

ATTACHMENT

TRANSMISSION CONTROL AGREEMENT

Among
The Independent System Operator
and
Transmission Owners

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TRANSMISSION CONTROL AGREEMENT
Among
The Independent System Operator
and
Transmission Owners

The Parties to this Transmission Control Agreement (“Agreement”) first dated as of _____, _____, are

(1) The California Independent System Operator Corporation, a California nonprofit public benefit Corporation (the “Independent System Operator” or “ISO” which expression includes its permitted successors); and

(2) Entities owning or holding Entitlements to transmission lines and associated facilities who subscribe to this Agreement (“Transmission Owners” or “TOs”, which expression includes their permitted successors and assigns).

This Agreement is made with reference to the following facts:

(i) The Legislature of the State of California enacted Assembly Bill 1890 (“AB 1890”) that addressed the restructuring of the California electric industry in order to increase competition in the provision of electricity.

(ii) AB 1890 provides the means for transforming the regulatory framework of California's electric industry in ways to meet the objectives of the law.

(iii) In order to create a new market structure, AB 1890 establishes an Independent System Operator (“ISO”) with centralized control of a state-wide transmission grid charged with ensuring the efficient use and reliable operation of the transmission system.

(iv) AB 1890 states that it is the intention of the California Legislature that California transmission owners commit control of their transmission facilities to the ISO with the assurances provided in the law that the financial interests of such TOs will be protected.

(v) Each TO: (1) owns, operates, and maintains transmission lines and associated facilities; and/or (2) has Entitlements to use certain transmission lines and associated facilities, with responsibilities attached thereto.

(vi) Each TO, upon satisfying the criteria for becoming a Participating TO under Section 2.2 of this Agreement, will transfer to the ISO Operational Control of certain transmission lines and associated facilities which are to be incorporated by the ISO into the ISO Controlled Grid for the purpose of allowing them to be controlled as part of an integrated Control Area.

(vii) Each Participating TO will continue to own and maintain its transmission lines and associated facilities, if any, and will retain its Entitlements, if any, and associated responsibilities.

(viii) The ISO intends to provide to each Participating TO access to the ISO Controlled Grid while exercising its Operational Control for the benefit of all Market Participants by providing non-discriminatory transmission access, Congestion Management, grid security, and Control Area services.

(ix) Pacific Gas and Electric Company ("PG&E"), San Diego Gas & Electric Company ("SDG&E"), and Southern California Edison Company ("Edison") (each a Participating TO) are entering into this agreement transferring Operational Control of their transmission facilities in reliance upon California Public Utilities Code Sections

367, 368, 375, 376 and 379 enacted as part of AB 1890 which contain assurances and schedules with respect to recovery of transition costs.

(x) The Parties desire to enter into this Agreement in order to establish the terms and conditions under which TOs will become Participating TOs and how the ISO and each Participating TO will discharge their respective duties and responsibilities.

In consideration of the above and the covenants and mutual agreements set forth herein, and intending to be legally bound, the Parties agree as follows:

1. DEFINITIONS

Capitalized terms in this Agreement have the meaning set out in the Master Definitions Supplement set out in Appendix D. No subsequent amendment to the Master Definitions Supplement shall affect the interpretation of this Agreement unless made pursuant to Section 26.11.

2. PARTICIPATION IN THIS AGREEMENT

2.1. Transmission Owners:

2.1.1 Initial Transmission Owners.

The following entities are subscribing to this Agreement as of the date hereof for the purpose of applying to become Participating TOs in accordance with Section 2.2:

- i. Pacific Gas and Electric Company;
- ii. San Diego Gas & Electric Company; and
- iii. Southern California Edison Company.

2.1.2 Right to Become a Party.

After this Agreement takes effect, any other owner of or holder of Entitlements to transmission lines and facilities connected to the ISO Controlled Grid may apply to the ISO under Section 2.2 to become a Participating TO and become a Party to this Agreement.

2.2. Applications for Participating TO Status; Eligibility Criteria.

2.2.1 Application Procedures. All applications under this Section 2.2 shall be made in accordance with the procedures adopted by the ISO from time to time and shall be accompanied by:

- (i) a description of the transmission lines and associated facilities that the applicant intends to place under the ISO's Operational Control;
- (ii) in relation to any such transmission lines and associated facilities that the applicant does not own, a copy of each document setting out the applicant's Entitlements to such lines and facilities;
- (iii) a statement of any Encumbrances to which any of the transmission lines and associated facilities to be placed under the ISO's Operational Control are subject, together with any documents creating such Encumbrances and any dispatch protocols to give effect to them, as the ISO may require;
- (iv) a statement that the applicant intends to place under the ISO's Operational Control all of the transmission lines and associated facilities referred to in Section 4.1 that it owns or, subject to the treatment of Existing Contracts under Sections

2.4.3 and 2.4.4 of the ISO Tariff, to which it has Entitlements and its reasons for believing that certain lines and facilities do not form part of the applicant's transmission network pursuant to Sections 4.1.1.i and 4.1.1.ii;

(v) a statement of any Local Reliability Criteria to be included as part of the Applicable Reliability Criteria;

(vi) a description of the applicant's current maintenance practices;

(vii) a list of any temporary waivers that the applicant wishes the ISO to grant under Section 5.1.6 and the period for which it requires them;

(viii) a copy of the applicant's proposed TO Tariff, if any, must be filed;

(ix) address and contact names to which notices under this Agreement may be sent pursuant to Section 26.1;

(x) any other information that the ISO may reasonably require in order to evaluate the applicant's ability to comply with its obligations as a Participating TO; and

(xi) details of the applicant's Settlement Account.

2.2.2 Notice of Application. The ISO shall require the applicant to deliver to each existing Participating TO a copy of each application under this Section 2.2 and each amendment, together with all supporting documentation and to provide the public with reasonable details of its application and each amendment through WEnet or the ISO internet website. The ISO shall not grant an application for Participating TO status until it has given each other Party and the public sixty (60) days to comment on the original application and thirty (30) days to comment on each amendment.

2.2.3 Determination of Eligibility. Subject to Section 2.2.4, the ISO

shall permit a Party who has submitted an application under this Section 2.2 to become a Participating TO if, after considering all comments received from other Parties and third parties, the ISO determines that:

- i. the applicant's transmission lines and associated facilities that are to be placed under the ISO's Operational Control can be incorporated into the ISO Controlled Grid without any material adverse impact on its reliability;
- ii. incorporating such transmission lines and associated facilities into the ISO Controlled Grid will not put the ISO in breach of Applicable Reliability Criteria and its obligations as a member of WSCC;
- iii. objections by the ISO under Section 4.1.3 shall have been withdrawn or determined by the ISO Governing Board to be invalid;
- iv. all applicable regulatory approvals of the applicant's TO Tariff have been obtained; and
- v. the applicant is capable of performing its obligations under this Agreement.

Objections under Section 4.1.3 relating solely to a portion of a TO's Facilities shall not prevent the TO from becoming a Participating TO while the objections are being resolved.

2.2.4 Challenges to Eligibility. The ISO shall permit a Party to become a Participating TO pending the outcome of ISO ADR Procedures challenging whether or not the applicant satisfies the criteria set out in Section 2.2.3 if the ISO determines that the applicant satisfies those criteria unless otherwise ordered by FERC.

2.2.5 Becoming a Participating TO. A Party whose application under

this Section 2.2 has been accepted shall become a Participating TO with effect from the date when its TO Tariff takes effect, either as a result of acceptance by FERC or by action of a Local Regulatory Authority, whichever is appropriate. The TO Tariff of each Participating TO shall be posted on WEnet or the ISO internet website.

2.2.6 Procedures and Charges. The ISO shall adopt fair and non-discriminatory procedures for processing applications under this Section 2.2. The ISO shall publish its procedures for processing applications under this Section 2.2 on WEnet or on the ISO internet website and shall furnish a copy of such procedures to FERC. Applicants shall pay all costs incurred by the ISO in processing their applications. The ISO will furnish applicants, upon request, an itemized bill for the costs of processing their application.

2.3. Tax Exempt Debt.

2.3.1 Municipal Tax-Exempt TOs. In the event a Municipal Tax-Exempt TO executes this Agreement in reliance upon this Section 2.3, it shall provide written notice thereof to the ISO. Notwithstanding any other provision to the contrary herein, except for this Section 2.3, no other provisions of this Agreement shall become effective with respect to a Municipal Tax-Exempt TO until such Municipal Tax-Exempt TO's nationally recognized bond counsel renders an opinion, generally of the type regarded as unqualified in the bond market, that participation in the ISO Controlled Grid in accordance with this Agreement will not adversely affect the tax-exempt status of any Municipal Tax-Exempt Debt issued by, or for the benefit of, the Municipal Tax-Exempt TO. A Municipal Tax-Exempt TO shall promptly seek, in good faith, to obtain such

unqualified opinion from its bond counsel at the earliest opportunity. Upon receipt of such unqualified opinion, a Municipal Tax-Exempt TO shall provide a copy of the opinion to the ISO and all other provisions of this Agreement shall become effective with respect to such Municipal Tax-Exempt TO as of the date thereof. If the Municipal Tax-Exempt TO is unable to provide to the ISO such unqualified opinion within one year of the execution of this Agreement by the Municipal Tax-Exempt TO, without further act, deed or notice this Agreement shall be deemed to be void *ab initio* with respect to such Municipal Tax-Exempt TO.

