Plan drop __ MW's of load.

3. The System Dispatcher will drop the amount of firm load from the list of distribution circuits in appendix B, noting the date, time, and current load of each circuit on the list, using a portion of or the entire firm load shedding block or blocks.

4. The System Dispatcher will dispatch all available Springs generation units to meet the involuntary load curtailment requirement, noting the time date and amount of generation dispatched:

   4.1. 40 MW at Springs Generation Facility. If requirement not met, then:
   4.2. UOC Emergency Generator up to 0.25 MW. If requirement not met, then:
   4.3. Riverside Regional Water Quality Control Plant Co-generation up to 3.3 MW. [redacted]

5. If the involuntary load curtailment requirement has not been achieved by the dispatched emergency generation noted above, the System Dispatcher shall dispatch voluntary load curtailment, if available, to meet the remaining involuntary load curtailment requirement, noting the date time and amount of voluntary load curtailment dispatched:

   5.1. UCR voluntary load curtailment up to 2.5 MW. Walt Griffin [redacted]

[redacted]

5.2. Water Operations pump load as determined by the Water System Operator. If Water Operations personnel are not available on site, emergency callout is authorized.

6. In the event a Life Support customer with a critical condition or a facility providing essential emergency services has been dropped due to temporary line arrangement, refer each case to the Utility Dispatch Supervisor, the Electric Operations Manager or the Assistant Public Utilities Director, Energy Delivery; for determination. If authorized the dropped circuit may be restored after tripping a non-critical circuit of equivalent (or greater) loading.

7. The System Dispatcher shall notify the Utility Dispatch Supervisor, the Electric Operations Manager and the Assistant Public Utilities Director, Energy Delivery, of the manual load shedding as soon as practicable after dropping the designated circuits. Reference appendix A

8. The Assistant Public Utilities Director, Energy Delivery or Electric Operations Manager shall notify the Public Utilities Director, the Deputy Public Utility Director, Customer Service Manager and Power Operations Manager.

9. The Utility Dispatch Supervisor or the Electric Operations Manager shall assign additional personnel as required to help handle incoming calls and customer notification as shown in the detailed instructions for each circuit. The System Dispatcher shall:

9.1. Change the telephone answering message stating that the City has been directed by the California ISO to initiate rolling black-outs affecting load shed blocks _____, starting at _____(time). And update message after each change in area affected.

9.2. Notify Police/Fire Communications Center at 5221 / 5229 that power will be out in the area indicated on the current circuit maps for the designated circuit between ____ time and ____ time.

9.3. Notify Public Works Traffic Signal Shop at 6096 that traffic signals will be out in the area indicated on the current circuit maps for that designated circuit between ____ time and ____ time.

9.4. Notify Customers specified on the detailed instructions for the designated circuit that power will be out between ____ time and ____ time.

9.5. If no telephone number is listed for a life support customer, notify the Police/Fire Dispatcher and request an officer be sent to the address to

notify the customer of the rotation schedule.

9.6. Notify Marketing staff member from the current call out list.

9.7. Develop a list of projected firm load curtailment for the succeeding half hour intervals based on required involuntary load curtailment required, projected emergency generation available and projected voluntary load curtailment available.

9.8. Notify Key City and RPU personnel via e-mail of the projected firm load curtailment schedule. Revise and re-issue this e-mail every half-hour through the duration of the event.

10. Notify City Personnel via e-mail that Stage 3 Emergency rotating blackouts have started.

Load restoration prior to CAISO direction:

11. As the available generation comes up and/or the voluntary load reduction reports in, the firm loads shed, power will be restored.

12. The amount of firm load that may be restored is determined as follows:
The amount of Generation from Section 4
+ Voluntary Load reduction from Section 5
- Firm Load Shed requirement from CAISO Section 2

= Amount of firm load that may be restored
If the result is negative, no firm load my be restored prior to CAISO direction, except as noted in Section 6

13. If CAISO requests additional load shedding and the amount of load reduction achieved through generation and voluntary load curtailment exceeds the amount of load shedding requested by the CAISO, the System Dispatcher is to inform CAISO of the amount of load reduction already achieved and have CAISO call RPU back when our load shedding requirement exceeds the amount we have already reduced.

CAISO Directed `Load Restoration Procedure:

14. The CAISO will direct load restoration by notifying the Riverside Load Scheduler, stating at ____ time, in accordance with CAISO Operating Procedure E–508, Emergency Electrical Plan. Pick up __ MW's of load.

15. The System Dispatcher will acknowledge the order, repeating At ____ time, in accordance with CAISO Operating Procedure E-508, Emergency Electrical Plan, pick up __ MW's of load.

    15.1. The System Dispatcher will then restore the designated amount of firm load, noting the date and time.
    15.2. If all firm load has been restored, voluntary load curtailment may be restored to achieve the designated amount, noting the date and time.
    15.3. Once all voluntary load curtailment has been restored, generation may be reduced to achieve the remaining amount of involuntary load curtailment required, in the reverse order it was brought on line in Section 4.0.
    15.4. All Springs generation units should remain on line until the end of the system emergency.

16. The System Dispatcher shall notify the Utility Dispatch Supervisor, the Electric Operations Manager and the Assistant Public Utilities Director, Energy Delivery of the load restoration as soon as practicable after restoring the designated circuits.

17. The Assistant Public Utilities Director, Energy Delivery, or Electric Operations Manager shall notify the Public Utilities Director, the Deputy Public Utility Director, Customer Service Manager and Power Operations Manager.

18. Notify key City and RPU personnel via e-mail when all firm load has been restored.

19. Notify all City Personnel via e-mail that Stage 3 Emergency rolling blackouts have ended.

Updating Manual Load Shedding Schedules:

20. The Utility Dispatch Supervisor shall make written notification of all corrections to the Stage 3 Emergency Involuntary Load Curtailment Plan to the Electric Operations Manager.

21. Circuits including lifeline customers with critical conditions shall not be included in load shedding circuits. The Utility Dispatch Supervisor shall review the lifeline customer list issued by Customer Service upon receipt and remove any circuits serving critical lifeline customers from the manual load shedding circuits.

22. Next priority for service should be given to facilities needed to provide essential emergency services as determined by Public Utilities Board Policy. Essential

emergency facilities shall not be included in the manual load shedding circuits.

23. Load shedding circuit loads will be determined from the prior years system peak load. The distribution circuits in each block should be from the same area of the system to limit the impact on emergency responders. The Utility Dispatch Supervisor shall review circuit loading and revise load shedding circuits assignments annually.

ATTACHEMENTS:
Appendix A – Telephone Contact List
Appendix B – Load Shed Blocks
Appendix C – Load Shed work sheet
CAISO Operating Procedure E-508, Electrical System Emergency

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CITY OF RIVERSIDE-ELECTRIC OPERATIONS
STANDARD PRACTICE

No. 190.001 **APPENDIX A**
Title: Stage 3 Emergency Involuntary Load Curtailment. **Date:** 08/31/05
Supersedes No. 190.001 8-20-02
Date 3/28/05 **File:** Standard Operating Practice 190.001 09-15-05.doc

TELEPHONE CONTACTS

Title	Name	Work	Home	Cellular	Pager
Util. Disp. Spvr.	Wigg	[redacted]	[redacted]	[redacted]	[redacted]
Electric Op. Mgr.	Cox	[redacted]	[redacted]	[redacted]	
Asst. Dir. Elect.	Badgett	[redacted]	[redacted]	[redacted]	
P.U. Director	Wright	[redacted]	[redacted]	[redacted]	
Deputy Director	Badgett	[redacted]	[redacted]	[redacted]	
Cust. Svc. Mgr.	Spahr	[redacted]			
Pwr. Op. Mgr.	McCann	[redacted]	[redacted]	[redacted]	
Marketing Staff					

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CITY OF RIVERSIDE-ELECTRIC OPERATIONS
STANDARD PRACTICE

No. 190.001 **Appendix B**
Title: Stage 3 Emergency Involuntary Load Curtailment. **Date:** 08/31/05
Supersedes No. 190.001 8-20-02 Date 3/28/05
File: Standard Operating Practice 190.001 09-15-05.doc

EMERGENCY LOAD SHEDDING
BLOCK # A

Date	Time	Load	Circuit	Peak Load	Description	Address	Telephone
			[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
					[redacted]	[redacted]	[redacted]
					[redacted]	[redacted]	[redacted]
					[redacted]	[redacted]	[redacted]
					[redacted]	[redacted]	[redacted]
					[redacted]	[redacted]	[redacted]
			[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
					[redacted]	[redacted]	[redacted]

Circuit Boundaries:

Map Book Page: [redacted]

