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April 9, 2008

The Honorable Magalie Roman Salas
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

**Re: California Independent System Operator Corporation
Filing of Amended Meter Service Agreement for Scheduling
Coordinators and Scheduling Coordinator Agreement with
Western Area Power Administration – Desert Southwest
Region, Docket No. ER08-____-000**

Dear Secretary Salas:

Pursuant to Section 205 of the Federal Power Act (“FPA”), 16 U.S.C. § 824d, the California Independent System Operator Corporation (“CAISO”) submits for filing and Commission acceptance (1) the Meter Service Agreement for Scheduling Coordinators (“MSA-SC”) between the CAISO and the Western Area Power Administration – Desert Southwest Region (“Western-DSR”), as amended by the fully executed First Amendment to that MSA-SC; and (2) the Scheduling Coordinator Agreement (“SCA”) between the CAISO and Western-DSR, as amended by the fully executed First Amendment to that SCA.¹ The CAISO requests that the amended MSA-SC and amended SCA each be made effective as of June 9, 2008, *i.e.*, 60 days after the submittal of the instant filing.

¹ Capitalized terms not otherwise defined herein have the meanings set forth in the Master Definitions Supplement, Appendix A to the ISO Tariff, and in the MSA-SC and SCA as amended by the instant filing.

I. Background

The CAISO's MSA-SC establishes the terms and conditions on which a Scheduling Coordinator shall provide Settlement Quality Meter Data for the metered entities it represents to the CAISO revenue meter data acquisition and processing system. The CAISO's SCA is applicable to all Scheduling Coordinators who wish to participate in the California market by transmitting Energy or Ancillary Services to and from the CAISO Control Area. In order to coordinate operation of the CAISO Control Area and various utilities' systems in California, the SCA authorizes the Scheduling Coordinator to communicate with the CAISO and Market Participants on behalf of its clients. The SCA also obligates the Scheduling Coordinator to comply with the terms and conditions of the CAISO Tariff.

On April 25, 2007, the CAISO and Western-DSR entered into an MSA-SC and an SCA with one another. At that time, Western-DSR informed the CAISO that it was in the process of changing its Scheduling Coordinator and therefore would like to start scheduling its load on May 1, 2007, without any delay in service. Due to the urgent nature of Western-DSR's need, Western-DSR decided to enter into the MSA-SC and SCA without proposing any changes from the *pro forma* MSA-SC and SCA contained in the CAISO Tariff.² Consequently, both of the agreements with Western-DSR were made effective May 1, 2007, and the CAISO has listed the agreements in the Electric Quarterly Reports ("EQRs") the CAISO has submitted to the Commission in conformance with Order No. 2001.³

II. Amendments to the MSA-SC and the SCA

Within the past couple of months, Western-DSR requested that the CAISO agree to make certain changes to the MSA-SC and the SCA between the CAISO and Western-DSR to ensure that those agreements are compatible with federal contracting guidelines, and as such the CAISO and Western-DSR agreed to formalize the changes through amendments to each of the agreements.

The CAISO now files the agreements, as amended by the First Amendment to the MSA-SC and the First Amendment to the SCA, for Commission acceptance. The provisions contained in these amendments are similar to provisions the Commission has previously accepted in with regard to

² See CAISO Tariff, Appendices B.1 and B.7.

³ *Revised Public Utility Filing Requirements*, Order No. 2001, FERC Stats. & Regs., Regs. Preambles ¶¶ 31,127 (2002) ("Order No. 2001"). In the CAISO's EQRs, the SCA between the CAISO and Western-DSR is designated as Service Agreement No. 784, and the MSA-SC between the CAISO and Western-DSR is designated as Service Agreement No. 785.

other agreements to which the CAISO and the Western Area Power Administration have been parties.⁴

Although the agreements were previously (and correctly) only listed in the CAISO's EQRs and thus were not filed with the Commission, the CAISO is filing them now due to the CAISO's understanding that their revision pursuant to the amendments means they no longer "precisely match the applicable standard form of service agreement" and therefore have been rendered "necessarily nonconforming and must be filed individually for Commission approval."⁵ If the Commission informs the CAISO that its understanding that the amendments to the MSA-SC and SCA render them nonconforming is incorrect, and thus that the amendments did not need to be filed, the CAISO will withdraw the instant filing and will instead simply list the MSA-SC and SCA as amended in its EQRs.