2.3.2 Acceptable Encumbrances. A Transmission Owner that has issued Local Furnishing Bonds may become a Participating TO under Section 2.2 even though covenants or restrictions applicable to the Transmission Owner's Local Furnishing Bonds require the ISO's Operational Control to be exercised subject to Encumbrances, provided that such Encumbrances do not materially impair the ISO's ability to meet its obligations under the ISO Tariff or the Transmission Owner's ability to comply with the TO Tariff.

2.3.3 Savings Clause. Nothing in this Agreement shall compel any Participating TO or Municipal Tax-Exempt TO which has issued Tax-Exempt Debt to violate restrictions applicable to transmission facilities financed with Tax-Exempt Debt or contractual restrictions and covenants regarding use of transmission facilities existing as of December 20, 1995.

3. EFFECTIVE DATE, TERM AND WITHDRAWAL

3.1. Effective Date.

This Agreement shall become effective as of the latest of:

- i. the date that it is signed by the ISO and the Transmission Owners referred to in Section 2.1.1;
- ii. the date the CPUC or its delegate declares to be the start date for direct access pursuant to CPUC Decision 97-12-131; and
- iii. the date when this Agreement is accepted for filing and made effective by the FERC.

3.2. Term.

This Agreement shall remain in full force and effect until terminated:

(1) by operation of law or (2) the withdrawal of all Participating TOs pursuant to Section 3.3 or Section 4.4.1.

3.3. Withdrawal.

3.3.1 **Notice.** Subject to Section 3.3.3, any Participating TO may withdraw from this Agreement on two years' prior written notice to the other Parties.

3.3.2 **Sale.** Subject to Section 3.3.3, any Participating TO may withdraw from this Agreement if that Participating TO sells or otherwise disposes of all of the transmission facilities and Entitlements that the Participating TO placed under the ISO's Operational Control, subject to the requirements of Section 4.4.

3.3.3 **Conditions of Withdrawal.** Any withdrawal from this Agreement

pursuant to Section 3.3.1 or Section 3.3.2 shall be contingent upon the withdrawing party obtaining any necessary regulatory approvals for such withdrawal. The withdrawing Participating TO shall make a good faith effort to ensure that its withdrawal does not unduly impair the ISO's ability to meet its Operational Control responsibilities as to the facilities remaining within the ISO Controlled Grid.

3.3.4 Publication of Withdrawal Notices. The ISO shall inform the public through WEnet or the ISO internet website of all notices received under this Section 3.3.

4. TRANSFER OF OPERATIONAL CONTROL

4.1. TO Facilities and Rights Provided to the ISO.

4.1.1 ISO Controlled Grid.

Subject to Section 4.1.2 and the treatment of Existing Contracts under Sections 2.4.3 and 2.4.4 of the ISO Tariff and subject to the applicable interconnection, integration, exchange, operating, joint ownership and joint participation agreements, each Participating TO shall place under the ISO's Operational Control the transmission lines and associated facilities forming part of the transmission network that it owns or to which it has Entitlements. The Initial Transmission Owners identified in Section 2.1.1 shall be deemed to have placed such transmission lines and associated facilities under the ISO's Operational Control as of the date the CPUC or its delegate declares to be the start date for direct access pursuant to CPUC Decisions 97-12-131 and 98-01-053. Any transmission lines or associated facilities that the ISO determines not to be necessary to

fulfill the ISO's responsibilities under the ISO Tariff in accordance with Section 4.1.3 of this Agreement shall not be treated as part of a Participating TO's network for the purposes of this Section 4.1. The ISO shall recognize the rights and obligations of owners of jointly-owned facilities which are placed under the ISO's Operational Control by one or more but not all of the joint owners. The ISO shall, in exercise of operational control transferred to it, ensure that the operating obligations, as specified by the Participating TO pursuant to Section 6.4.2 of this Agreement, for the contracts referenced in Appendix B are performed. Any other terms of such contracts shall not be the responsibility of the ISO. The following transmission lines and associated facilities are also deemed not to form part of a Participating TO's transmission network:

- i. directly assignable radial lines and associated facilities interconnecting generation (other than those facilities which may be identified from time to time interconnecting ISO Controlled Grid Critical Protective Systems or Generators contracted to provide Black Start or Voltage Support) and
- ii. lines and associated facilities classified as "local distribution" facilities in accordance with FERC's applicable technical and functional test and other facilities excluded consistent with FERC established criteria for determining facilities subject to ISO Operational Control.

4.1.2 Transfer of Facilities by Local Furnishing Participating TOs.

This Section 4.1.2 is applicable only to the enlargement of transmission capacity by Local Furnishing Participating TOs. The ISO shall not require a Local Furnishing Participating TO to enlarge its transmission capacity except pursuant to an order

under Section 211 of the FPA directing the Local Furnishing Participating TO to enlarge its transmission capacity as necessary to provide transmission service as determined pursuant to Section 3.2.9 of the ISO Tariff. If an application under Section 211 of the FPA is filed by an eligible entity (or the ISO acting as its agent), the Local Furnishing Participating TO shall thereafter, within 10 days of receiving a copy of the Section 211 application, waive its right to a request for service under Section 213(a) of the FPA and to the issuance of a proposed order under Section 212(c) of the FPA. Upon receipt of a final order from FERC under Section 211 of the FPA that is no longer subject to rehearing or appeal, such Local Furnishing Participating TO shall enlarge its transmission capacity to comply with that FERC order and shall transfer to the ISO Operational Control over its expanded transmission facilities in accordance with this Section 4.

4.1.3 Refusal of Facilities. The ISO may refuse to exercise Operational Control over certain of an applicant's transmission lines, associated facilities or Entitlements if it determines during the processing of an application under Section 2.2 that any one or more of the following conditions exist:

i. The transmission lines, associated facilities or Entitlements do not meet or do not permit the ISO to meet the Applicable Reliability Criteria and the applicant fails to give the ISO a written undertaking to take all good faith actions necessary to ensure that those transmission lines, facilities or Entitlements, as the case

may be, meet the Applicable Reliability Criteria within a reasonable period from the date of the applicant's application under Section 2.2 as determined by the ISO.

ii. The transmission lines, associated facilities or Entitlements are subject to Encumbrances that unduly impair the ISO's ability to exercise its Operational Control over them in accordance with the ISO Tariff and the applicant fails to give the ISO a written undertaking to ~~take all good faith actions necessary to attempt to negotiate~~ in good faith to the extent permitted by the applicable contract the removal of the Encumbrances identified by the ISO which preclude it from using unused capacity on the relevant transmission lines. If the applicant provides such written undertaking but is unable to negotiate the removal of such Encumbrances to the extent required by the ISO, the ADR Procedure shall be used to resolve any disputes between the ISO and the applicant. For this purpose, Non-Participating TOs may utilize ISO ADR procedures on a voluntary basis.

iii. The transmission lines, associated facilities and Entitlements are located in a Control Area outside of California, are operated under the direction of another Control Area or independent system operator, and cannot be integrated into the ISO Controlled Grid due to technical considerations.

If the ISO refuses to accept any of an applicant's transmission lines, facilities or Entitlements, then that applicant shall have the right to notify the ISO within a reasonable period from being notified of such refusal that it will not proceed with its application under Section 2.2.

4.1.3 **Facilities Initially Placed Under the ISO's Operational Control.**

The transmission lines, associated facilities and Entitlements

which each Participating TO places under the ISO's Operational Control on the date that this Agreement takes effect with respect to it shall be identified in Appendix A.

4.1.5 **Warranties.** Each Participating TO warrants that as of the date on which it becomes a Participating TO pursuant to Section 2.2.5:

i. the transmission lines and associated facilities that it is placing under the ISO's Operational Control and the Entitlements that it is making available for the ISO's use are correctly identified in Appendix A (as amended in accordance with this Agreement); that the Participating TO has all of the necessary rights and authority to place such transmission lines and associated facilities under the ISO's Operational Control; and that the Participating TO has the necessary rights and authority to transfer the use of such Entitlements to the ISO;

ii. the transmission lines and associated facilities that it is placing under the ISO's Operational Control are not subject to any Encumbrances except as disclosed in Appendix B (as amended in accordance with this Agreement);

iii. the transmission lines and associated facilities that it is placing under the ISO's Operational Control meet the Applicable Reliability Criteria (ARC) for the relevant Participating TO except as disclosed in writing to the ISO. As to the Local Reliability Criteria component of ARC, each Participating TO has provided the ISO with such information required to identify such Participating TO's Local Reliability Criteria.

4.2. The ISO Register.

4.2.1 Register of Facilities Subject to ISO Operational Control. The ISO shall maintain a register (the "ISO Register") of all transmission lines, associated facilities and Entitlements that are for the time being subject to the ISO's Operational Control. The ISO Register shall also indicate those facilities over which the ISO has asserted temporary control pursuant to Section 4.5.2 and whether or not the ISO has commenced proceedings under Section 203 of the FPA in relation to them.

4.2.2 Contents. The ISO Register shall disclose in relation to each transmission line and associated facility subject to the ISO's Operational Control:

- i. the identity of the Participating TO responsible for its operation and maintenance and its owner(s) (if other than the Participating TO);
- ii. the date on which the ISO assumed Operational Control over it and, in the case of transmission lines and associated facilities over which it has asserted temporary Operational Control, the date on which it relinquished Operational Control over it;
- iii. the date of any change in the identity of the Participating TO responsible for its operation and maintenance or in the identity of its owner; and
- iv. its applicable ratings.