Map Book Page: [redacted]

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CITY OF RIVERSIDE-ELECTRIC OPERATIONS
STANDARD PRACTICE

No. 190.001 **Appendix B**
Title: Stage 3 Emergency Involuntary Load Curtailment. **Date:** 08/31/05
Supersedes No. 190.001 8-20-02 Date 3/28/05
File: Standard Operating Practice 190.001 09-15-05.doc

EMERGENCY LOAD SHEDDING

BLOCK # B

Date	Time	Load	Circuit	Peak Load	Description	Address	Telephone
[redacted]							

Circuit Boundaries:

[redacted] Map Book Page: [redacted]

[redacted] Map Book Page: [redacted]

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STANDARD PRACTICE

No. 190.001 **Appendix B**
Title: Stage 3 Emergency Involuntary Load Curtailment. **Date:** 08/31/05
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File: Standard Operating Practice 190.001 09-15-05.doc

EMERGENCY LOAD SHEDDING
BLOCK # C

Date	Time	Load	Circuit	Peak Load	Description	Address	Telephone
[redacted]							

Circuit Boundaries:

[redacted] **Map Book Page:** [redacted]

[redacted] **Map Book Page:** [redacted]

[redacted] **Map Book Page:** [redacted]

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CITY OF RIVERSIDE-ELECTRIC OPERATIONS
STANDARD PRACTICE

No. 190.001 **Appendix B**
Title: Stage 3 Emergency Involuntary Load Curtailment. **Date:** 08/31/05
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File: Standard Operating Practice 190.001 09-15-05.doc

EMERGENCY LOAD SHEDDING
BLOCK# D

Date	Time	Load	Circuit	Peak Load	Description	Address	Telephone
[redacted]							

Circuit Boundaries:

[redacted] **Map Book Page:** [redacted]

[redacted]

[redacted] **Map Book Page:** [redacted]

[redacted]

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CITY OF RIVERSIDE-ELECTRIC OPERATIONS
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No. 190.001 **Appendix B**
Title: Stage 3 Emergency Involuntary Load Curtailment. **Date:** 08/31/05
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File: Standard Operating Practice 190.001 09-15-05.doc

EMERGENCY LOAD SHEDDING
BLOCK # E

Date	Time	Load	Circuit	Peak Load	Description	Address	Telephone

Circuit Boundaries:

Map Book Page:

Map Book Page:

Map Book Page:

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CITY OF RIVERSIDE-ELECTRIC OPERATIONS
STANDARD PRACTICE

No. 190.001 **Appendix B**
Title: Stage 3 Emergency Involuntary Load Curtailment. **Date:** 08/31/05
Supersedes No. 190.001 8-20-02 Date 3/28/05
File: Standard Operating Practice 190.001 09-15-05.doc

EMERGENCY LOAD SHEDDING
BLOCK # F

Date	Time	Load	Circuit	Peak Load	Description	Address	Telephone
			[redacted]	[redacted]	[redacted]	[redacted]	()[redacted]
					[redacted]	[redacted]	()[redacted]
					[redacted]	[redacted]	()[redacted]
					[redacted]	[redacted]	()[redacted]
[redacted]			[redacted]	[redacted]	[redacted]	[redacted]	()[redacted]

Circuit Boundaries:
[redacted] **Book Page** [redacted]
[redacted]
[redacted]
[redacted]
[redacted]
[redacted] **Book Page:** [redacted]
[redacted]

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No. 190.001 **Appendix B**
Title: Stage 3 Emergency Involuntary Load Curtailment. **Date:** 08/31/05
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File: Standard Operating Practice 190.001 09-15-05.doc

EMERGENCY LOAD SHEDDING
BLOCK # G

Date	Time	Load	Circuit	Peak Load	Description	Address	Telephone

Circuit Boundaries:

Map Book Page:

Map Book Page:

Map Book Page:

Map Book Page:

Map Book Page:

Map Book Page:

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CITY OF RIVERSIDE-ELECTRIC OPERATIONS
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No. 190.001 **Appendix B**
Title: Stage 3 Emergency Involuntary Load Curtailment. **Date:** 08/31/05
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File: Standard Operating Practice 190.001 09-15-05.doc

EMERGENCY LOAD SHEDDING
BLOCK: # H

Date	Time	Load	Circuit	Peak Load	Description	Address	Telephone
[redacted]							

Circuit Boundaries:

[redacted]
Map Book Page:
[redacted]
Map Book Page:
[redacted]
Map Book Page
[redacted]
Map Book Page:
[redacted]
Map Book Page:
[redacted]

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CITY OF RIVERSIDE-ELECTRIC OPERATIONS
STANDARD PRACTICE

No. 190.001 **Appendix B**
Title: Stage 3 Emergency Involuntary Load Curtailment. **Date:** 08/31/05
Supersedes No. 190.001 8-20-02 Date 3/28/05
File: Standard Operating Practice 190.001 09-15-05.doc

EMERGENCY LOAD SHEDDING
BLOCK # I

Date	Time	Load	Circuit	Peak Load	Description	Address	Telephone
[redacted]							

Circuit Boundaries:

Map Book Page: [redacted]

Map Book Page: [redacted]

Map Book Page: [redacted]

Map Book Page: [redacted]

Map Book Page: [redacted]

Map Book Page: [redacted]

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No. 190.001 **Appendix B**
Title: Stage 3 Emergency Involuntary Load Curtailment. **Date:** 08/31/05
Supersedes No. 190.001 8-20-02 Date 3/28/05
File: Standard Operating Practice 190.001 09-15-05.doc

EMERGENCY LOAD SHEDDING
BLOCK # J

Date	Time	Load	Circuit	Peak Load	Description	Address	Telephone
[redacted]							

Circuit Boundaries:

Map Book Page: [redacted]

Map Book Page: [redacted]

Map Book Page: [redacted]

Map Book Page: [redacted]

Map Book Page: [redacted]

Map Book Page: [redacted]

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CITY OF RIVERSIDE-ELECTRIC OPERATIONS
STANDARD PRACTICE

No. 190.001 **Appendix B**
Title: Stage 3 Emergency Involuntary Load Curtailment. **Date:** 08/31/05
Supersedes No. 190.001 8-20-02 Date 3/28/05
File: Standard Operating Practice 190.001 09-15-05.doc

EMERGENCY LOAD SHEDDING
BLOCK # K

Date	Time	Load	Circuit	Peak Load	Description	Address	Telephone

Circuit Boundaries:

Map Book Page:

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CITY OF RIVERSIDE-ELECTRIC OPERATIONS
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No. 190.001 **Appendix B**
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Supersedes No. 190.001 8-20-02 Date 3/28/05
File: Standard Operating Practice 190.001 09-15-05.doc

EMERGENCY LOAD SHEDDING
BLOCK # L

Date	Time	Load	Circuit	Peak Load	Description	Address	Telephone
			[redacted]		[redacted]	[redacted]	[redacted]
			[redacted]		[redacted]	[redacted]	[redacted]

Circuit Boundaries:

[redacted]

Map Book Page: [redacted]

[redacted]

Map Book Page: [redacted]

[redacted]

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CITY OF RIVERSIDE-ELECTRIC OPERATIONS
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No. 190.001 **Appendix B**
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Supersedes No. 190.001 8-20-02 Date 3/28/05
File: Standard Operating Practice 190.001 09-15-05.doc

EMERGENCY LOAD SHEDDING
BLOCK # M

Date	Time	Load	Circuit	Peak Load	Description	Address	Telephone
[redacted]							

Circuit Boundaries:

[redacted]

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CITY OF RIVERSIDE-ELECTRIC OPERATIONS
STANDARD PRACTICE

No. 190.001 **Appendix B**
Title: Stage 3 Emergency Involuntary Load Curtailment. **Date:** 08/31/05
Supersedes No. 190.001 8-20-02 Date 3/28/05
File: Standard Operating Practice 190.001 09-15-05.doc

EMERGENCY LOAD SHEDDING
BLOCK # N

Date	Time	Load	Circuit	Peak Load	Description	Address	Telephone

Circuit Boundaries:

Map Book Page:

Map Book Page:

Map Book Page:

Map Book Page:

CITY OF RIVERSIDE-ELECTRIC OPERATIONS
STANDARD PRACTICE

No. 190.001 **Appendix C**
Title: Stage 3 Emergency Involuntary Load Curtailment. **Date:** 08/31/05
Supersedes No. 190.001 8-20-02 Date 3/28/05
File: Standard Operating Practice 190.001 09-15-05.doc

LOAD SHEDDING WORK SHEET

Date : Time	Amount		
_____	_____	MW of generation	Only the increased amount may be counted
_____	+ _____	MW of voluntary load reduction	As verified by SCADA or Water Operators
_____	- _____	MW Amount requested by CAISO	
	=	* Amount of Total load reduction	

*If the Total load reduction is:

Positive, this is the amount of firm load that may be restored without CAISO direction.