III. Effective Date

The ISO requests that the MSA-SC and SCA as amended by the instant filing be made effective as of June 9, 2008, *i.e.*, sixty days after the instant filing was submitted to the Commission.

IV. Expenses

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

V. Contents of the Instant Filing and Service

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

- (1) this letter of transmittal;
- (2) the executed First Amendment to the MSA-SC between the CAISO and Western-DSR (Attachment A);

⁴ See Scheduling Coordinator Agreement between the CAISO and the Western Area Power Administration, Sierra Nevada Region, at Exhibit A (filed in Docket No. ER98-1928-000 on February 18, 1998); *California Independent System Operator Corp.*, 82 FERC ¶ 61,326, at 62,286 (1998) (accepting in relevant part agreement submitted in Docket No. ER98-1928-000); Pilot Pseudo Tie Implementation Agreement between the CAISO, Pacific Gas and Electric Company, Sacramento Municipal Utility District, and Western Area Power Administration, at Article XII (filed in Docket No. ER06-1470-000 on September 6, 2006); Letter Order, Docket No. ER06-1470-000 (Oct. 23, 2006) (accepting agreement submitted in Docket No. ER06-1470-000).

⁵ Order No. 2001 at P 196.

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- (3) the MSA-SC as amended, provided in a format that complies with Order No. 614 (Attachment B)⁶;
- (4) a black-lined document showing the changes to the currently effective version of the MSA-SC contained in the MSA-SC as amended (Attachment C);
- (5) the executed First Amendment to the SCA between the CAISO and Western-DSR (Attachment D);
- (6) the SCA as amended, provided in a format that complies with Order No. 614 (Attachment E);
- (7) a black-lined document showing the changes to the currently effective version of the SCA contained in the SCA as amended (Attachment F).

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

Copies of this filing have been served on Western-DWR, the California Public Utilities Commission, and the California Electricity Oversight Board. In addition, the filing has been posted on the ISO Website.

⁶ *Designation of Electric Rate Schedule Sheets*, Order No. 614, FERC Stats. & Regs. ¶ 31,096 (2000) ("Order No. 614").

VI. Correspondence

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

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

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

Respectfully submitted,



Kenneth G. Waffe
Bradley R. Miliauskas
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Nancy Saracino
General Counsel
John Anders
Assistant General Counsel
California Independent System
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151 Blue Ravine Road
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Attorneys for the California Independent
System Operator Corporation

ATTACHMENT A

**CALIFORNIA INDEPENDENT SYSTEM
OPERATOR**

AND

**WESTERN AREA POWER ADMINISTRATION
DESERT SOUTHWEST REGION**

FIRST AMENDMENT TO

**METER SERVICE AGREEMENT
FOR SCHEDULING COORDINATORS**

**CALIFORNIA INDEPENDENT SYSTEM OPERATOR
AND
WESTERN AREA POWER ADMINISTRATION
FIRST AMENDMENT TO
METER SERVICE AGREEMENT
FOR SCHEDULING COORDINATORS**

THIS FIRST AMENDMENT is made this 13th day of February, 2007 ^{RE}
("Amendment") and is entered into, by and between:

(1) **CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION**, a California nonprofit public benefit corporation having a principal executive office located at such place in the State of California as the ISO Governing Board may from time to time designate, initially 151 Blue Ravine Road, Folsom, California 95630 (the "CAISO").

and

(2) **WESTERN AREA POWER ADMINISTRATION - DESERT SOUTHWEST REGION** having a registered or principal executive office at 615 South 43rd Avenue, Phoenix, Arizona 85009 (the "Scheduling Coordinator").

The **CAISO** and the **WESTERN AREA POWER ADMINISTRATION - DESERT SOUTHWEST REGION ("WESTERN-DSR")** are hereinafter referred to individually as "Party" or collectively as the "Parties."

Whereas:

- A.** The Parties are signatories to a Meter Service Agreement for Scheduling Coordinators, dated April 25, 2007, (the "Agreement"), which Agreement became effective in accordance with its terms on May 1, 2007.
- B.** WESTERN-DSR has requested the ISO to include a few general provisions in order to make the Agreement conform to federal contracting guidelines.
- C.** The Parties now desire to amend the Agreement by entering into this Amendment.