4.2.3 Updates. The ISO Register shall be updated by the end of the next business day to reflect each addition or removal of a facility or entitlement from the ISO's Operational Control or any change in a facility's ownership, rating or the identity of the responsible Participating TO.

4.2.4 Publication. The ISO shall make the ISO Register available to

the public on WEnet or the ISO internet website.

4.2.5 Duty to Maintain Records. The ISO shall maintain the ISO Register in a form that conveniently shows the entities responsible for operating, maintaining and controlling the transmission lines and associated facilities forming part of the ISO Controlled Grid at any time and the periods during which they were so responsible.

4.3. Rights and Responsibilities of Participating TOs.

Each Participating TO shall retain its benefits of ownership and its rights and responsibilities in relation to the transmission lines and associated facilities placed under the ISO's Operational Control except as otherwise provided in this Agreement. Participating TOs shall be responsible for operating and maintaining those lines and facilities in accordance with this Agreement, the Applicable Reliability Criteria, the Operating Procedures and other criteria, ISO Protocols, procedures and directions of the ISO issued or given in accordance with this Agreement. ~~Any other rights~~ Rights and responsibilities that have not been transferred to the ISO as operating obligations under Section 4.1.1 of ~~under~~ this Agreement remain with the Participating TO. This Agreement shall have no effect on the remedies for breach or non-performance available to parties to existing interconnection, integration, exchange, operating, joint ownership and joint participation agreements.

4.4. Sale or Disposal of Transmission Facilities or Entitlements.

4.4.1 Sale or Disposition.

4.4.1.1 No Participating TO shall sell or otherwise dispose of any lines or associated facilities forming part of the ISO Controlled Grid without the ISO's prior written consent, which consent shall not be unreasonably withheld.

4.4.1.2 As a condition to the sale or other disposition of any lines or associated facilities forming part of the ISO Controlled Grid to an entity that is not a Participating TO, the Participating TO shall require the transferee to assume in writing all of the Participating TO's obligations under this Agreement (but without necessarily requiring it to become a Participating TO for the purposes of the ISO Tariff or a TO Tariff).

4.4.1.3 Any subsequent sale or other disposition by a transferee referred to in Section 4.4.1.2 shall be subject to this Section 4.4.1.

4.4.1.4 A transferee referred to in Section 4.4.1.2 that does not become a Participating TO shall have the same rights and responsibilities regarding withdrawal that a Participating TO has under Sections 3.3.1 and 3.3.3.

4.4.2 Entitlements. No Participating TO shall sell, assign, release, or transfer any Entitlements that have been placed under the ISO's Operational Control without the ISO's prior written consent, provided that such written consent is not required for such release or transfer to another Participating TO who is not in any material respect in breach of its obligations under this Agreement and who has not given notice of its intention to withdraw from this Agreement.

4.4.3 Encumbrances. No Participating TO shall create any new

Encumbrance or (except as permitted by Sections 2.4.3 and 2.4.4 of the ISO Tariff) extend the term of an existing Encumbrance over any lines or associated facilities forming part of its transmission network (as determined in accordance with Section 4.1.1) without the ISO's prior written consent. The ISO shall give its consent to the creation or extension of an Encumbrance within thirty (30) days after receiving a written request for its consent disclosing in reasonable detail the nature of and reasons for the proposed change unless the ISO reasonably determines that the change is inconsistent with the Participating TO's obligations under the ISO Tariff or the TO Tariff or that the change may materially impair the ISO's ability to exercise Operational Control over the relevant lines or facilities or may reduce the reliability of the ISO Controlled Grid. ~~Nothing that the ISO Tariff shall permit a Participating TO to do or allow to be done pursuant to the exercise~~ Exercise of rights under an Existing Contract shall not be deemed to create a new Encumbrance for the purposes of this Section 4.4.3.

4.5. Procedure for Designating ISO Controlled Grid Facilities.

4.5.1 **Additional Facilities.** If the ISO determines that it requires Operational Control over additional transmission lines and associated facilities not then constituting part of the ISO Controlled Grid in order to fulfill its responsibilities in relation to the ISO Controlled Grid then the ISO shall apply to FERC pursuant to Section 203 of the Federal Power Act, and shall make all other regulatory filings necessary to obtain approval for such change of control and shall serve a copy of all such applications on the affected Participating TO and the owner of such lines and facilities (if other than the

Participating TO). In the event that a Party invokes the dispute resolution provisions identified in Section 15 with respect to the transfer of Operational Control over a facility, such facility shall not be transferred while the dispute resolution process is pending except pursuant to Section 4.5.2.

4.5.2 Temporary Operational Control. The ISO may exercise temporary Operational Control over any transmission lines or associated facilities of a Participating TO (including lines and facilities to which the Participating TO has sufficient Entitlement to permit the ISO to exercise Operational Control over them) that do not then form part of the ISO Controlled Grid:

- i. in order to prevent or remedy an imminent System Emergency;
- ii. on reasonable notice, for a period not exceeding ninety (90) days, in order to determine whether exercising Operational Control over the relevant lines and facilities will assist the ISO to meet Applicable Reliability Criteria or to fulfill its Control Area responsibilities under the ISO Tariff; or
- iii. subject to any contrary order of FERC, pending the resolution of the procedures referenced in Section 4.5.1.

4.5.3 Return of Control of Facilities. Control of facilities over which the ISO has assumed temporary operational control will be returned to the appropriate Participating TO when the conditions set forth in Section 4.5.2 no longer require the ISO to assume such temporary control.

4.5.4 Transmission Expansion Projects. Any transmission expansion projects carried out pursuant to Section 3.2 of the ISO Tariff shall be subject to the ISO's Operational Control from the date that it goes into service or after such

period as the ISO deems to be reasonably necessary for the ISO to integrate the project into the ISO Controlled Grid.

4.6. TOs Control Centers.

4.6.1 ISO's Right to Occupy Participating TOs Control Centers.

From the ISO Operations Date until the date when, in the reasonable opinion of the ISO, the ISO Control Center is established in accordance with Section 2.3.1.1 of the ISO Tariff, each Participating TO shall allow the ISO access to and such rights to occupy the Participating TO's existing control centers as the ISO reasonably requires for the purposes of exercising Operational Control of the ISO Controlled Grid.

4.6.2 Confidentiality. The parties to this Agreement shall implement Section 4.6.1 in conformity with the confidentiality requirements of Section 26.3.

4.7. Termination of ISO's Operational Control.

4.7.1 Release from ISO's Operational Control. Subject to Section 4.7.2, the ISO may relinquish its Operational Control over any transmission lines and associated facilities constituting part of the ISO Controlled Grid if, after consulting the Participating TOs owning or having Entitlements to them, the ISO determines that it no longer requires to exercise Operational Control over them in order to meet its Control Area responsibilities and they constitute:

- i. directly assignable radial lines and associated facilities interconnecting Generation (other than lines and facilities interconnecting ISO Controlled Grid Critical Protective Systems or Generators contracted to provide Black

Start or Voltage Support);

ii. lines and associated facilities which, by reason of changes in the configuration of the ISO Controlled Grid, should be classified as "local distribution" facilities in accordance with FERC's applicable technical and functional test, or should otherwise be excluded from the facilities subject to ISO Operational Control consistent with FERC established criteria; or

iii. lines and associated facilities which are to be retired from service in accordance with Good Utility Practice.

4.7.2 Procedures. Before relinquishing Operational Control over any transmission lines or associated facilities pursuant to section 4.7.1, the ISO shall inform the public through WEnet and the ISO internet website of its intention to do so and of the basis for its determination pursuant to Section 4.7.1. The ISO shall give interested parties not less than 45 days within which to submit written objections to the proposed removal of such lines or facilities from the ISO's Operational Control. If the ISO cannot resolve any timely objections to the satisfaction of the objecting parties and the Participating TOs owning or having Entitlements to the lines and facilities, ~~it shall~~ such parties, Participating TOs, or the ISO may refer any disputes for resolution pursuant to the ISO ADR Procedures ~~(if all parties to the dispute so agree)~~ or shall in Section 13 of the ISO Tariff. Alternatively, the ISO may apply to FERC for its approval of the ISO's proposal.

4.7.3 Duty to Update ISO Register. The ISO shall promptly record any change in Operational Control pursuant to this Section 4.7 in the ISO Register in

accordance with Section 4.2.3.

5. INDEPENDENT SYSTEM OPERATOR

5.1. Control Area Operator.

5.1.1 Membership of WSCC and RTGs. The ISO shall be the designated Control Area operator for the ISO Controlled Grid and shall be a member of the WSCC and the relevant Regional Transmission Groups (RTGs) in that capacity. No Party shall take any position before the WSCC or an RTG that is inconsistent with a binding decision reached through the dispute resolution process referenced in Section 15, provided that the scope of the decision was no greater than the issues set forth in the statement of claims published by the ISO pursuant to Section 13.2.2 of the ISO Tariff.

5.1.2 Operational Control. The ISO shall exercise Operational Control over the ISO Controlled Grid for the purpose of:

- i. providing a framework for the efficient transmission of electricity across the ISO Controlled Grid in accordance with the ISO Tariff;
- ii. securing compliance with all Applicable Reliability Criteria;
- iii. scheduling transactions for Market Participants to provide open and non-discriminatory access to the ISO Controlled Grid in accordance with the ISO Tariff;
- iv. relieving Congestion; and
- v. to the extent provided in this Agreement, assisting Market

Participants to comply with other operating criteria, contractual obligations and legal requirements binding on them.