Negative, this is the amount of firm load that must be shed in accordance with CAISO direction.

Prepare a load shedding work sheet following the initial CAISO notification and each time there is a change in the loads or generation (minimum 30 minute intervals for each block change)

CITY OF RIVERSIDE-ELECTRIC OPERATIONS
STANDARD PRACTICE

No. 190.002 **Page** 1 of 9
Title: Manual Shedding of Non-Critical Loads for Restoration of Critical loads tripped by UFLS Relays. **Date:** 08/31/05
File: Standard Practice 190.002 01-05-02
Supersedes No. Standard Practice 190.002 10-02 **Dated:** 10-09-02

Purpose:

To provide a procedure for the manual shedding of non-critical loads in order to restore power to critical circuits that have been shed by under frequency relays.

General:

Identify the critical circuits that have been tripped by under frequency relays.
For each critical circuit:
1. Identify the critical circuit load
2. Identify replacement circuits with load greater than or equal to the critical load circuit
3. Manually shed the replacement circuits and log the time opened.
4. Close the critical circuit and log the time restored.

Repeat for each critical circuit remaining out of service.

Replacement circuits equipped with under frequency relays that have not been tripped should be used after all other replacement circuits have been utilized

Replacement circuit loads should be rotated, if practicable, using the procedure in Standard Operating Practice 190.001 as a model.

Definitions:

Critical circuits: Those circuits that have critical lifeline customers with critical conditions or essential emergency service providers on them.

Replacement Circuit: All remaining circuits that do not qualify as a critical circuit as noted above.

Notification:

1.0 The Riverside System Dispatcher shall notify the Electric Operations Manager and the Assistant Utilities Director, Energy Delivery, of the Automatic and Manual load shedding as soon as practicable after dropping and re-energizing the designated circuits.

2.0 The Assistant Public Utilities Director, Energy Delivery, or Electric Operations Manager shall notify the Public Utilities Director, the Deputy Public Utility Director, Customer Service Manager and Power Resources Manager.

PREPARED BY:_____ REVIEWED BY: _____ APPROVED BY: _____
DATE: _____ DATE: _____ DATE: _____

3.0 The Electric Operations Manager shall assign additional personnel as required to help handle incoming calls and customer notification.

4.0 The Riverside System Dispatcher in charge or additional personnel shall:

4.1 Notify the Police/Fire Communications Center at 9911 that power will be out in the area indicated on the current circuit maps for the designated areas and estimation of time if available.

4.2 Notify the Public Works Traffic Signal Shop at x6096 that traffic signals will be out in the area indicated on the current circuit maps and give estimated time if available.

4.3 Notify Important Customers specified on the designated circuits that power will be out, and give estimated time if available.

4.4 If no telephone number is listed for a life support customer, notify the Police/Fire Dispatcher and request an officer be sent to the address listed with the available information.

Load Restoration Procedure.

1.0 The CAISO will direct load restoration by notifying the Riverside Load Scheduler to restore a given amount of load at this time.

2.0 The Riverside Load Scheduler will acknowledge the order by repeating it. The Riverside Load Scheduler will then inform the Riverside System Dispatcher to restore the designated load and immediately report the action to the CAISO.

3.0 The Riverside System Dispatcher in charge shall notify the Electric Operations Manager and the Assistant Public Utilities Director, Energy Delivery, of the load restoration as soon as practicable after restoring the designated loads.

4.0 The Assistant Public Utilities Director, Energy Delivery, or Electric Operations Manager shall notify the Public Utilities Director, the Deputy Public Utility Director, Customer Service Manager and Power Resources Manager.

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CITY OF RIVERSIDE-ELECTRIC OPERATIONS
STANDARD PRACTICE

No. 190.002 **Page** 3 of 9
Title: Manual Shedding of Non-Critical Loads for Restoration of Critical loads tripped by UFLS Relays. **Date:** 08/31/05
File: Standard Practice 190.002 01-05-02
Supersedes No. Standard Practice 190.002 10-02 **Dated:** 10-09-02

UNDER FREQUENCY LOAD SHED CIRCUITS

Freq.	Delay	Circ	Critical	Est. Load	Act. Load	DESCRIPTION	ADDRESS	PHONE
[redacted]								

PREPARED BY:_____ REVIEWED BY: _____ APPROVED BY: _____
DATE: _____ DATE: _____ DATE: _____

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CITY OF RIVERSIDE-ELECTRIC OPERATIONS
STANDARD PRACTICE

No. 190.002 **Page** 4 of 9
Title: Manual Shedding of Non-Critical Loads for Restoration of Critical loads tripped by UFLS Relays. **Date:** 08/31/05
File: Standard Practice 190.002 01-05-02
Supersedes No. Standard Practice 190.002 10-02 **Dated:** 10-09-02

Freq.	Delay	Circ	Critical	Est. Load	Act. Load	DESCRIPTION	ADDRESS	PHONE
[redacted]								

PREPARED BY:_____ REVIEWED BY: _____ APPROVED BY: _____
DATE: _____ DATE: _____ DATE: _____

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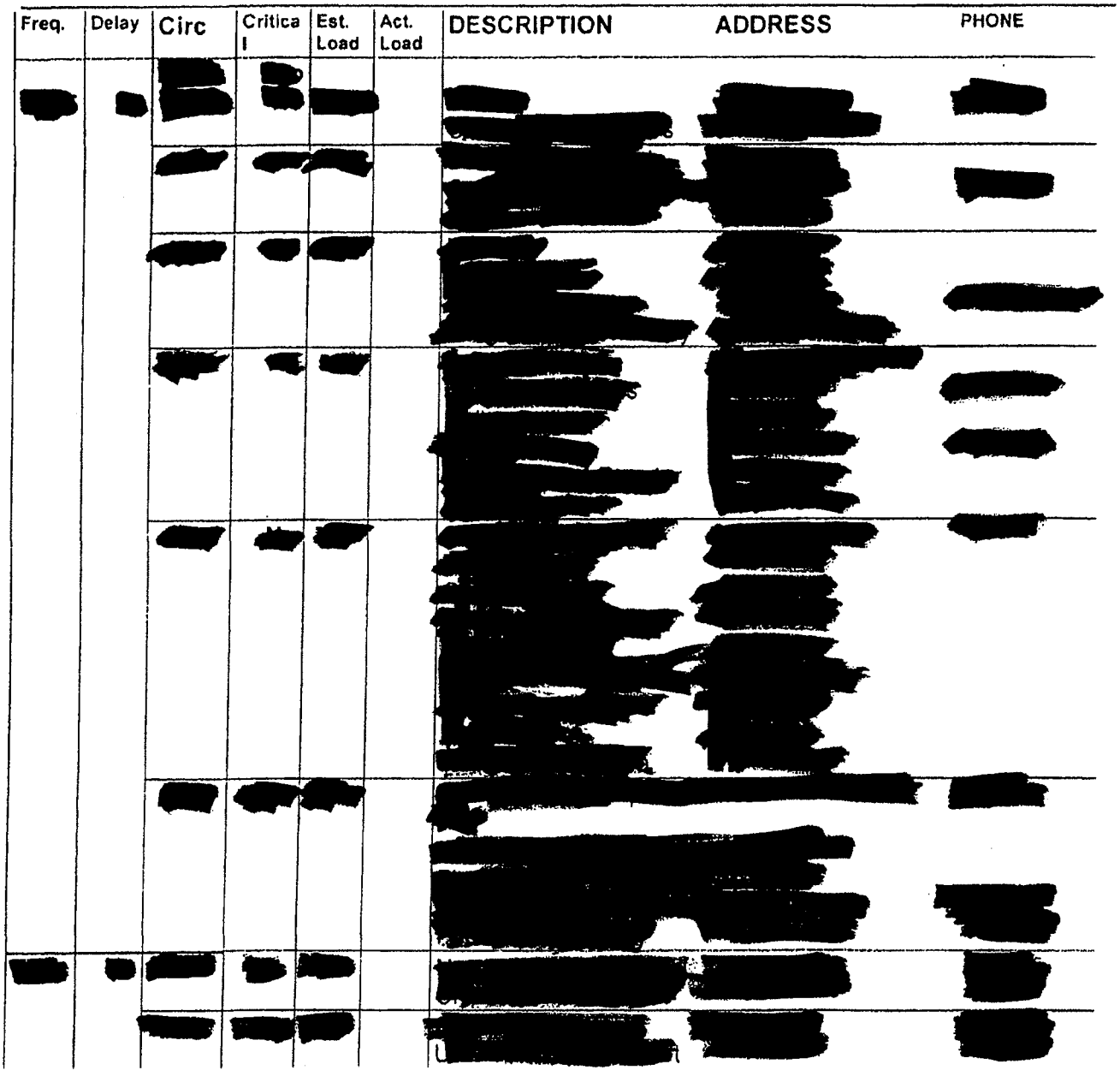
CITY OF RIVERSIDE-ELECTRIC OPERATIONS
STANDARD PRACTICE