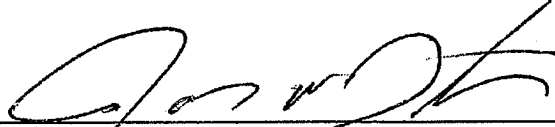
- D.** The Parties intend that the Agreement remain in full force and effect in accordance with its terms in all other respects.

NOW THEREFORE, THE PARTIES AGREE as follows:

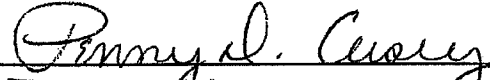
- 1. Effective Date.** This Amendment shall be effective on the date accepted for filing and made effective by the Federal Energy Regulatory Commission.
- 2. Complete and Final Agreement.** This Amendment constitutes a complete and final agreement of the Parties with respect to the purpose of this Amendment as described in the Recitals hereto and supersedes all prior understandings, whether written or oral, with respect to such subject matter.
- 3. Agreement in Full Force and Effect.** Except as expressly modified in this Amendment, the Agreement shall remain in full force and effect in accordance with its terms, and the unmodified provisions of the Agreement shall apply to any new rights and/or obligations established by this Amendment.
- 4. Amendment.** Attachment 1 is hereby made a part of this Agreement the same as if they had been expressly set forth herein, the Meter Service Agreement for Scheduling Coordinators, dated April 25, 2007.

IN WITNESS WHEREOF, the Parties have caused this Amendment to be duly executed by and through their respective authorized representatives as of the date hereinabove written.

California Independent System Operator Corporation

By: 
Name: JAMES W. DETMERS
Title: VP OPERATIONS
Date: 2/13/08

Western Area Power Administration - Desert Southwest Region

By: 
Name: Penny D. Casey
Title: Manager, Energy Mgmt + Mktg Office
Date: June 21, 2007

**CALIFORNIA INDEPENDENT SYSTEM OPERATOR
AND
WESTERN AREA POWER ADMINISTRATION
FIRST AMENDMENT TO
METER SERVICE AGREEMENT
FOR SCHEDULING COORDINATORS**

ATTACHMENT 1

1. **Contingent upon Appropriations.** Where activities provided for in the contract extend beyond the current fiscal year, continued expenditures by the United States are contingent upon Congress making the necessary appropriations required for the continued performance of the United States' obligations under the contract. In case such appropriation is not made, the CAISO hereby releases the United States from its contractual obligations and from all liability due to the failure of Congress to make such appropriation.
2. **Covenant against Contingent Fees.** The CAISO warrants that no person or selling agency has been employed or retained to solicit or secure the contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the CAISO for the purpose of securing business. For breach or violation of this warranty, Western shall have the right to annul the contract without liability or in its discretion to deduct from the contract price or consideration the full amount of such commission, percentage, brokerage, or contingent fee.
3. **Contract Work Hours and Safety Standards.** The contract, to the extent that it is of a character specified in Section 103 of the Contract Work Hours and Safety Standards Act (Act), 40 U.S.C. § 329, as amended or supplemented, is subject to the provisions of the Act, 40 U.S.C. §§ 327-334, as amended or supplemented, and to regulations promulgated by the Secretary of Labor pursuant to the Act.
4. **Equal Opportunity Employment Practices.** Section 202 of Executive Order No. 11246, 30 Fed. Reg. 12319 (1965), as amended by Executive Order No. 12086, 43 Fed. Reg. 46501 (1978), as amended or supplemented, which provides, among other things, that the CAISO will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin, is incorporated herein by reference the same as if the specific language had been

written into the contract, except that Indian Tribes and tribal organizations may apply Indian preference to the extent permitted by Federal law.

5. **Use of Convict Labor.** The CAISO agrees not to employ any person undergoing sentence of imprisonment in performing the contract except as provided by 18 U.S.C. § 3622(c), as amended or supplemented; and Executive Order No. 11755, 39 Fed. Reg. 779 (1973), as amended or supplemented.
6. **Counterparts.** This Amendment may be executed in one or more counterparts at different times, each of which shall be regarded as an original and all of which, taken together, shall constitute one and the same agreement.
7. **Termination.** The provisions of this Amendment including any subsequent amendments shall remain in full force and effect until the termination of the Agreement.