5.1.3 **Duty of Care.** The ISO shall have the exclusive right and responsibility to exercise Operational Control over the ISO Controlled Grid, subject to and in accordance with Applicable Reliability Criteria and the operating criteria established by the NRC operating licenses for nuclear generating units as provided in Appendix E pursuant to Section 6.4.2. The ISO shall take proper care to ensure the safety of personnel and the general public. It shall act in accordance with Good Utility Practice, applicable law, Existing Contracts, the ISO Tariff and the Operating Procedures. The ISO shall not direct a Participating TO to take any action which would require a Participating TO to operate its transmission facilities in excess of their applicable rating as established or modified from time to time by the Participating TO pursuant to Section 6.4 except in a System Emergency where such a direction is consistent with Applicable Reliability Criteria.

5.1.4 **Operating Procedures.** The ISO shall, in consultation with the Participating TOs and other Market Participants through the ISO Grid Operations Committee promulgate Operating Procedures governing its exercise of Operational Control over the ISO Controlled Grid in accordance with this Agreement. The ISO shall provide copies of the Operating Procedures and all amendments, revisions and updates to the Participating TOs and shall make them available to the public through WEnet or the ISO internet website.

5.1.5 **Applicable Reliability Criteria.** The ISO shall, in consultation with Participating TOs and other Market Participants through the ISO Grid Operations

Committee, develop and promulgate Applicable Reliability Criteria for the ISO Controlled Grid, which shall be in compliance with the reliability standards promulgated by NERC, WSCC, Local Reliability Criteria and NRC grid criteria related to operating licenses for nuclear generating units. The ISO shall provide copies of the Applicable Reliability Criteria and all amendments, revisions and updates to the Participating TOs and shall make them available to the public through WEnet or the ISO internet website.

5.1.6 **Waivers.** The ISO may grant to any Participating TO whose transmission facilities do not meet the Applicable Reliability Criteria when it becomes a party to this Agreement such waivers from the Applicable Reliability Criteria as the Participating TO reasonably requires to prevent it from being in breach of this Agreement while it brings its transmission facilities into full compliance. Such waivers shall be effective for such period as the ISO shall determine. A Participating TO who has been granted a waiver made under this Section 5.1.6 shall bring its transmission facilities into compliance with the Applicable Reliability Criteria before the expiration of the relevant waivers and in any event as soon as reasonably practical.

5.1.7 **Operational Protocols.** In exercising Operational Control over the ISO Controlled Grid, the ISO shall comply with the operational protocols to be provided in accordance with Section 6.4.2, as they may be amended from time to time to take account of the removal and relaxation of any Encumbrances to which the ISO

Controlled Grid is subject. Participating TOs whose transmission lines and associated facilities are subject to Encumbrances shall make all reasonable efforts to remove or relax those Encumbrances in order to permit the operational protocols to be amended in such manner as the ISO may reasonably require, to the extent permitted by consistent with Existing Contracts applicable interconnection, integration, exchange, operating, joint ownership and joint participation agreements. ~~to remove or relax Encumbrances in order to permit the operational protocols to be amended in such manner as the ISO may reasonably require.~~

5.1.8 System Emergencies. In the event of a System Emergency, the ISO shall have the authority and responsibility to take all actions necessary and shall direct the restoration of the ISO Controlled Grid to service following any interruption associated with a System Emergency. The ISO shall also have the authority and responsibility, consistent with Section 4 and Section 9, to act to prevent System Emergencies. Actions and directions by the ISO pursuant to this Section 5.1.8 shall be consistent with Section 5.1.3, Duty of Care.

5.1.9 Reporting Criteria. The ISO shall comply with the reporting requirements of the WSCC, NERC, NRC and regulatory bodies having jurisdiction over it. Participating TOs shall provide the ISO with information that the ISO may require to meet this obligation.

5.2. Monitoring.

5.2.1 System Requirements. The ISO shall establish reasonable metering, monitoring, and data collection standards and requirements for the ISO

Controlled Grid, consistent with WSCC and NERC standards.

5.2.2 **System Conditions.** The ISO shall monitor and observe real time system conditions throughout the ISO Controlled Grid, as well as key facilities in other areas of the WSCC region.

5.2.3 **Power Management System.** The ISO shall install a computerized Power Management System (PMS) to monitor transmission facilities in the ISO Controlled Grid. A Participating TO may at its own expense and for its own internal management purposes install a read only PMS workstation that will provide the Participating TO with the same displays the ISO uses to monitor the Participating TO's transmission facilities.

5.2.4 **Data.** Unless otherwise mutually agreed, the ISO shall obtain real time monitoring data for the facilities listed in the ISO Register from the Participating TOs through transfers to the ISO of data available from the Energy Management Systems (EMS) of the Participating TOs.

5.3. **Coordination Role.**

The ISO shall perform a WSCC security coordinator function as designated by the WSCC. As such, the ISO shall have all necessary powers as described in this Agreement in relation to Participating TOs to meet the applicable NERC and WSCC requirements for security coordinators. The ISO shall assume this responsibility concurrent with the commencement of ISO Operational Control.

5.4. Public Information.

5.4.1 **WEnet.** The ISO shall develop a public information board (“WEnet” or ISO internet website) for the ISO Controlled Grid in accordance with the provisions in Section 6 of the ISO Tariff.

5.4.2 **Access to ISO Information.** The ISO shall permit the general public to inspect and copy other information in its possession, other than information to be kept confidential under Section 26.3, provided that the costs of providing documents for inspection, including any copying costs, shall be borne by the requester.

5.5. Costs

The ISO shall not implement any reliability requirements, operating requirements or performance standards that would impose increased costs on a Participating TO without giving due consideration to whether the benefits of such requirements or standards are sufficient to justify such increased costs. In any proceeding concerning the cost recovery by a Participating TO of capital and operation and maintenance costs incurred to comply with ISO-imposed reliability requirements, operating requirements, or performance standards, the ISO shall, at the request of the Participating TO, provide specific information regarding the nature of, and need for, the ISO-imposed requirements or standards to enable the Participating TO to use this information in support of cost recovery through rates and tariffs.

6. PARTICIPATING TRANSMISSION OWNERS

6.1. Physical Operation of Facilities.

6.1.1 **Operation.** Each Participating TO shall have the exclusive right and responsibility to operate and maintain its transmission facilities and associated switch gear and auxiliary equipment (including facilities that it operates under Entitlements).

6.1.2 **ISO Operating Orders.** Each Participating TO shall operate its transmission facilities in compliance with ISO Protocols, the Operating Procedures (including emergency procedures in the event of communications failure) and ISO's operating orders unless the health or safety of personnel or the general public would be endangered. Proper implementation of an ISO operating order by a Participating TO shall be deemed prudent. In the event an ISO order would risk damage to facilities, and if time permits, a Participating TO shall inform the ISO of any such risk and seek confirmation of the relevant ISO order.

6.1.3 **Duty of Care.** In operating and maintaining its transmission facilities, each Participating TO shall take proper care to ensure the safety of personnel and the general public. It shall act in accordance with Good Utility Practice, applicable law, ISO Protocols, the Operating Procedures and the Applicable Reliability Criteria.

6.1.4 **Outages.** Each Participating TO shall obtain approval from the ISO before taking out of service and returning to service any facility identified pursuant to Section 4.2.1 in the ISO Register, except in cases involving immediate hazard to the safety of personnel and the general public or imminent damage to facilities where there

is not time to contact the ISO. The Participating TO shall promptly notify the ISO of such situations.

6.1.5 **Return to Service.** After a System Emergency or Forced Outage, the Participating TO shall restore to service the transmission facilities under the ISO's Operational Control as soon as possible and in the priority order determined by the ISO. The ISO's Operating Procedures shall give priority to restoring offsite power to nuclear generating units, in accordance with criteria specified by the Participating TOs under the design basis and licensing requirements of the NRC licenses applicable to such nuclear units and any other Regulatory Must-Run Generation whose operation is critical for the protection of wildlife and the environment.

6.1.6 **Written Report.** Within a reasonable time, the Participating TO shall provide the ISO with a written report, consistent with Section 17, describing the circumstances and the reasons for any Forced Outage, including outages under Section 6.1.4.

6.2. Transmission Service.

6.2.1 **Compliance with Tariffs.** Participating TOs shall allow access to their transmission facilities (including any that are not for the time being under the ISO's Operational Control) only on the terms of the ISO Tariff and the TO Tariff.

6.2.2 **Release of Scheduling Rights.** When required by the ISO, a Participating TO shall release all of its scheduling rights over the transmission lines and associated facilities that are part of the ISO Controlled Grid to the extent such rights are established through Existing Contracts among or between Participating TOs, except

that any Participating TOs other than PG&E, SDG&E and Edison, pursuant to Sections 2.4.3 and 2.4.4 of the ISO Tariff, shall be entitled to retain the benefit of any such scheduling rights which do not otherwise expire earlier until five years after the ISO Operations Date.

6.3. Other Responsibilities.

Each Participating TO shall inspect, maintain, repair, replace and maintain the rating and technical performance of its facilities under the ISO's Operational Control in accordance with the Applicable Reliability Criteria (subject to any waivers granted pursuant to Section 5.1.6) and the performance standards established under Section 14.