No. 190.002 **Page** 5 of 9
Title: Manual Shedding of Non-Critical Loads for Restoration of Critical loads tripped by UFLS Relays. **Date:** 08/31/05
File: Standard Practice 190.002 01-05-02
Supersedes No. Standard Practice 190.002 10-02 **Dated:** 10-09-02



Freq.	Delay	Circ	Critical	Est. Load	Act. Load	DESCRIPTION	ADDRESS	PHONE

PREPARED BY:_____ REVIEWED BY: _____ APPROVED BY: _____
DATE: _____ DATE: _____ DATE: _____

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CITY OF RIVERSIDE-ELECTRIC OPERATIONS
STANDARD PRACTICE

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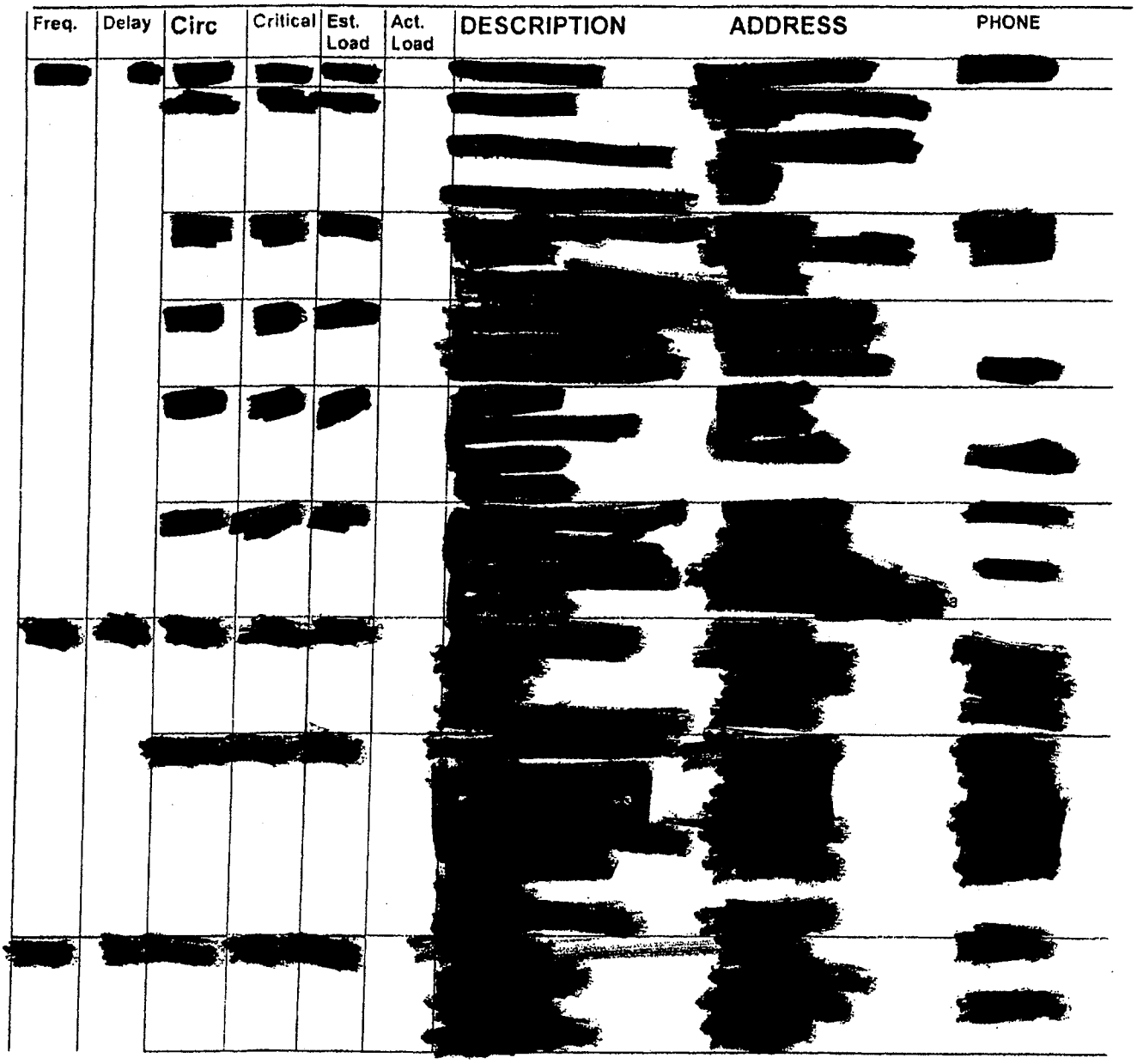
Title: Manual Shedding of Non-Critical Loads for Restoration of Critical loads tripped by UFLS Relays. **Date:** 08/31/05
File: Standard Practice 190.002 01-05-02
Supersedes No. Standard Practice 190.002 10-02 **Dated:** 10-09-02



PREPARED BY:_____ REVIEWED BY: _____ APPROVED BY: _____
DATE: _____ DATE: _____ DATE: _____

Privileged Material Redacted Pursuant To 18 C.F.R. § 388.112

CITY OF RIVERSIDE-ELECTRIC OPERATIONS
STANDARD PRACTICE

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Supersedes No. Standard Practice 190.002 10-02 **Dated:** 10-09-02

Freq.	Delay	Circ	Critical	Est. Load	Act. Load	DESCRIPTION	ADDRESS	PHONE
[redacted]								

REPLACEMENTS

Freq.	Delay	Circ.	Critical	Est. Load	Act. Load	DESCRIPTION	Address	Telephone
[redacted]								

PREPARED BY:_____ REVIEWED BY: _____ APPROVED BY: _____
DATE: _____ DATE: _____ DATE: _____

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Freq.	Delay	Circ.	Critical	Est. Load	Act. Load	DESCRIPTION	Address	Telephone
[redacted]								

PREPARED BY:_____ REVIEWED BY: _____ APPROVED BY: _____
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Freq.	Delay	Circ.	Critical	Est. Load	Act. Load	DESCRIPTION	Address	Telephone
		[redacted]						

PREPARED BY:_____ REVIEWED BY: _____ APPROVED BY: _____
DATE: _____ DATE: _____ DATE: _____

SCHEDULE 10A

ROTATING LOAD CURTAILMENT PROCEDURES

[Section 7.4.2]

Riverside rotating Load curtailment procedures are set forth in the Riverside EEP attached to Schedule 11. To maintain the required amount of continuously interrupted Load, as directed by the ISO, for an extended amount of time, no portion of Riverside's interrupted Load shall be restored unless an equal or greater amount of Load is interrupted first, as necessary to maintain the required amount of interrupted Load.

SCHEDULE 10B

INTERRUPTIBLE LOAD

[Section 7.4.2]

Riverside has not implemented a program for interruptible Loads.

Should Riverside seek to implement any interruptible Load program, Riverside shall provide a complete description of the program to the ISO at least sixty (60) days prior to the incorporation of the program into the Riverside EEP and all applicable Operating Procedures shall be followed.

SCHEDULE 11

ELECTRICAL EMERGENCY PLAN

[Section 7.5.1]

See City of Riverside Electric Emergency Plan dated May 03, 2007, attached hereto.

The information to be contained in this Schedule may be subject to additional filing due to subsequent revisions as these may be required from time to time.

Electric Emergency Plan

May 3, 2007

1. Situation

   1.1. The San Francisco Bay area experienced rolling black outs for 97,029 electric customers on June 14, 2000. These rolling black outs were ordered by the California Independent System Operator (CAISO) due to exceptionally high electric loads, insufficient generation capacity in the area and lack of additional high voltage transmission capacity to import more power.

   1.2. On June 15, Governor Davis directed the California Energy Commission (CEC) and the California Public Utilities Commission (CPUC) to investigate the events leading up to the rolling blackouts and to issue a detailed report with recommendations to reduce or eliminate the risk of such an electric emergency in future.