ATTACHMENT B

**METER SERVICE AGREEMENT FOR SCHEDULING COORDINATORS WITH
WESTERN AREA POWER ADMINISTRATION
DESERT SOUTHWEST REGION**

Issued by: Anjali Sheffrin, Ph.D, Chief Economist
Issued on: April 9, 2008

Effective: June 9, 2008

**CALIFORNIA INDEPENDENT SYSTEM
OPERATOR**

AND

**WESTERN AREA POWER ADMINISTRATION
DESERT SOUTHWEST REGION**

**METER SERVICE AGREEMENT
FOR SCHEDULING COORDINATORS**

**METER SERVICE AGREEMENT
FOR SCHEDULING COORDINATORS**

THIS AGREEMENT is dated this 25th day of April, 2007 and is entered into, by and between:

(1) **Western Area Power Administration – Desert Southwest Region** having its registered and principal place of business located at 615 South 43rd Avenue, Phoenix, Arizona. 85009 (the “SC”);

and

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

The Scheduling Coordinator and the ISO are hereinafter referred to as the “Parties”.

Whereas:

- A. Section 10 of the ISO Tariff requires the ISO to enter into a meter service agreement with each Scheduling Coordinator responsible for providing Settlement Quality Meter Data for Scheduling Coordinator Metered Entities that it represents.
- B. Section 10 of the ISO Tariff requires Scheduling Coordinators to ensure that the Scheduling Coordinator Metered Entities that they represent adhere to the requirements and standards for Metering Facilities set forth in Section 10.3.
- C. The Parties are entering into this Agreement in order to establish the terms and conditions upon which the ISO and the Scheduling Coordinator shall discharge their respective duties and responsibilities pursuant to this Agreement and the ISO Tariff.
- D. All obligations and responsibilities included in this Agreement may be set forth in further detail in the ISO Tariff.

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

ARTICLE I**DEFINITIONS AND INTERPRETATION**

1.1 Master Definitions Supplement. Unless defined in Section 1.2 of this Agreement, all terms and expressions used in this Agreement shall have the same meaning as those contained in the Master Definitions Supplement to the ISO Tariff.

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

“ISO Authorized Inspector” has the meaning as defined in the ISO Tariff.

“ISO Metered Entity” means:

- (a) any one of the following entities that is directly connected to the ISO Controlled Grid:
 - i. a Generator other than a Generator that sells all of its Energy (excluding any Energy consumed by auxiliary load equipment electrically connected to that Generator at the same point) and Ancillary Services to the UDC in whose Service Area it is located;
 - ii. an Eligible Customer; or
 - iii. an End-User other than an End-User that purchases all of its Energy from the UDC in whose Service Area it is located; and
- (b) any one of the following entities:
 - i. a Participating Generator;
 - ii. a Participating TO in relation to its Tie Point Meters with other TOs or Control Areas; or
 - iii. a Participating Load.

“MDAS” means the ISO’s revenue metering data acquisition and processing system.

“Metering Facilities” means revenue quality meters, instrument transformers, secondary circuitry, secondary devices, meter data servers, related communication facilities and other related local equipment.

“SC” means Scheduling Coordinator.

“Scheduling Coordinator Metered Entity” or “SC Metered Entity” means a Generator, Eligible Customer or End-User that is not an ISO Metered Entity.

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

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

ARTICLE II

TERM AND TERMINATION

- 2.1 Effective Date.** This Agreement shall be effective as of the later of the date of execution of this Agreement, or the date it is accepted and made effective by FERC, and shall remain in full force and effect until terminated by operation of law or pursuant to Section 2.2 of this Agreement.
- 2.2 Termination**
- 2.2.1 Termination by ISO.** Subject to Section 14 the ISO may terminate this Agreement by giving written notice of termination in the event that the Scheduling Coordinator commits any default under this Agreement and/or the ISO Tariff which, if capable of being remedied, is not remedied within thirty (30) days after the ISO has given it written notice of the default, unless excused by reason of Uncontrollable Force in accordance with Section 14 of the ISO Tariff. With respect to any notice of termination given pursuant to this Section, the ISO must file a timely notice of termination with FERC. The filing of the notice of termination by the ISO will be considered timely if: (1) the request to file a notice of termination is made after the preconditions for termination have been met, and (2) the ISO files the notice of termination within 30 days of receipt of such request. This Agreement shall terminate upon acceptance by FERC of such notice of termination.
- 2.2.2 Termination by SC.** In the event that the Scheduling Coordinator wishes to terminate this Agreement, the Scheduling Coordinator shall give the ISO ninety (90) days written notice. With respect to any notice of termination given pursuant to this Section, the ISO must file a timely notice of termination with FERC. The filing of the notice of termination by the ISO will be considered timely if: (1) the request to file a notice of termination is made after the preconditions for termination have been met, and (2) the ISO files the notice of termination within 30 days of receipt of such request. This Agreement shall terminate upon acceptance by FERC of such a notice of termination.