6.4. Technical Information and Protocols.

6.4.1 Information to be Provided. Each Participating TO shall provide to the ISO prior to the effective date of this Agreement, and in a format acceptable to the ISO:

- i. Technical specifications for any facilities under the ISO's Operational Control, as the ISO may require;
- ii. The applicable ratings of all transmission lines and associated facilities listed in Appendix A; and
- iii. A copy of each document creating an Entitlement or Encumbrance.

The Participating TO shall promptly notify the ISO in writing or mutually

acceptable electronic format of any subsequent changes in such technical specifications, ratings, Entitlements or Encumbrances.

6.4.2 Protocols for Encumbered Facilities. A Party that is placing a transmission line or associated facility (including an Entitlement) that is subject to an Encumbrance under the Operational Control of the ISO shall develop protocols for its operation which shall: (1) reflect the rights the Party has in such facility, and (2) give effect to any Encumbrance on such facility. Such protocols shall be delivered to the ISO for review not less than ninety (90) days prior to the date on which the ISO is expected to assume Operational Control of any such facility. The ISO shall review each protocol and shall cooperate with the relevant Party to assure that operations pursuant to the protocol are feasible and that the protocol is consistent with the applicable rights and Encumbrances. To the extent such protocol is required to be filed at FERC, the relevant Transmission Owner shall file such protocol not less than sixty (60) days prior to the date on which the ISO is expected to assume Operational Control of the relevant facility. Protocols to implement the operating criteria established by the NRC operating licenses for nuclear generating units are provided in Appendix E.

6.5. EMS/SCADA System.

Each Participating TO shall operate and maintain its EMS/SCADA systems and shall allow the ISO access to the Participating TO's data from such systems relating to the facilities under the ISO's Operational Control. The ISO, at its own cost, may, if it considers it necessary for the purpose of carrying out its responsibilities under this Agreement, acquire, install and maintain additional monitoring

equipment on any Participating TO's property.

6.6. Single Point Of Contact.

Each Participating TO shall provide the ISO with an appropriate single point of contact for the coordination of operations under this Agreement.

7. SYSTEM OPERATION AND MAINTENANCE

7.1. Scheduled Maintenance.

The Parties shall forecast and coordinate Maintenance Outage plans in accordance with Section 2.3.3 of the ISO Tariff.

7.2. Exercise of Contractual Rights.

In order to facilitate Maintenance Outage coordination of the ISO Controlled Grid by the ISO, each Participating TO shall, to the extent that the Participating TO has contractual rights to do so: (1) coordinate Maintenance Outages with Non-Participating Generators; and (2) exercise its contractual rights to require maintenance by Non-Participating Generators in each case in such manner as the ISO approves or requests. The requirements of this Section 7.2 shall not apply to any Non-Participating Generator with a rated capability of less than 50 MW.

7.3. Unscheduled Maintenance.

7.3.1 Notification. A Participating TO shall notify the ISO of any faults on the ISO Controlled Grid or any actual or anticipated Forced Outages as soon as it

becomes aware of them, in accordance with Section 2.3.3 of the ISO Tariff.

7.3.2 Returns to Service. The Participating TO shall take all steps necessary, consistent with Good Utility Practice and in accordance with the ISO Tariff and ISO Protocols, to prevent Forced Outages and to return to operation, as soon as possible, any facility under the ISO's Operational Control that is the subject of a Forced Outage.

8. AUXILIARY EQUIPMENT AND ISO CONTROLLED GRID CRITICAL PROTECTIVE SYSTEMS

8.1. Designations of Auxiliary Equipment and Critical Protective Systems.

8.1.1 System Security. The ISO shall exercise Operational Control over all facilities and sites with protective relay systems and Remedial Action Schemes that the ISO determines may have a direct impact on the ability of the ISO to maintain system security. These will be designated as ISO Controlled Grid Critical Protective Systems. Participating TOs shall coordinate with the ISO, Generators and UDCs to ensure that ISO Controlled Grid Critical Protective Systems, including relay systems, are installed and maintained in order to function on a coordinated and complementary basis with Participating TO's, Generator's and UDC's protective systems.

8.1.2 Remedial Action Schemes. The ISO shall exercise Operational Control over Remedial Action Schemes that are designated as ISO Controlled Grid Critical Protective Systems. Participating TOs who are parties to contracts affecting Remedial Action Schemes shall make all reasonable efforts to amend those contracts in order to permit the relevant Remedial Action Scheme to be operated in such manner as

the ISO may reasonably require.

8.1.3 **Identification.** The ISO, in conjunction with each Participating TO shall identify and designate all ISO Controlled Grid Critical Protective Systems operating in relation to its transmission facilities. The ISO may change the designation of facilities and sites as ISO Controlled Grid Critical Protective Systems from time to time.

8.2. Operation and Maintenance of Auxiliary Equipment and Critical Protective Systems.

8.2.1 **Operation and Maintenance.** The system operation and maintenance coordination functions, including ISO Maintenance Outage authorization requirements set forth in the ISO Tariff, shall apply to auxiliary equipment associated with the facilities identified in the ISO Register.

8.2.2 **Settings and Functionality.** Each Participating TO shall maintain the settings or functionality of ISO Controlled Grid Critical Protective Systems and shall not change or disable such settings or functionality without the prior written agreement of the ISO.

8.2.3 **Protective Relay Systems.** Each Participating TO shall continue to install, modify, maintain, repair and replace protective relay systems on all of the facilities identified in Appendix A, in accordance with sound engineering judgment, WSCC and NERC criteria and Good Utility Practice.

8.2.4 **Non-ISO Controlled Grid Critical Protective Systems.** Each Participating TO may alter the settings and functionality of protective relay systems and

Remedial Action Schemes that have not been designated as ISO Controlled Grid Critical Protective Systems without the consent of the ISO, provided that such changes do not reduce the normal or emergency rating of a facility identified in the ISO Register. If the facility rating will be reduced, the Participating TO shall obtain approval of the ISO prior to making such changes. In addition, the Participating TO shall promptly report to the ISO any facility rating increases that result from any changes to its protective relay settings or Remedial Action Schemes.

8.2.5 **Consistency.** The ISO shall develop in consultation with Participating TOs a consistent approach to protective system design and philosophy throughout the ISO Controlled Grid to the extent that it is practical and cost effective.

9. SYSTEM EMERGENCIES

9.1. ISO Management of Emergencies.

The ISO shall manage a System Emergency pursuant to the provisions of Section 2.3.2 of the ISO Tariff. The ISO may carry out unannounced tests of System Emergency procedures pursuant to the ISO Tariff.

9.2. Management of Emergencies by Participating TOs.

9.2.1 **ISO Orders.** In the event of a System Emergency, the Participating TOs shall comply with all directions from the ISO regarding the management and alleviation of the System Emergency unless such compliance would impair the health or safety of personnel or the general public.

9.2.2 **Communication.** During a System Emergency, the ISO and

Participating TOs shall communicate through their respective control centers, in accordance with the Operating Procedures.

9.3. System Emergency Reports: TO Obligations.

9.3.1 **Records.** Pursuant to Section 17, each Participating TO shall maintain appropriate records pertaining to a System Emergency.

9.3.2 **Review.** Each Participating TO shall cooperate with the ISO in the preparation of an Outage review pursuant to Section 2.3 of the ISO Tariff and Section 17 of this Agreement.

9.4. Sanctions.

In the event of a major Outage that affects at least 10 percent of the customers of an entity providing local distribution service, the ISO may order a Participating TO to pay appropriate sanctions, as filed with and approved by FERC in accordance with Section 12.3, if the ISO finds that the operation and maintenance practices of the Participating TO prolonged the response time or was responsible for the Outage.

10. ISO CONTROLLED GRID ACCESS AND INTERCONNECTION

10.1. ISO Controlled Grid Access and Services.

10.1.1 **Access.** The ISO shall respond to requests from the Participating TOs and other Market Participants for access to the ISO Controlled Grid. All Participating TOs who have Eligible Customers connected to their transmission or

distribution facilities that do not form part of the ISO Controlled Grid shall ensure open and non-discriminatory access to those facilities for those Eligible Customers through the implementation of an open access tariff.

10.2. Interconnection.

10.2.1 **Obligation to Interconnect.** The Parties shall be obligated to allow interconnection to the ISO Controlled Grid in a non-discriminatory manner, subject to the conditions specified in this Section 10 and the applicable legal requirements.

10.2.2 **Standards.** All Interconnections shall be designed and built in accordance with Good Utility Practice, all Applicable Reliability Criteria, and applicable statutes and regulations.

10.2.3 **System Upgrades.** A Participating TO shall be entitled to require a entity requesting Interconnection to pay for all necessary system reliability upgrades on its side of the Interconnection and on the ISO Controlled Grid, as well as for all required studies, inspection and testing, to the extent permitted by FERC policy. The entity requesting Interconnection shall be required to execute an Interconnection Agreement in accordance with the TO Tariff and must comply with all of its provisions, including provisions related to creditworthiness and payment for Facility Studies.

10.2.4 A Local Furnishing Participating TO shall not be obligated to construct or expand interconnection facilities or system upgrades unless and until the conditions stated in Section 4.1.2 hereof have been satisfied.