   1.3. Based on the CEC and CPUC report and recommendations, Governor Davis issued Executive Order D-15-00 directing State Agencies to institute energy conservation measures that will limit energy consumption during Stage 2 and Stage 3 Electric Emergencies. This Executive Order recommends that local and federal governmental facilities, business and residential customers follow the State's lead in developing energy conservation measures for implementation in an electric supply emergency.

2. General Information

   2.1. CAISO is chartered by the state to manage the flow of electricity along the long-distance, high-voltage power lines that make up the bulk of California's transmission system. The not-for-profit public-benefit corporation assumed the responsibility in March 1998, when California opened its energy markets to competition and the state's investor-owned utilities turned their private transmission power lines over to the CAISO to

manage. The mission of the CAISO is to safeguard the reliable delivery of electricity, facilitate markets and ensure equal access to a 12,500 circuit mile "electron highway."

3. Mission

3.1. To maintain electrical service for critical life support customers, essential emergency service facilities and to limit the impact of forced outages, as much a possible, on other electrical customers.

4. Alert

4.1. CAISO declares an Alert at any time there is a significant loss of electric generating or transmission resources, or when electric demand is projected to exceed current power resources available in California. The Alert is directed to all Market Participants and requests that they bid additional power resources into California to correct the deficiency. In most cases, an Alert will be issued a day prior to the anticipated deficiency.

5. Warning

5.1. CAISO declares a Warning at any time there is a significant loss of electric generating or transmission resources, or when electric demand is projected to exceed current power resources available in California. The Warning is directed to all Market Participants and requests that they bid additional power resources into California to correct the deficiency. The issuance of a Warning also allows CAISO to acquire additional power resources outside California or through non-economic purchase. In most cases, a Warning will be issued a few hours prior to the anticipated deficiency.

6. Stage 1 Emergency

6.1. CAISO declares a Stage 1 Emergency at any time available power resources fall below or are projected to fall below minimum levels for safe operation of the California power grid, but do not require interruption of service to customers. The Stage 1 Emergency is

directed to all Market Participants, state regulatory, oversight and response agencies and is broadcast to the general public in a coordinated effort between the CAISO and electric utilities. Electric consumers are requested to voluntarily reduce their usage of electricity to prevent a more severe condition on the California power grid that could lead to forced outages or rolling blackouts. Market Participants are requested to bid additional power resources into California. CAISO continues to acquire additional power resources outside California or through non-economic purchase. In most cases, a Stage 1 Emergency will be issued about two hours prior to the anticipated deficiency.

6.2. The Electric Operations Division relays the CAISO Stage 1 Emergency Notice to designated city personnel via an Outlook message.

6.3. City personnel should take the following actions to conserve electricity while maintaining normal business operations:

6.3.1. Close doors and windows to prevent loss of air conditioning or heating.

6.3.2. Shut off portable electrical devices like fans, coffeepots and microwaves.

6.3.3. Close blinds or window coverings on south or west facing windows to prevent solar heating during summer.

6.3.4. Turn off lights in unoccupied rooms.

6.3.5. Reduce overhead or task lighting.

6.3.6. Turn off decorative indoor and outdoor lighting

6.3.7. Turn off computers, monitors and printers that are not in use.

6.3.8. If there are multiple copiers or printers available, consider using only one and shut down others.

6.3.9. Floor Wardens at City Hall and designated employees at other locations should check their areas for compliance with electricity conservation directions.

6.4. The Building Services Division should take action to conserve electricity including

6.4.1. Reset building thermostats to 78 degrees during summer or 65 degrees during winter.

6.4.2. Reduce overhead lighting

6.4.3. Turn off decorative indoor or outdoor lighting

6.4.4. Turn off or reduce temperature settings on electric water heaters

6.5. Each Department should take action to conserve electricity at their remote facilities, while maintaining normal business operations.

6.6. Public Utilities Marketing Communications should issue public service announcements requesting the public to voluntarily reduce their usage of electricity to prevent a more severe condition on the California power grid that could lead to forced outages or rolling blackouts.

6.7. Public Utilities Business Development should contact large electric customers and request them to voluntarily reduce their usage of electricity to prevent a more severe condition on the California power grid that could lead to forced outages or rolling blackouts.

7. Stage 2 Emergency

7.1. CAISO declares a Stage 2 Emergency at any time available power resources fall below or are projected to fall below minimum levels for safe operation of the California power grid, and voluntary interruption of electric service by customers is required. The Stage 2 Emergency is directed to all Market Participants, state regulatory, oversight and response agencies and is broadcast to the general public in a coordinated effort between the CAISO and electric utilities. Electric consumers who have agreed to reduce electric load when requested are asked to voluntarily reduce their usage of electricity to prevent a more severe condition on the California power grid that could lead to forced outages or rolling blackouts. Market Participants are requested to bid additional power resources into California. CAISO continues to acquire additional power resources outside California or through non-economic purchase. The CAISO and In most cases, a Stage 2 Emergency will be issued an hour or less prior to the anticipated deficiency. CAISO issued a total of five Stage 2 Electric Emergencies in 1998 and 1999. As of September 1, CAISO has issued 14 Stage 2 Electric Emergencies in 2000.

7.2. The Electric Operations Division relays the CAISO Stage 2 Emergency Notice to designated city personnel via an Outlook message. The emergency generator at the Utilities Operation Center should be started and essential emergency loads transferred to reduce loading on the electric system if available for operation.

7.3. City personnel should continue to take the following actions to conserve electricity while maintaining normal business operations as noted in 6.3 above. Floor Wardens at City Hall and designated employees at other locations should continue to check their areas for compliance with electricity conservation directions. Departments may consider shutting down or reducing non-essential business operations that would conserve electricity.

7.4. The Building Services Division should continue to take action to conserve electricity as noted in 6.4 above. The emergency generator at City Hall and the Corporation Yard may be started and essential emergency loads transferred to reduce loading on the electric system if available for operation.

7.5. Each Department should continue to take action to conserve electricity at their remote facilities, as noted in 6.5 above. Emergency generators at remote sites may be started and essential emergency loads transferred to reduce loading on the electric system if available for operation.

7.6. The Water Operations Division should start and run natural gas engine pumps, if available for operation, to replace electric motor pumps, reducing loading on the electric system. Water deliveries from Western Municipal Water District should be used, if available, to reduce booster pump loading on the electric system. Water supplies from reservoirs should be used, if available, to reduce booster pump loading on the electric system.

7.7. The Wastewater Systems Division should start and run generators at the Riverside Regional Water Quality Control Plant, if available for operation, reducing loading on the electric system. Treatment processes should be reduced, if possible, to reduce loading on the electric system.

7.8. The Business Development Division should contact large electric customers and request them to start and run emergency generators, if available for operation, reducing loading on the electric system.

7.9. Market Communications should continue to issue public service announcements requesting the public to voluntarily reduce their usage of electricity to prevent a more severe condition on the California power grid that could lead to forced outages or rolling blackouts. The tone of the announcement should be more urgent than earlier announcements during a stage 1 emergency.

8. Stage 3 Emergency

8.1. CAISO declares a Stage 3 Emergency at any time available power resources fall below or are projected to fall below minimum levels for safe operation of the California power grid, and involuntary interruption of electric service to customers is required. Stage 3 is the most severe Stage of Emergency and indicates that, without significant CAISO intervention, the electric system is in danger of imminent collapse. The Stage 3 Emergency is directed to all Market Participants, state regulatory, oversight and response agencies and is broadcast to the general public in a coordinated effort between the CAISO and electric utilities. Electric utilities are directed to reduce electric load by specific amounts using their electric emergency plan procedures. Market Participants are requested to bid additional power resources into California. CAISO continues to acquire additional power resources outside California or through non-economic purchase. The CAISO and In most cases, a Stage 3 Emergency will be issued less than an hour prior to the anticipated deficiency. CAISO did not issue a Stage 3 Emergency, but directed utilities to interrupt service to over 97,000 electric customers in the San Francisco Bay Area on June 14, 2000. CAISO issued a Stage 3 Emergency on December 7, 2000, but did not direct utilities to interrupt service to customers.

8.2. Load Shedding

8.2.1. CAISO directs the Riverside Electric Power System Dispatcher to shed electric load in accordance with the CAISO Emergency Procedures.

8.2.2. The Electric Power System Dispatcher manually sheds the designated amount of load in accordance with Standard Operating Practice 190.001 and notifies designated City personnel and emergency contacts by Outlook message or telephone. A copy of Standard Operating Practice 190.001 is attached for reference in Appendix B.

8.2.3. The Electric Power System Dispatcher shall rotate manually shed electric load at one-hour intervals in accordance with Standard Operating Practice 190.001 after notification of City personnel and emergency contacts.