ARTICLE III

GENERAL TERMS AND CONDITIONS

- 3.1 Agreement Subject to ISO Tariff.** This Agreement shall be subject to the provisions of the ISO Tariff which shall be deemed to be incorporated herein, as the same may be changed or superseded from time to time. The Parties agree that they will comply with the provisions of Section 10 of the ISO Tariff.
- 3.2 Requirements and Standards for Metering Facilities.** The Scheduling Coordinator shall ensure that the Scheduling Coordinator Metered Entities it

represents shall adhere to the requirements and standards for Metering Facilities of its Local Regulatory Authority. If that Scheduling Coordinator Metered Entity's Local Regulatory Authority has not set any requirements or standards in relation to any of its Metering Facilities, the Scheduling Coordinator representing that Scheduling Coordinator Metered Entity must comply with the requirements and standards for those Metering Facilities as set forth in this Agreement and the ISO Tariff.

3.3 Obligations and Rights of the Scheduling Coordinator.

3.3.1 Meter Information. If the ISO so requests, the Scheduling Coordinator shall provide in the format prescribed by Schedule 1 to this Agreement the required information with respect to the meters for all Scheduling Coordinator Metered Entities it represents including the reference to specific distribution loss factors or methodology it proposes to use as determined by the relevant UDC and approved by the relevant Local Regulatory Authority. The Scheduling Coordinator must

Immediately notify the ISO of any changes to the information provided to the ISO in accordance with this Section 3.3.1 and provide the ISO with any information in relation to such change as reasonably requested by the ISO. Any amendments or additions to Schedule 1 shall not constitute an amendment to this Agreement.

3.3.2 Assistance and Cooperation of Scheduling Coordinator. The Scheduling Coordinator shall ensure that the ISO shall, upon reasonable notice, have access to the entire Metering Facilities of the Scheduling Coordinator Metered Entities that it represents from the meter data server to the Metering Facilities in order to inspect, test or otherwise audit those Metering Facilities.

3.3.3 Profiled and Cumulative Meter Data. The Scheduling Coordinator shall provide the ISO with any applicable load profile for each Scheduling Coordinator Metered Entity that it represents that is load profiled in accordance with the ISO Tariff. The Scheduling Coordinator shall provide a copy of the load profile applicable to each Scheduling Coordinator Metered Entity (if any) that it represents which shall be set forth in Schedule 2 to this Agreement. The Scheduling Coordinator must immediately notify the ISO of any changes to the load profiles referred to in Schedule 2 to this Agreement and provide the ISO with a copy of the new or amended load profile. Such change to Schedule 2 shall not constitute an amendment to this Agreement.

3.3.4 Security and Validation Procedures. The Scheduling Coordinator shall apply to the Meter Data of the Scheduling Coordinator Metered Entities that it represents, the security and validation procedures prescribed by the relevant Local Regulatory Authority. If the relevant Local Regulatory Authority has not prescribed any such procedures, the Scheduling Coordinator shall apply the procedures set forth in the ISO Tariff. Meter Data submitted by a Scheduling



Coordinator for Scheduling Coordinator Metered Entities shall conform to these standards unless the ISO has, at its discretion, exempted the Scheduling Coordinator from these standards.

3.4 Obligations and Rights of the ISO.

3.4.1 Exemptions Granted by ISO. Any exemptions provided for under the ISO Tariff that are granted by the ISO shall be set forth in Schedule 3 to this Agreement. Any amendment or addition to Schedule 3 shall not constitute an amendment to this Agreement.

3.4.2 ISO as Third-Party Beneficiary. The ISO shall be a third-party beneficiary to the agreements between the Scheduling Coordinator and Scheduling Coordinator Metered Entities that the Scheduling Coordinator represents. Such agreements shall grant the ISO access to any relevant information, records and facilities of the Scheduling Coordinator Metered Entity as needed for the ISO to fulfill its obligations under this Agreement and the ISO Tariff.