10.3. Participating TO Responsibilities - Interconnections.

10.3.1 **Technical Standards.** Each Participating TO shall develop technical standards for the design, construction, inspection, and testing applicable to proposed Interconnections of Load and/or Generation Unit and apparatus to that part of the ISO Controlled Grid Facilities owned by the Participating TO. Such standards shall be consistent with Applicable Reliability Criteria and shall be developed in consultation with the ISO. The Participating TO shall periodically review and revise its criteria to ensure compliance with Applicable Reliability Criteria.

10.3.2 **Notice.** A list of the Interconnection standards and procedures developed by each Participating TO pursuant to Section 10.3.1, including any revisions, shall be made available to the public through the information board (e.g. WEnet or ISO internet website). In addition, the posting will provide information on how to obtain the Interconnection standards and procedures. The Participating TO shall provide these standards to any party, upon request.

10.3.3 **Requests for Interconnection.** Each Participating TO shall accept requests for new or modified Interconnections to the ISO Controlled Grid, and shall process such requests in a timely, non-discriminatory manner in accordance with its tariffs and procedures. In this regard, the Participating TO shall:

- i. collect all relevant data required to process the request;
- ii. coordinate the processing of the Interconnection requests with the ISO, including collecting and submitting to the ISO all information necessary for the ISO to assess the Interconnection request;

- iii. enter into system impact or Facilities Study Agreements in accordance with the applicable TO Tariff with the entity requesting Interconnection, in order to perform the studies necessary to assess the impact of the Interconnection on the ISO Controlled Grid and identify the facilities and any necessary reinforcements of the ISO Controlled Grid, including any alternative reinforcement options identified by the party requesting the Interconnection, that are required for the Interconnection;
- iv. enter into agreements governing the operation of the requested Interconnection and agreements for construction, where applicable;
- v. explain available study and timing options to the entity requesting Interconnection;
- vi. provide a detailed estimate of the costs to be paid by the party requesting Interconnection and a statement of the proposed method of allocating the cost of any required system upgrades between that party and any other beneficiaries; and
- vii. provide to the entity requesting Interconnection all ISO comments, including any additional ISO-imposed requirements.

10.3.4 **Coordination of Interconnection Requests.** To ensure that all Interconnection requests are processed in a non-discriminatory manner, the Participating TO shall develop, periodically review, and revise procedures for coordinating Interconnection requests consistent with Section 5.2 of the TO Tariff. Such procedures will specify: (1) the timing for processing requests of differing complexity; and (2) the sequencing of coordinating activities with the ISO. In addition, the Participating TO shall coordinate the operational aspects of such Interconnection with

the ISO.

10.3.5 Acceptance of Interconnection Facilities. The Participating TO shall perform all necessary site inspections, review all relevant equipment tests, and ensure that all necessary agreements have been fully executed prior to accepting Interconnection facilities for operation.

10.3.6 Collection of Payments. The Participating TO shall collect all payments owed under any Facility Study Agreement or other agreement entered into pursuant to this Section 10.3 or the provisions of its TO Tariff relating to Interconnection.

10.4. ISO Responsibilities - Interconnections.

10.4.1 Review of Participating TO Technical Standards. Participating TOs shall provide the ISO with copies of their technical standards for Interconnection developed pursuant to Section 10.3.1 of this Agreement and all amendments so that the ISO can satisfy itself as to their compliance with the Applicable Reliability Criteria. The ISO shall develop consistent Interconnection standards across the ISO Controlled Grid, to the extent possible given the circumstances of each Participating TO, in consultation with Participating TOs through the ISO Grid Operations Committee.

10.4.2 Coordination with Participating TOs. The ISO shall coordinate with each Participating TO in processing Interconnection requests. In that regard, the ISO shall (1) review each Participating TO's current procedures for coordinating Interconnection requests made in accordance with Section 10.3.4, (2) review individual Interconnection requests and all related Participating TO studies, and (3) forward any comments or additional requirements to the Participating TO for transmittal to the entity

requesting Interconnection.

10.4.3 On-Site Inspections. The ISO may at its own expense accompany a Participating TO during on-site inspections and tests of Interconnections or, by pre-arrangement, may itself inspect Interconnections or perform its own additional inspections and tests.

10.5. Joint Responsibilities.

The Parties shall share with the ISO relevant information about Interconnection requests and coordinate their activities to ensure that all Interconnection requests are processed in a timely, non-discriminatory fashion and that all Interconnections meet the operational and reliability criteria applicable to the ISO Controlled Grid. Subject to Section 26.3 of this Agreement, the ISO shall pass on such information to any Parties who require it to carry out their responsibilities under this Agreement.

11. EXPANSION OF TRANSMISSION FACILITIES

The provisions of Section 3.2 of the ISO Tariff will apply to any expansion or reinforcement of the ISO Controlled Grid affecting the transmission facilities of the Participating TOs placed under the Operational Control of the ISO.

12. USE AND ADMINISTRATION OF THE ISO CONTROLLED GRID

12.1. Use of the ISO Controlled Grid.

Except as provided in Section 13, use of the ISO Controlled Grid by the

Participating TOs and other Market Participants shall be in accordance with the rates, terms, and conditions established in the ISO Tariff and the Participating TO's Tariff. Pursuant to Section 2.1.2 of the ISO Tariff transmission service shall be provided only to direct access and wholesale customers eligible under state and federal law.

12.2. Administration.

Each Participating TO transfers authority to the ISO to administer the terms and conditions for access to the ISO Controlled Grid and to collect, among other things, Congestion Management revenues, and Wheeling-Through and Wheeling-Out revenues.

12.3. Incentives and Penalty Revenues.

The ISO, in consultation with the Participating TOs, shall develop standards and a mechanism for paying to and collecting from Participating TOs incentives and penalties that may be assessed by the ISO. Such standards and mechanism shall be filed with FERC and shall become effective upon acceptance by FERC.

13. EXISTING AGREEMENTS

The provisions of Sections 2.4.3 and 2.4.4 of the ISO Tariff will apply to the treatment of transmission facilities of a Participating TO under the Operational Control of the ISO which are subject to transmission service rights under Existing Contracts. In addition, the ISO will honor the operating obligations as specified by the Participating TO, pursuant to Section 6.4.2 of this Agreement, including any provisions of interconnection, integration, exchange, operating, joint ownership and joint

participation agreements, when operating the ISO Controlled Grid.

14. MAINTENANCE STANDARDS

14.1. ISO Determination of Standards.

The ISO shall adopt, in consultation with the Participating TOs through the ISO Grid Operations Committee, standards for the maintenance, inspection, repair, and replacement of transmission facilities under its Operational Control in accordance with Appendix C. These standards, which shall be performance-based or prescriptive or both, will provide for high quality, safe, and reliable service and shall take into account costs, local geography and weather, the Applicable

Reliability Criteria, national electric industry practice, sound engineering judgment and experience.

14.2. Existing Standards.

Until such time as the ISO adopts standards pursuant to Section 14.1, the ISO shall measure the performance of Participating TOs in relation to the maintenance, inspection, repair and replacement of transmission facilities by their existing standards. Each Participating TO shall provide the ISO with such information as the ISO shall require to identify such Participating TO's existing maintenance standards and measure its performance against the relevant standards.

14.3. Availability Formula.

14.3.1 **Availability Measure.** The ISO performance-based standards shall be based on the availability measures described in Section 4 of Appendix C of this Agreement.

14.3.2 **Excluded Events.** Scheduled Approved Maintenance Outages and certain Forced Outages will be excluded pursuant to Section 4.2.3 of Appendix C of this Agreement from the calculation of the availability measure.

14.3.3 **Availability Measure Target.** Under the oversight of the ISO Grid Operations Committee, the Maintenance Coordination Committee and each Participating TO shall jointly develop for the Participating TO an availability measure target, which may be defined by a range. The target will be based on prior Participating TO performance developed in accordance with Section 4 of Appendix C of this

Agreement and national benchmarks.

14.3.4 Calculation of Availability Measure. The availability measure shall be calculated annually by the Participating TO and reported to the ISO for evaluation of the Participating TO's compliance with the availability measure target. This calculation will determine the availability measure in accordance with Section 4 of Appendix C of this Agreement.

14.3.5 Compliance with Availability Measure Target. The ISO and the Participating TO may track the availability measure on a more frequent basis (e.g., quarterly, monthly), but the annual calculation shall be the sole basis for determining the Participating TO's compliance with its availability measure target.

14.3.6 Public Record. The Participating TO's annual availability measure calculation and the associated availability measure data shall be made available to the public.

14.4. Revisions to Standards.

The ISO shall periodically review with the Participating TOs the standards and incentives implemented pursuant to this Section 14 and, through the Maintenance Coordination Committee process, under the oversight of the ISO Grid Operations Committee, shall modify these standards and incentives as necessary.

14.5. Incentives and Penalties.

The ISO shall, subject to regulatory approval, develop incentive programs which reward or impose sanctions on Participating TOs by reference to their availability

measure and the extent to which the availability performance imposes demonstrable costs or results in demonstrable benefits for Market Participants.

15. DISPUTE RESOLUTION

In the event any dispute regarding the terms and conditions of this Agreement is not settled, the Parties shall follow the ISO ADR Procedure set forth in Section 13 of the ISO Tariff. The specific references in this Agreement to alternative dispute resolution procedures shall not be interpreted to limit the Parties' rights and obligations to invoke dispute resolution procedures pursuant to this Section 15.