8.2.4. Departments may consider shutting down or reducing business operations not needed to provide essential emergency services that would conserve electricity. City personnel should continue to take actions to conserve electricity while maintaining essential emergency services as noted in 7.3 above.

8.2.5. The Building Services Division should continue to take action to conserve electricity as noted in 7.4 above. The emergency generator at City Hall and the Corporation Yard should be started and essential emergency loads transferred to reduce loading on the electric system if available for operation and not utilized previously.

8.2.6. Each Department should continue to take action to conserve electricity at their remote facilities, as noted in 7.5 above. Emergency generators at remote sites should be started and essential emergency loads transferred to reduce loading on the electric system if available for operation and not utilized previously.

8.2.7. The Water Operations Division should continue to reduce electric load, if possible, while maintaining essential water service.

8.2.8. The Wastewater Systems Division should continue to reduce electric load, if possible, while maintaining essential wastewater service.

8.3. Load Restoration

8.3.1. CAISO directs the Electric Power System Dispatcher to restore manually shed electric load.

8.3.2. The Electric Power System Dispatcher notifies designated City personnel and emergency contacts by Outlook message or telephone.

8.3.3. Departments should resume business operations consistent with the improved Electric Emergency level.

8.3.4. The Building Services Division should secure emergency generators and restore building systems to normal operation as consistent with the improved Electric Emergency level.

8.3.5. Each Department should secure emergency generators at remote sites and restore remote site building systems to normal operation as consistent with the improved Electric Emergency level.

8.3.6. The Water Operations Division should restore the water system to normal operation as consistent with the improved Electric Emergency level.

8.3.7. The Electric Operations Division should secure the emergency generator at the Utilities Operations Center if consistent with the improved Electric Emergency level.

8.3.8. The Wastewater Systems Division should restore the wastewater system to normal operation as consistent with the improved Electric Emergency level.

8.3.9. The Business Development Division should notify large electric customers of the improved situation and thank them for their assistance. The large customer may resume normal operations consistent with the reduced emergency level.

8.3.10. Market Communications should issue public service announcements informing the public of the improved situation and thank them for their assistance.

9. Underfrequency Load Shedding

9.1. Automatic Load Shedding

9.1.1. Public Utilities has installed automatic relays in several of the electric substations to automatically shed load in the event of a catastrophic loss of large amounts of high voltage transmission or generating resources in the western United States, Canada and Mexico as a cooperative effort with CAISO, SCE and other utilities. Due to the limited number of circuits available at these substations, automatic load shedding will interrupt electric service to some essential emergency service loads.

9.2. Manual Load Shedding

9.2.1. Electric Power System Dispatcher shall manually shed replacement loads as noted in Standard Operating Practice 190.002 and restore service to as many of the essential emergency service loads as possible. The Electric System Dispatcher shall notify designated City personnel and emergency contacts. A copy of Standard Operating Practice 190.002 is attached for reference in Appendix C.

9.2.2 CAISO may direct the Riverside Electric Power System Dispatcher to shed additional electric load to stabilize the California Electric System.

9.2.3 The Electric Power System Dispatcher manually sheds the designated amount of load in accordance with Standard Operating Practice 190.001 using load blocks not previously shed and notifies designated City personnel and emergency contacts by Outlook message or telephone. A copy of Standard Operating Practice 190.001 is attached for reference in Appendix B.

9.3. Load Restoration

9.3.1. Designated circuits at several high voltage substations are equipped with relays to automatically restore electric service to the first circuits interrupted by the automatic load shedding relays described in section 9.1. This automatic load restoration occurs only when needed to prevent excess generation capacity from causing the electric system to collapse. If essential emergency services remain out of service, these automatically restored circuits should be manually shed and replaced by essential emergency service loads.

9.3.2. CAISO directs the Electric Power System Dispatcher to restore automatically and manually shed electric load as the electric emergency situation improves.

9.3.3. The Electric Power System Dispatcher notifies designated City personnel and emergency contacts by Outlook message or telephone.

10. Training Requirements

10.1. Floor Wardens at City Hall and designated employees at other locations should be trained annually in the electricity conservation plan for their assigned floor, area or facility.

10.2. Employees designated to start and run emergency generators at remote sites should be trained in the proper starting and transfer procedures annually.

10.3. Electric Power System Dispatchers should be trained in load shedding, load restoration and notification procedures annually.

10.4. Building Services personnel should be trained annually in electricity conservation plans and emergency generator start and transfer procedures for City Hall, and the Corporation Yard.

10.5. Water System Operators should be trained annually in electricity conservation plans for operation of the water system.

10.6. Wastewater Systems personnel should be trained annually in electricity conservation plans for operation of the wastewater system.

11. Plan Maintenance

11.1. The Electric Emergency Plan should be reviewed after each activation at Stage 2 or higher level Emergency or at least annually.

11.2. Electricity Conservation Plans for each floor of City Hall and other locations should be reviewed after each activation at Stage 2 or higher level Emergency or at least annually.

12. After Action Report

12.1. Each time the Electric Emergency Plan is activated at Stage 2 or higher level emergency the Emergency Services Coordinator shall conduct a meeting with City

personnel directly involved with implementation of the Electric Emergency Plan and prepare an After Action Report for the City Manager with copies to the Mayor and City Council.

13. Plan Distribution

13.1. City Council

13.2. Mayor

13.3. City Manager

13.4. Department Heads

13.5. Emergency Services Coordinator

13.6. Building Services Superintendent

13.7. Electric Operations Manager

13.8. Water Operations Manager

13.9. Business Development Manager

13.10. Marketing Communications Manager

13.11. Wastewater Systems Manager

13.12. Floor Wardens and Designated Personnel

Appendix A

Southern California Edison

System Operating Bulletin No. 21

Capacity Shortage Contingency Plan

Appendix B

City of Riverside

Electric Operations Standard Practice No 190.001

City of Riverside Load Shedding Program

Appendix C

City of Riverside

Electric Operations Standard Practice No 190.002

Manual Shedding of Non-Critical Loads for Restoration of Critical Loads Tripped by UFLS Relays.

SCHEDULE 12

LOAD RESTORATION

[Section 7.4.3]

Riverside shall follow the procedures set forth below in this Schedule 12 in promoting orderly, coordinated restoration of electric systems after a major system disturbance has occurred which resulted in Load Shedding by frequency relays in California.

1. Immediately after Load Shedding by frequency relay(s) has occurred in Riverside's System, Riverside shall remain in contact with the ISO, until normal frequency has been restored throughout the ISO Control Area or the ISO Shift Manager has concluded that such full-time communications can be terminated. Emergency communications will be under the direction of the ISO Shift Manager.
2. Manual Load restoration shall not normally be initiated without the direction of the ISO. No Load is to be manually restored unless directed by the ISO after the frequency has recovered and there is indication that the frequency can be maintained. Riverside shall await direction from the ISO, who will be in contact with the ISO Shift Manager. The ISO Shift Manager shall determine whether adequate Generation resources are available on line to support the Load to be restored.
3. Riverside's automatic Load restoration will be consistent with the WECC Coordinated Off-Nominal Frequency Load Shedding and Restoration Plan.
4. If the ISO cannot meet the WECC and NERC Control Area Disturbance Control Standard or the Control Performance Standard post disturbance, no manual Load restoration shall be permitted. If the frequency is such that automatic Load restoration occurs under these conditions, if Riverside has restored Load automatically, it will manually shed an equivalent amount of Load to offset the Load which was automatically restored.
5. Restoration of ties and off-site power supply to nuclear generating facilities should be given top priority. Manual Load restoration will be deferred during periods of tie restoration. Riverside should be equipped and prepared to drop Load manually when necessary to allow frequency recovery sufficient to re-establish ISO intra-area ties and ties between the ISO Control Area and outside systems. Where manual Load Shedding is required, the ISO shall make reasonable efforts to allocate the Load Shedding requirement equitably among Riverside, UDCs, and MSS Operators where Load Shedding shall be beneficial, and such Load Shedding shall be made in accordance with Section 7.4.
6. Riverside shall use its existing plans and priorities to restore Load within the parameters given by the ISO, giving the appropriate priority to essential services such as military, public safety agencies, water treatment plants, sewage treatment plants, etc.

SCHEDULE 13

[RESERVED]

SCHEDULE 14

GENERATING UNITS AND MARKET-PARTICIPATING LOADS

[Section 10.1]

Riverside has identified in the attached table all of the individual Generating Units that it owns and controls in the ISO Control Area, together with certain information required by the ISO. Riverside does not currently have any Curtailable Demand eligible to participate in the ISO's markets as market-participating Load.