ARTICLE IV

PENALTIES & SANCTIONS

4.1 Penalties. If the Scheduling Coordinator provides inaccurate or incorrect Settlement Quality Meter Data or fraudulent Meter Data to the ISO, the ISO shall be entitled to impose penalties and sanctions, including but not limited to suspension of trading rights following 14 days written notice to the Scheduling Coordinator. Fraudulent Meter Data means any data provided to the ISO by the Scheduling Coordinator that the Scheduling Coordinator knows to be false, incorrect or incomplete at the time it provided it to the ISO. All penalties and sanctions shall be set forth in Schedule 4 Part

A. No penalties or sanctions, including the suspension of trading rights, may be imposed under this Agreement unless a Schedule providing for such penalties or sanctions has first been filed with and made effective by FERC. Nothing in the Agreement, with the exception of the provisions relating to ADR, shall be construed as waiving the rights of the Scheduling Coordinator to oppose or protest any penalty proposed by the ISO to the FERC or the specific imposition by the ISO of any FERC-approved penalty on the Scheduling Coordinator. The ISO will provide notice to all Scheduling Coordinators of any filing of proposed penalties or sanctions with the FERC. The ISO shall notify the Scheduling Coordinator of those approved penalties within 14 days of their approval by the FERC.

4.2 Corrective Measures. If the Scheduling Coordinator or any Scheduling Coordinator Metered Entity that it represents fails to meet or maintain the standards for Metering Facilities or comply with the audit or test procedures as

set forth in the ISO Tariff, the ISO shall be permitted to take corrective measures. Details of the corrective measures and rights the ISO may exercise upon any failure by any entity to meet those standards for Metering Facilities or to comply with the audit or test procedures shall be set forth in Schedule 4 Part B.

ARTICLE V

ACCESS TO METER DATA

- 5.1 Third Parties.** Third parties that are authorized by the Scheduling Coordinator to access the Meter Data of a Scheduling Coordinator Metered Entity held by the ISO and that are entitled to such Meter Data shall be identified in Schedule 5 to this Agreement. The Scheduling Coordinator shall not provide a third party access to Meter Data of a Scheduling Coordinator Metered Entity unless the Scheduling Coordinator has permission from that Scheduling Coordinator Metered Entity to provide that access. The relevant UDCs and TOs shall be included in Schedule 5 provided that the Scheduling Coordinator Metered Entity has granted those UDCs and TOs access to its Meter Data. Any amendment or addition to Schedule 5 shall not constitute an amendment to this Agreement. The Scheduling Coordinator shall, on request by the Scheduling Coordinator Metered Entity, access the Meter Data held by the ISO relating to that Scheduling Coordinator Metered Entity and provide that Meter Data to the Scheduling Coordinator Metered Entity in a timely manner.

ARTICLE VI

COSTS

- 6.1 Certification, Inspection and Auditing of Meters.** The Scheduling Coordinator shall be responsible for all reasonable costs incurred by the ISO or an ISO Authorized Inspector in connection with them carrying out the certification, inspection, testing or auditing of the meters identified in Schedule 1 from which the Scheduling Coordinator provides Meter Data to the ISO. The ISO or ISO Authorized Inspector will furnish the Scheduling Coordinator, upon request, an itemized bill for such costs.

ARTICLE VII

DISPUTE RESOLUTION

- 7.1 Dispute Resolution.** The Parties shall make reasonable efforts to settle all disputes arising out of or in connection with this Agreement. In the event any dispute is not settled, the Parties shall adhere to the ISO ADR Procedures set forth in Section 13 of the ISO Tariff, which is incorporated by reference, except that all reference in Section 13 of the ISO Tariff to Market Participants shall be read as a reference to the Scheduling Coordinator Metered Entity and references to the ISO Tariff shall be read as references to this Agreement.

ARTICLE VIII

REPRESENTATIONS AND WARRANTIES

- 8.1 Representations and Warranties.** Each Party represents and warrants that the execution, delivery and performance of this Agreement by it has been duly authorized by all necessary corporate and/or governmental actions, to the extent authorized by law.
- 8.2 Necessary Authority.** The Scheduling Coordinator represents and warrants that all of the entities which it identifies on Schedule 1 as Scheduling Coordinator Metered Entities that it represents have granted it all necessary authority to enable it to carry out its obligations under this Agreement and the ISO Tariff, and, subject to the execution and delivery by the ISO, this Agreement will be enforceable against the Scheduling Coordinator in accordance with its terms.
- 8.3 Meter Data Access.** The Scheduling Coordinator represents and warrants that all third parties referred to in Schedule 5 to this Agreement have been authorized by the relevant Scheduling Coordinator Metered Entity as having access to its Settlement Quality Meter Data.