16. BILLING AND PAYMENT

The ISO and Participating TOs shall comply with the billing and payment provisions set forth in Section 11 of the ISO Tariff. In addition, the Participating TO shall pay all appropriate charges including any charges that arise under the Self-Sufficiency test provisions of the TO Tariff.

17. RECORDS AND INFORMATION SHARING

17.1. Records Relevant to Operation of ISO Controlled Grid.

The ISO shall keep such records as may be necessary for the efficient operation of the ISO Controlled Grid and shall make appropriate records available to a Participating TO, upon request. The ISO shall maintain for not less than five (5) years: (1) a record of its operating orders and (2) a record of the contents of, and changes to, the ISO Register.

17.2. Participating TO Records and Information Sharing.

17.2.1 **Existing Standards.** Each Participating TO shall provide to the ISO in a format and at the time to be established by the ISO in coordination with the Participating TO, the Participating TO's standards for inspection, maintenance, repair, and replacement of its facilities under the ISO's Operational Control in effect as of the date it executes this Agreement.

17.2.2 **Records.** Each Participating TO shall provide and maintain current data, records, and drawings describing the physical and electrical properties of the facilities under the ISO's Operational Control and shall maintain records of all inspections, maintenance, replacement, and repairs performed on such facilities, which records shall be shared with the ISO under reasonable guidelines and procedures to be specified by the ISO, after consultation with the ISO Grid Operations Committee.

17.2.3 **Required Reports.** Pursuant to this Agreement and the provisions of the ISO Tariff, each Participating TO shall provide to the ISO timely information, notices, or reports regarding matters of mutual concern, including:

- i. System Emergencies, Forced Outages and other incidents affecting the ISO Controlled Grid;
- ii. Maintenance Outage requests, including yearly forecasts required by Section 2.3.3.5 of the ISO Tariff;
- iii. System Planning Studies, including studies prepared in connection with Interconnections or any transmission facility enhancement or expansion; and
- iv. Compliance with the inspection, maintenance, repair, and

replacement standards established under Section 14.

17.2.4 Other Reports. The ISO may, upon reasonable notice to the Participating TO, request that the Participating TO provide the ISO with such information or reports necessary for the operation of the ISO Controlled Grid. The Participating TO shall make all such information or reports available to the ISO within a reasonable time and in a form to be specified by the ISO.

17.2.5 Other Market Participant Information. At the request of the ISO, a Participating TO shall provide the ISO with non-confidential information obtained by the Participating TO from other Market Participants pursuant to contracts between the Participating TO and such other Market Participants. Such requests shall be limited to information that is reasonably necessary for the operation of the ISO Controlled Grid.

17.3. ISO System Studies and Operating Procedures.

17.3.1 System Studies and Grid Stability Analyses. The ISO, in coordination with Participating TOs, shall perform system operating studies or grid stability analyses to evaluate forecasted changes in grid conditions that could affect its ability to ensure compliance with the Applicable Reliability Criteria. The results and reports from such studies shall be exchanged between the ISO and the Participating TOs. Study results and conclusions shall generally be assessed annually, and shall be updated as necessary, based on changing grid and local area conditions.

17.3.2 Grid Conditions Affecting Regulations, Permits and Licenses. The ISO shall promulgate and maintain Operating Procedures to ensure that impaired or potentially degraded grid conditions are assessed and immediately

communicated to the Participating TOs for operability determinations required by applicable regulations, permits or licenses, such as NRC operating licenses for nuclear generating units.

17.4. Significant Incident.

17.4.1 Risk of Significant Incident. Any Party shall timely notify all other Parties if it becomes aware of the risk of significant incident, including extreme temperatures, storms, floods, fires, earthquakes, earth slides, sabotage, civil unrest, equipment outage limitations, etc., that affect the ISO Controlled Grid. The Parties shall provide information that the reporting Party reasonably deems appropriate and necessary for the other Parties to prepare for the occurrence, in accordance with Good Utility Practice.

17.4.2 Occurrence of Significant Incident. Any Party shall timely notify all other Parties if it becomes aware that a significant incident affecting the ISO Controlled Grid has occurred. Subsequent to notification, each Party shall make available to the ISO all relevant data related to the occurrence of the significant incident. Such data shall be sufficient to accommodate any reporting or analysis necessary for the Parties to meet their obligations under this Agreement.

17.5. Review of Information and Record-Related Policies.

The ISO Grid Operations Committee shall review the requirements of this Section 17 annually and shall, consistent with reliability and regulatory needs, seek to standardize reasonable recordkeeping, reporting, and information sharing requirements.

18. GRANTING RIGHTS-OF-ACCESS TO FACILITIES

18.1. Equipment Installation.

In order to meet its obligations under this Agreement, a Party that owns, rents, or leases equipment (the equipment owner) may require installation of such equipment on property owned by another Party (the property owner), provided that the property is being used for a an electric utility purpose and that the property owner shall not be required to do so if it would thereby be prevented from performing its own obligations or exercising its rights under this Agreement.

18.1.1 **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, repair, upgrading, or removal for the purposes of this Agreement, subject to the property owner's reasonable safety, operational, and future expansion needs.

18.1.2 **Notice.** The equipment owner (whether ISO or Participating TO) shall provide reasonable notice to the property owner when requesting access for site assessment, coordinating equipment installation, or other relevant purposes.

18.1.3 **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 thereby be prevented from performing its obligations or exercising its rights under this Agreement.

18.1.4 **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 costs that it is required to incur to accommodate the equipment owner's exercise of its rights under this Section 18.1.

18.2. Rights to Assets.

The Parties shall not interfere with each other's assets, without prior agreement.

18.3. Inspection of Facilities.

In order to meet their respective obligations under this Agreement, any Party may view or inspect facilities owned by another 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.

19. ISO GRID OPERATIONS COMMITTEE

The Parties shall coordinate activities relating to ISO Controlled Grid practices and procedures using the ISO Grid Operations Committee process provided for in Article IV, Section 4 of the ISO Bylaws.

20. TRAINING

20.1. Staffing and Training to Meet Obligations.

Each Party shall make its own arrangements for the engagement of all staff and labor necessary to perform its obligations hereunder and for their payment.

Each Party shall employ (or cause to be employed) only persons who are appropriately qualified, skilled, and experienced in their respective trades or occupations. ISO employees and contractors shall abide by the ISO Code of Conduct contained in the ISO Bylaws and approved by FERC.

20.2. Technical Training.

The ISO and the Participating TOs shall respond to reasonable requests for support and provide relevant technical training to each other's employees to support the safe, reliable, and efficient operation of the ISO Controlled Grid and to comply with any NERC or WSCC operator certification or training requirements. Examples of such technical training include, but are not limited to: (1) the theory or operation of new or modified equipment (e.g., control systems, remedial action schemes, protective relays); (2) computer and applicator programs; and (3) ISO (or Participating TO) requirements. The Parties shall enter into agreements regarding the timing, term, locations, and cost allocation for the training.

21. OTHER SUPPORT SYSTEMS REQUIREMENTS

21.1. Related Systems.

The Parties shall each own, maintain, and operate equipment, other than those facilities described in the ISO Register, which is necessary to meet their specific obligations under this Agreement.

21.2. Lease or Rental of Equipment by the ISO.

Under certain circumstances, it may be prudent for the ISO to lease or rent equipment owned by a Participating TO, (e.g., EMS/SCADA, metering, telemetry, and communications systems), instead of installing its own equipment. In such case, the ISO and the Participating TO shall mutually determine whether the ISO shall lease or rent the Participating TO's equipment. The ISO and the Participating TO shall enter into a written agreement specifying all the terms and conditions governing the lease or rental, including its term, equipment specifications, maintenance, availability, liability, interference mitigation, and payment terms.

22. LIABILITY

22.1. Liability for Damages.

Except as provided for in Section 13.3.14 of the ISO Tariff and subject to Section 22.4 no Party to this Agreement shall be liable to any other Party for any losses, damages, claims, liability, costs or expenses (including legal expenses) arising from the performance or non-performance of its obligations under this Agreement except to the extent that its negligent performance of this Agreement (including intentional breach) results directly in physical damage to property owned, operated by or under the operational control of any of the other Parties or in the death or injury of any person.

22.2. Exclusion of Certain Types of Loss.

No Party shall be liable to any other party under any circumstances

whatsoever for any consequential or indirect financial loss (including but not limited to loss of profit, loss of earnings or revenue, loss of use, loss of contract or loss of goodwill) resulting from physical damage to property for which a party may be liable under Section 22.1.

22.3. ISO's Insurance.

The ISO shall maintain insurance policies covering part or all of its liability under this Agreement with such insurance companies and containing such policy limits and deductible amounts as shall be determined by the ISO Governing Board from time to time. The ISO shall provide all Participating TOs with details of all insurance policies maintained by it pursuant to this Section 22 and shall have them named as additional insureds to the extent of their insurable interest.

22.4. Participating TOs Indemnity.

Each Participating TO shall indemnify the ISO and hold it harmless against all losses, damages, claims, liability, costs or expenses (including legal expenses) arising from third party claims due to any act or omission of that Participating TO except to the extent that they result from intentional wrongdoing or negligence on the part of the ISO or of its officers, directors or employees. The ISO shall give written notice of any third party claims against which it is entitled to be indemnified under this Section to the Participating TOs concerned promptly after becoming aware of them. The Participating TOs who have acknowledged their obligation to provide a full indemnity shall be entitled to control any litigation in relation to such third party claims

(including settlement and other negotiations) and the ISO shall, subject to its right to be indemnified against any resulting costs, cooperate fully with the Participating TOs in defense of such claims.