Schedule 14

Section 1: Technical Characteristics of Generating Units
City of Riverside

Name of Facility (Including Unit Number)	QF (Y/N)	RMR (Y/N)	Name of Generating Unit Owner	ISO Resource ID	Type of Unit	Primary Fuel Type	Designed Gross (Nameplate) Capacity 1/ (MW)	Limitations (Reference #)
Springs Generation Project	N	N	Riverside Public Utilities	RVSIDE_6_SPRING	Aggregated Unit	Natural Gas	38.00	
Springs Unit 1	N	N	Riverside Public Utilities		Combustion Turbine	Natural Gas	9.5	[redacted]
Springs Unit 2	N	N	Riverside Public Utilities		Combustion Turbine	Natural Gas	9.5	
Springs Unit 3	N	N	Riverside Public Utilities		Combustion Turbine	Natural Gas	9.5	
Springs Unit 4	N	N	Riverside Public Utilities		Combustion Turbine	Natural Gas	9.5	
Riverside Energy Res. Ctr Unit 1	N	N	Riverside Public Utilities	RVSIDE_6_RERCU1	Combustion Turbine	Natural Gas	48.50	[redacted]
Riverside Energy Res. Ctr Unit 2	N	N	Riverside Public Utilities	RVSIDE_6_RERCU2	Combustion Turbine	Natural Gas	48.50	

1/ Current effective values for purposes of scheduling Energy and bidding to provide Energy and/or Ancillary Services in ISO markets may differ from those set forth in this Schedule 14, depending on the results of ISO performance testing pursuant to Sections 8.10 and 8.10.1 of the ISO Tariff and Section 9 of the ISO Ancillary Services Requirements Protocol. This and other values are subject to certification by the ISO in accordance with Section 9.2.2 of the Metered Subsystem Agreement. More detailed Generating Unit operating data must be provided at a time and in a format specified by the ISO in response to ISO requests pursuant to ISO Tariff Sections 4.6.4, 4.6.7.1 and 30.6.1.3.

SCHEDULE 14

Section 2: Limitations

0

Reference #	Description of Limitation
	[redacted]

Instructions for Filling Out Schedule 14

Include the full name of the entity holding the MSS in the header of Section 1 and Section 2 in place of "(Name of Participating Generator)".

Manually update the revision date in the footer of the spreadsheet (do not use the auto-date feature).

Include the information shown below in the columns of Section 1 for each Generating Unit the Participating Generator owns or to which it has exclusive contractual rights for the Energy the unit injects into the grid. If the Participating Generator's contractual rights are less than 100% of Generating Unit capacity and Energy output capability, net of auxiliary load, please explain in the Limitations section.

The limitations that will affect the technical characteristics and performance of the facility should be listed in Section 2 and referenced in Section 1.

Facilities with multiple Generating Units should list each unit separately, including all the components of combined and "aggregated" units scheduled or operated as if they are a single Generating Unit.

Column Heading	**Information to Include in Schedule 1**
Name of Facility (Including Unit Number)	Full name of the facility, as used in scheduling with the ISO, with each unit listed individually. In the case of a combined cycle, Physical Scheduling Plant or other "aggregated" unit, the name of the "aggregated" unit and the technical characteristics of the "aggregated" unit should be listed on one line, with the individual units that comprise the "aggregated" unit and their technical characteristics listed on subsequent lines.
QF (Y/N)	"Y" if the facility is a FERC Qualifying Facility (QF) under the Public Utility Regulatory Policies Act of 1978 (PURPA) or "N" if it is not.
RMR (Y/N)	"Y" if the facility is currently under an RMR (Reliability Must Run) contract with the ISO or "N" if it is not.
Name of Generating Unit Owner	Full legal name of the owner(s) of the unit.
ISO Resource ID	"Resource ID" assigned by the ISO for scheduling the primary resource with the ISO.
Type of Unit	Specify the type of generating unit technology, such as steam turbine, combustion turbine, hydro turbine, pump-generator, reciprocating engine, combined cycle, synchronous condensers, etc. For combined cycle, Physical Scheduling Plants or "aggregated" units, include the term "Aggregate" as part of the unit type (e.g., Combined Cycle Aggregate).
Primary Fuel Type	Specify the primary fuel type used by the unit, such as natural gas, coal, geothermal, water, wind, solar, heat recovery, nuclear, agricultural waste, landfill gas, etc.
Designed Gross (Nameplate) Capacity (MW)	The gross electrical output capacity of the unit (expressed in megawatts), before deduction of any on-site or parasitic loads and losses, as designed by the manufacturer and as applicable to and adjusted for the normal, prevailing site conditions.
Limitations (Reference #)	Limitations that affect the technical characteristics and performance of the unit (noted by a reference number in Section 1 and described in detail in Section 2 along with the associated reference number).

Privileged Material Redacted Pursuant
To 18 C.F.R. § 388.112

SCHEDULE 14

Section 1: Technical Characteristics of Participating Generator Units
(Name of Participating Generator)

Name of Facility (Including Unit Number)	QF (Y/N)	RMR (Y/N)	Name of Generating Unit Owner	ISO Resource ID	Type of Unit	Primary Fuel Type	Designed Gross (Nameplate) Capacity 1 (MW)	Limitations (Reference #)
Salt [illegible] Power Plant Unit 1	N	N	[illegible]	[illegible]	Steam Turbine	Natural Gas	[illegible]	[redacted]
[illegible] Valley Power Plant	N	[illegible]	[illegible]	[illegible]	Combustion Turbine	Natural Gas	[illegible]	[redacted]
[illegible] Power Station Combined Cycle	N	[illegible]	[illegible]	[illegible]	Combined Cycle Aggregate	Natural Gas	[illegible]	[redacted]
CTG Unit 1					Combustion Turbine	Natural Gas	215 [illegible]	
CTG Unit 2					Combustion Turbine	Natural Gas	215 [illegible]	
STG					Steam Turbine	Heat Recovery	[illegible]	
Cedar Creek [illegible]	N	[illegible]	[illegible]	[illegible]	Hydro-Reaction	Water	[illegible]	[redacted]
Cedar Creek [illegible]	N	N	[illegible]	[illegible]	Hydro-Reaction	Water	[illegible]	[redacted]
Capital Reef Unit 1	N	N	[illegible]	[illegible]	Steam Turbine	Nuclear PWR	[illegible]	[redacted]
Capital Reef Unit 2	N	N	[illegible]	[illegible]	Steam Turbine	Nuclear PWR	[illegible]	[redacted]
[illegible] Hills Power Plant Unit [illegible]	Y	N	[illegible]	[illegible]	Steam Turbine	Geothermal	[illegible]	[redacted]
Salt Flats Power Plant Unit 2	N	N	[illegible]	[illegible]	Synchronous Condenser	N/A	N/A	
[illegible] Waste Management	Y	N	[illegible]	[illegible]	Aggregated Unit	Various	[illegible]	[redacted]
Unit 1					Reciprocating Engine	Landfill Digester Gas	[illegible]	
Unit 2					Reciprocating Engine	Landfill Digester Gas	[illegible]	
Unit 3					Micro Turbine	Landfill Digester Gas	[illegible]	
Unit 4					Micro Turbine	Landfill Digester Gas	[illegible]	
Unit 5					Reciprocating Engine	Landfill Digester Gas or Diesel	[illegible]	
Unit 6					Hydro Turbine	Waste Water	[illegible]	
Widgets Manufacturing Unit 1	Y	N	[illegible]	[illegible]	Steam Turbine	Waste Heat	[illegible]	

1 Current effective values for purposes of scheduling [illegible]

SCHEDULE 14

(Note: Section 2 would go on its own page)

Section 2: Limitations
(Name of Participating Generator)

Reference #	Description of Limitation
[redacted]	[redacted]

SCHEDULE 14 A

GENERATING UNITS AND MARKET-PARTICIPATING LOADS

[Section 11.4]

City of Riverside is not electing to load follow at this time

SCHEDULE 15

METERING OBLIGATIONS

[Section 12.2]

Obligations and Rights of Riverside

1.0 Submission of Meter Data through the ISO's Revenue Meter Data Acquisition and Processing System ("MDAS"). Riverside agrees to make available to the ISO through MDAS its Meter Data in accordance with the ISO Tariff. The ISO's requirements regarding the frequency with which it requires Meter Data to be made available to it through MDAS by Riverside are referred to in the Metering Protocol of the ISO Tariff.

1.1 Meter Information. Riverside shall provide in the format prescribed by Schedule 15.1 the required information with respect to all of its meters used to provide Meter Data to the ISO. Riverside must immediately notify the ISO of any changes to the information provided to the ISO in accordance with this Section and provide the ISO with any information in relation to such change as reasonably requested by the ISO. Riverside shall have the right to modify Schedule 15.1, although such modification shall not constitute an amendment to this Agreement.