ARTICLE IX

LIABILITY AND INDEMNIFICATION

- 9.1 Liability and Indemnification.** The provisions of Section 14 of the ISO Tariff will apply to liability arising under this Agreement except that all references in Section 14 of the ISO Tariff to Market Participants shall be read as references to the Scheduling Coordinator and references in the ISO Tariff shall be read as references to this Agreement.

ARTICLE X**UNCONTROLLABLE FORCES**

- 10.1 Uncontrollable Forces.** Section 14 of the ISO Tariff shall be incorporated by reference into this Agreement except that all references in Section 14 of the ISO Tariff to Market Participants shall be read as references to the Scheduling Coordinator and all references to the ISO Tariff shall be read as references to this Agreement.

ARTICLE XI**MISCELLANEOUS**

- 11.1 Assignments.** Either Party may assign or transfer any or all of its rights and/or obligations under this Agreement with the other Party's prior written consent in accordance with Section 22.2 of the ISO Tariff. Such consent shall not be unreasonably withheld. Any such transfer or assignment shall be conditioned upon the successor in interest accepting the rights and/or obligations under this Agreement as if said successor in interest was an original Party to this Agreement.
- 11.2 Notices.** Any notice, demand or request which may be given to or made upon either Party regarding this Agreement shall be made in accordance with the Scheduling Coordinator's Scheduling Coordinator Agreement and in accordance with Section 22.4 of the ISO Tariff. A Party must update the information in Schedule 6 as information changes. Such changes shall not constitute an amendment to this Agreement.
- 11.3 Waivers.** Any waiver at any time by either Party of its rights with respect to any default under this Agreement, or with respect to any other matter arising in connection with this Agreement, shall not be deemed a waiver with respect to any subsequent default or other matter arising in connection with this Agreement. Any delay short of the statutory period of limitations in asserting or enforcing any right under this Agreement shall not constitute or be deemed a waiver of such right.
- 11.4 Governing Law and Forum.** This Agreement shall be deemed to be a contract made under and for all purposes shall be governed by and construed in accordance with the laws of the State of California, except its conflict of law provisions. The Scheduling Coordinator irrevocably consents that any legal action or proceeding arising under or relating to this Agreement to which the ISO ADR Procedures do not apply shall be brought in any of the following forums, as appropriate: any court of the State of California, any federal court of the United States of America located in the State of California or, where subject to its jurisdiction, before the Federal Energy Regulatory Commission.

- 11.5 Consistency with Federal Laws and Regulations.** This Agreement shall incorporate by reference Section 22.9 of the ISO Tariff as if the references to the ISO Tariff were referring to this Agreement.
- 11.6 Merger.** This Agreement constitutes the complete and final agreement of the Parties with respect to the subject matter hereto and supersedes all prior agreements, whether written or oral, with respect to such subject matter.
- 11.7 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.
- 11.8 Amendments.** This Agreement and the Schedules attached hereto may be amended from time to time by the mutual agreement of the Parties in writing. Amendments that are subject to FERC approval shall not take effect until FERC has accepted such amendments for filing and has made them effective. If the amendment does not require FERC approval, the amendment will be filed with FERC for information.
- 11.9 Counterparts.** This Agreement may be executed in one or more counterparts at different times, each of which shall be regarded as an original and all of which, taken together, shall constitute one and the same Agreement.



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

California Independent System Operator Corporation

By: *Karen Edson* *PR*
Name: Karen Edson
Vice President
Title: External Affairs
Date: 4/25/07

Western Area Power Administration – Desert Southwest Region

By: *Penny D. Casey*
Name: Penny D. Casey
Title: Energy Management + Marketing office, mgr
Date: 4/24/07