23. UNCONTROLLABLE FORCES

23.1. Occurrences of Uncontrollable Forces.

An Uncontrollable Force means any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, earthquake, explosion, any curtailment, order, regulation, or restriction imposed by governmental, military or lawfully established civilian authorities or any other cause beyond a Party's reasonable control and without such Party's fault or negligence. No Party will be considered in default as to any obligation under this Agreement if prevented from fulfilling the obligation due to the occurrence of an Uncontrollable Force.

23.2. Obligations in the Event of an Uncontrollable Force.

In the event of the occurrence of an Uncontrollable Force, which prevents a Party from performing any of its obligations under this Agreement, such Party shall:

- (1) immediately notify the other Parties of such Uncontrollable Force with such notice to be confirmed in writing as soon as reasonably practicable;
- (2) not be entitled to suspend performance of its obligations under this Agreement to any greater extent or for any longer duration than is required by the Uncontrollable Force;
- (3) use its best efforts to mitigate the effects of such Uncontrollable Force, remedy its inability to perform, and resume full performance of its obligations hereunder;
- (4) keep the other Parties

apprised of such efforts on a continual basis; and (5) provide written notice of the resumption of performance hereunder. Notwithstanding any of the foregoing, the settlement of any strike, lockout, or labor dispute constituting an Uncontrollable Force shall be within the sole discretion of the Party to this Agreement involved in such strike, lockout, or labor dispute and the requirement that a Party must use its best efforts to remedy the cause of the Uncontrollable Force and/or mitigate its effects and resume full performance hereunder shall not apply to strikes, lockouts, or labor disputes.

24. ASSIGNMENTS AND CONVEYANCES

No Party may assign its rights or transfer its obligations under this Agreement except, in the case of a Participating TO, pursuant to Section 4.4.1.

25. ISO ENFORCEMENT

In addition to its other rights and remedies under this Agreement, the ISO may if it sees fit initiate regulatory proceedings seeking the imposition of sanctions against any Participating TO who commits a material breach of its obligations under this Agreement.

26. MISCELLANEOUS

26.1. Notices.

Any notice, demand, or request in accordance with this Agreement, unless otherwise provided in this Agreement, shall be in writing and shall be deemed properly served, given, or made: (1) upon delivery if delivered in person; (2) five (5) days after deposit in the mail, if sent by first class United States mail, postage prepaid; (3) upon

receipt of confirmation by return electronic facsimile if sent by facsimile; or (4) upon delivery if delivered by prepaid commercial courier service. Any Party may at any time, by notice to the other Parties, change the designation or address of the person specified to receive notice on its behalf. Any notice of a routine character in connection with service under this Agreement or in connection with the operation of facilities shall be given in such a manner as the Parties may determine from time to time, unless otherwise provided in this Agreement.

26.2. Non-Waiver.

Any waiver at any time by any 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 shall not constitute or be deemed a waiver.

26.3. Confidentiality.

26.3.1 **ISO.** The ISO shall maintain the confidentiality of all of the documents, data, and information provided to it by any other Party that are treated as confidential or commercially sensitive under the confidentiality provisions of the ISO Tariff; provided, however, that the ISO shall not keep confidential: (1) information that is explicitly subject to data exchange through WEnet or the ISO internet website pursuant to Section 6 of the ISO Tariff; (2) information that the ISO or the Party providing the

information is required to disclose pursuant to this Agreement, the ISO Tariff, or applicable regulatory requirements (provided that the ISO shall comply with any applicable limits on such disclosure); or (3) the information becomes available to the public on a non-confidential basis (other than as a result of the ISO's breach of this Agreement).

26.3.2 Other Parties. No Party shall have a right hereunder to receive from the ISO or to review any documents, data or other information of another Party to the extent such documents, data or information are required to be kept confidential in accordance with Section 26.3.1 above, provided, however, that a Party may receive and review any composite documents, data, and other information that may be developed based upon such confidential documents, data, or information, if the composite document does not disclose any individual Party's confidential data or information.

26.3.3 Disclosure. Notwithstanding anything in this Section 26.3 to the contrary, if the ISO is required by applicable laws or regulations, or in the course of administrative or judicial proceedings, to disclose information that is otherwise required to be maintained in confidence pursuant to this Section 26.3, the ISO may disclose such information; provided, however, that as soon as the ISO learns of the disclosure requirement and prior to making such disclosure, the ISO shall notify the affected Party or Parties of the requirement and the terms thereof. The affected Party or Parties may, at their sole discretion and own costs, direct any challenge to or defense against the disclosure requirement and the ISO shall cooperate with such affected Party or Parties to the maximum extent practicable to minimize the disclosure of the information consistent with applicable law. The ISO shall cooperate with the affected Parties to

obtain proprietary or confidential treatment of confidential information by the person to whom such information is disclosed prior to any such disclosure.

26.4. Third Party Beneficiaries.

The Parties do not intend to create rights in, or to grant remedies to, any third party as a beneficiary of this Agreement or of any duty, covenant, obligation, or undertaking established hereunder.

26.5. Relationship of the Parties.

The covenants, obligations, rights, and liabilities of the Parties under this Agreement are intended to be several and not joint or collective, and nothing contained herein shall ever be construed to create an association, joint venture, trust, or partnership, or to impose a trust or partnership covenant, obligation, or liability on, or with regard to, any of the Parties. Each Party shall be individually responsible for its own covenants, obligations, and liabilities under this Agreement. No Party or group of Parties shall be under the control of or shall be deemed to control any other Party or Parties. No Party shall be the agent of or have the right or power to bind any other Party without its written consent, except as expressly provided for in this Agreement.

26.6. Titles.

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.

26.7. 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.

26.8. Preservation of Obligations.

Upon termination of this Agreement, all unsatisfied obligations of each Party shall be preserved until satisfied.

26.9. Governing Law.

This Agreement shall be interpreted, governed by and construed under the laws of the State of California, without regard to the principles of conflict of laws thereof, or the laws of the United States, as applicable, as if executed and to be performed wholly within the State of California.

26.10. Construction of Agreement.

Ambiguities or uncertainties in the wording of this Agreement shall not be construed for or against any Party, but shall be construed in a manner that most accurately reflects the purpose of this Agreement and the nature of the rights and obligations of the Parties with respect to the matter being construed.

26.11. Amendment.

This Agreement may be modified: (1) by mutual agreement of the Parties, subject to approval by FERC; (2) through the ISO ADR Procedure set forth in Section 13 of the ISO Tariff; or (3) upon issuance of an order by FERC.

26.12. Appendices Incorporated.

The several appendices to this Agreement, as may be revised from time to time, are attached to this Agreement and are incorporated by reference as if herein fully set forth.

26.13. Counterparts.

This Agreement may be executed in one or more counterparts, which may be executed at different times. Each counterpart, which shall include applicable individual Appendices A, B, C, D and E shall constitute an original but all such counterparts together shall constitute one and the same instrument.

27. SIGNATURE PAGE

CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION

California Independent System Operator Corporation has caused this Transmission Control Agreement to be executed by its duly authorized representative on this _____ day of _____, 19____ and thereby incorporates the following Appendices in this Agreement:

Appendices A (PG&E, SDG&E and Edison)

Appendices B (PG&E, SDG&E and Edison)

Appendix C

Appendix D

Appendices E

**CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION
151 Blue Ravine Road
Folsom, California 95630**

by: _____

**Jeffrey Tranen
Chief Executive Officer**

28. SIGNATURE PAGE
PACIFIC GAS AND ELECTRIC COMPANY

Pacific Gas and Electric Company has caused this Transmission Control Agreement to be executed by its duly authorized representative on this _____ day of _____, 19____ and thereby incorporates the following Appendices in this Agreement:

Appendix A (PG&E)

Appendix B (PG&E)

Appendix C

Appendix D

Appendix E (Diablo Canyon)

PACIFIC GAS & ELECTRIC COMPANY
77 Beale Street
San Francisco, California 94105

by: _____

E. James Macias
Senior Vice President and General Manager

29. SIGNATURE PAGE
SAN DIEGO GAS & ELECTRIC COMPANY

San Diego Gas & Electric Company has caused this Transmission Control Agreement to be executed by its duly authorized representative on this _____ day of _____, 19____ and thereby incorporates the following Appendices in this Agreement:

Appendix A (SDG&E)

Appendix B (SDG&E)

Appendix C

Appendix D

Appendix E (SONGS)

SAN DIEGO GAS & ELECTRIC COMPANY
101 Ash Street
San Diego, California 92101

by: _____

Gary D. Cotton
Senior Vice President, Energy Supply

30. SIGNATURE PAGE
SOUTHERN CALIFORNIA EDISON COMPANY

Southern California Edison Company has caused this Transmission Control Agreement to be executed by its duly authorized representative on this _____ day of _____, 19____ and thereby incorporates the following Appendices in this Agreement:

- Appendix A (Edison)
- Appendix B (Edison)
- Appendix C
- Appendix D
- Appendix E (SONGS)

SOUTHERN CALIFORNIA EDISON COMPANY
2244 Walnut Grove Avenue
Rosemead, California 91770

by: _____

Vikram S. Budhraj
Senior Vice President