1.2 Transformer and/or Line Loss Correction Factor. If Riverside uses low voltage side metering, it shall use the ISO approved transformer and/or line loss correction factor referred to in the Metering Protocol of the ISO Tariff.

1.3 Rights to Access Metering Facilities. Riverside shall use its best efforts to procure any rights necessary for the ISO to access all Metering Facilities of Riverside to fulfill its obligations under the ISO Tariff, and its obligations under this Agreement. If, after using its best efforts, Riverside is unable to provide the ISO with such access rights, Riverside shall ensure that one of its employees is an ISO Authorized Inspector and such employee undertakes, at the ISO's request, the certification, testing, inspection and/or auditing of those Metering Facilities in accordance with the procedures established pursuant to the Metering Protocol of the ISO Tariff, including the requirement to complete and provide to the ISO all necessary documentation. The ISO acknowledges that it will not be prevented from fulfilling its obligations under the ISO Tariff or this Agreement by reason of the fact that it is provided with escorted access to the Metering Facilities of Riverside.

1.4 Security and Validation Procedures. The security measures and the validation, editing, and estimation procedures that the ISO shall apply to Meter Data made available to the ISO by Riverside shall be as referred to in the Metering Protocol of the ISO Tariff.

1.5 **Authorized Users.** In addition to the persons referred to in the ISO Tariff, including Riverside and the relevant Scheduling Coordinator, as being entitled to access Meter Data on MDAS, Riverside may set forth in Schedule 15.2 any additional authorized users that shall be entitled to access Riverside's Settlement Quality Meter Data held by the ISO. Riverside shall include in Schedule 15.2 as authorized users the relevant UDCs and TOs. The ISO shall provide the authorized users with any password or other information necessary to access Riverside's Settlement Quality Meter Data held by the ISO on MDAS. Any amendment or addition to Schedule 15.2 shall not constitute an amendment to this Agreement.

1.6 **Certification, Inspection, and Auditing of Meters.** Riverside shall be responsible for all reasonable costs incurred by the ISO or an ISO Authorized Inspector in connection with them carrying out the certification, inspection, testing or auditing of the meters identified in Schedule 15.1 from which Riverside provides Meter Data to the ISO. The ISO or ISO Authorized Inspector shall furnish Riverside, upon request, an itemized bill for such costs.

Obligations and Rights of the ISO

2.0 **Direct Polling of MDAS.** The ISO shall allow the Scheduling Coordinator representing Riverside and all Authorized Users to directly poll MDAS for the Meter Data relating to Riverside in accordance with the procedures referred to in the Metering Protocol of the ISO Tariff.

2.1 **ISO as a Third-Party Beneficiary.** The ISO shall be a third-party beneficiary to any future agreement between Riverside and any other party relating to the Metering Facilities of Riverside for the purpose of granting the ISO access to any relevant information, records and facilities as needed by the ISO to fulfill its obligations under the ISO Tariff and its obligations under this Agreement.

2.2 **Remote and Local Access to Metering Data.** The ISO shall provide Riverside any password or other requirements necessary for Riverside to access its Meter Data remotely or locally at the meter.

Calculation of Riverside Settlement Quality Meter Data

The calculation of Riverside's Settlement Quality Meter Data ("SQMD") shall be made in accordance with a calculation procedure that is mutually agreed by the Parties, which calculation procedure will generally be as follows:

Riverside SQMD (Gross Load) = MSS Meter Data at the Point of Interconnection, Point of Delivery + Meter Data for Generation from Generating Units within the MSS

SCHEDULE 15.1

[PRIVILEGED MATERIAL REDACTED PURSUANT TO
18 C.F.R. § 388.112]

SCHEDULE 15.2

ACCESS TO METER DATA AND AUTHORIZED USERS

Authorized Users under this Schedule are permitted to use such meter data solely for purposes of fulfilling obligations or verifying performance under agreements between the Authorized User and Riverside, the Authorized User and the ISO, or Riverside and the ISO.

Southern California Edison

SCHEDULE 16

TRANSMISSION RELIABILITY CRITERIA

[Section 13.5]

For transmission reliability, Riverside shall abide by all applicable NERC and WECC Planning Criteria and the following:

Power Flow Assessment:

	Criteria	
Contingencies	Thermal [3]	Voltage [4]
Generating Unit [1]	A/R	A/R
Transmission line [1]	A/R	A/R
Transformer [1]	A/R [5]	A/R [5]
Overlapping [2]	A/R	A/R

1 All single contingency outages (i.e. Generating Unit, transmission line or transformer) will be simulated on Participating Transmission Owners' local area systems.

2 Key Generating Unit out, system readjusted, followed by a line outage.

3 Applicable Rating – Based on ISO Transmission Register or facility upgrade plans.

4 Applicable Rating – ISO Grid Planning Criteria or facility owner criteria as appropriate.

5 Based on judgment of ISO and facility owner, a thermal or voltage criterion violation resulting from a transformer outage may not be cause for Reliability Must-Run Generation solution if the violation is considered marginal (e.g. acceptable loss of life or low voltage), otherwise (e.g. unacceptable loss of life or voltage collapse) a Reliability Must-Run Generation solution would be indicated.

Post Transient Load Flow Assessment:

Contingencies	Reactive Margin Criteria [2]
Selected [1]	A/R

1 If power flow results indicate significant low voltages for a given power flow contingency, simulate that outage using the post transient load flow program. The post-transient assessment will develop appropriate Q/V and/or P/V curves.

2 Applicable Rating – positive margin based on 105% of 1 in 2 year Load forecast.

Stability Assessment:

Contingencies	Stability Criteria [2]
Selected [1]	A/R

1 If power flow or post transient study results indicate significant low voltages or marginal reactive margin for a given contingency, simulate that outage using the dynamic stability program.

2 Applicable Rating – ISO Grid Planning Criteria or facility owner criteria as appropriate.

SCHEDULE 17

NOTICES

[Section 19.1 and 3.3.3]

Riverside

Name of Primary Representative:	David Wright
Title:	Public Utilities General Manager
Address:	3900 Main Street
City/State/Zip Code:	Riverside, CA 92522
Email Address:	dwright@riversideca.gov
Phone:	[redacted]
Fax No:	[redacted]

Name of Alternative Representative:	Gary Nolff
Title:	Assistant Director - Resources
Address:	3900 Main Street
City/State/Zip Code:	Riverside, CA 92522
Email Address:	gnolff@riversideca.gov
Phone:	[redacted]
Fax No:	[redacted]

Authorized Representative (Section 3.3.3):

Representative:	Dan McCann
Title:	Scheduling/Operations Manager
Address:	2911 Adams Street
City/State/Zip Code:	Riverside, CA 92504
Email Address:	dmccann@riversideca.gov
Phone:	[redacted]
Fax No:	[redacted]

ISO

Name of Primary Representative:	Roni L. Reese
Title:	Senior Contracts Analyst
Address:	151 Blue Ravine Road
City/State/Zip Code:	Folsom, CA 95630
Email Address:	rreese@caiso.com
Phone:	[redacted]
Fax No:	[redacted]

Name of Alternative Representative:	Philip D. Pettingill
Title:	Manager of Infrastructure Policy & Contracts
Address:	151 Blue Ravine Road
City/State/Zip Code:	Folsom, CA 95630
Email Address:	ppettingill@caiso.com
Phone:	[redacted]
Fax No:	[redacted]

Authorized Representative (Section 3.3.3):

Representative:	Jim Detmers
Title:	Vice President, Operations
Address:	151 Blue Ravine Road
City/State/Zip Code:	Folsom, CA 95630
Email Address:	jdetmers@caiso.com
Phone:	[redacted]
Fax No:	[redacted]

ATTACHMENT B

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

California Independent System Operator Corporation	))	Docket No. ER07-____-000

NOTICE OF TERMINATION

Notice is hereby given that effective the 1st day of July, 2007, Service Agreement No. 424 and all supplements thereto, effective October 25, 2001, and filed with the Federal Energy Regulatory Commission by the California Independent System Operator Corporation, is to be terminated. Notice of the proposed termination has been served upon the City of Riverside, California, the California Public Utilities Commission, the California Electricity Oversight Board, and all parties on the official service list for Docket No. ER02-887.

CALIFORNIA INDEPENDENT SYSTEM
OPERATOR CORPORATION

By: _____
Jim Detmers, Vice President, Operations

Dated: May 16, 2007

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing documents as described in this documents, in accordance with Rule 2010 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.2010).

Dated at Folsom, California, on this 18th day of May, 2007.

John Anders BRM

John Anders