ATTACHMENT 1

1. **Contingent upon Appropriations.** Where activities provided for in the contract extend beyond the current fiscal year, continued expenditures by the United States are contingent upon Congress making the necessary appropriations required for the continued performance of the United States' obligations under the contract. In case such appropriation is not made, the CAISO hereby releases the United States from its contractual obligations and from all liability due to the failure of Congress to make such appropriation.
2. **Covenant against Contingent Fees.** The CAISO warrants that no person or selling agency has been employed or retained to solicit or secure the contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the CAISO for the purpose of securing business. For breach or violation of this warranty, Western shall have the right to annul the contract without liability or in its discretion to deduct from the contract price or consideration the full amount of such commission, percentage, brokerage, or contingent fee.
3. **Contract Work Hours and Safety Standards.** The contract, to the extent that it is of a character specified in Section 103 of the Contract Work Hours and Safety Standards Act (Act), 40 U.S.C. § 329, as amended or supplemented, is subject to the provisions of the Act, 40 U.S.C. §§ 327-334, as amended or supplemented, and to regulations promulgated by the Secretary of Labor pursuant to the Act.
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written into the contract, except that Indian Tribes and tribal organizations may apply Indian preference to the extent permitted by Federal law.

5. **Use of Convict Labor.** The CAISO agrees not to employ any person undergoing sentence of imprisonment in performing the contract except as provided by 18 U.S.C. § 3622(c), as amended or supplemented; and Executive Order No. 11755, 39 Fed. Reg. 779 (1973), as amended or supplemented.
6. **Counterparts.** This Amendment may be executed in one or more counterparts at different times, each of which shall be regarded as an original and all of which, taken together, shall constitute one and the same agreement.
7. **Termination.** The provisions of this Amendment including any subsequent amendments shall remain in full force and effect until the termination of the Agreement.

SCHEDULE 1

METER INFORMATION

[Section 3.3.1]

Meter Number

Name of the Facility

Contact details for Scheduling Coordinator Metered Entity Representative

SCHEDULE 2**APPROVED LOAD PROFILE****[Section 3.3.3]**

Attach details of each load profile used by the Scheduling Coordinator Metered Entities represented by the Scheduling Coordinator, the names of the Scheduling Coordinator Metered Entities that use each of those load profiles and the name of the Local Regulatory Authority that approved each of those load profiles.

SCHEDULE 3

EXEMPTIONS FROM METERING STANDARDS AND OTHER REQUIREMENTS

[Section 3.4.1]

Exemption

Attach variation with an explanation.

NONE

Name of the relevant Local Regulatory Authority which sets security and validation standards for the Scheduling Coordinator Metered Entity.

NONE .

Other Exemptions

NONE

SCHEDULE 4

PART A

ISO IMPOSED PENALTIES AND SANCTIONS

[Section 4.1]

TO BE INSERTED UPON FERC APPROVAL

PART B

CORRECTIVE MEASURES

[Section 4.2]

TO BE DEVELOPED

SCHEDULE 5

ACCESS TO METER DATA

[Section 5.1]

List the third parties authorized by each Scheduling Coordinator Metered Entity represented by the Scheduling Coordinator to access that Scheduling Coordinator Metered Entities' Settlement Quality Meter Data.

APS Energy Services Company, Inc.

SCHEDULE 6

NOTICE

[Section 11.2]

Name of Primary

Representative: Penny Casey
Title: Manager, Energy Management and Marketing Office
Company: Western Area Power Administration – Desert Southwest Region
Address: 615 South 43rd Avenue
City/State/Zip Code: Phoenix, AZ 85009
Email Address: casey@wapa.gov
Phone: (602) 605-2585
Fax No: (602) 605-2831

Name of Alternative

Representative: Roy Tinsley
Title: Program Manager
Company: Western Area Power Administration – Desert Southwest Region
Address: 615 South 43rd Avenue
City/State/Zip Code: Phoenix, AZ 85009
Email Address: tinsley@wapa.gov
Phone: (602) 605-2788
Fax No: (602) 605-2831

ISO:

Name of Primary

Representative: Roni L. Reese
Title: Sr. Contracts Analyst
Address: 151 Blue Ravine Road
City/State/Zip Code: Folsom, CA 95630
Email address: rreese@caiso.com
Phone: (916) 608-7027
Fax: (916) 608-7292

**Name of Alternative
Representative:**

Philip D. Pettingill
Title: Manager of Infrastructure Policy & Contracts
Address: 151 Blue Ravine Road
City/State/Zip Code: Folsom, CA 95630
Email address: ppettingill@caiso.com
Phone: (916) 608-7241
Fax: (916) 608-7292

ATTACHMENT C

**CALIFORNIA INDEPENDENT SYSTEM
OPERATOR**

AND

**WESTERN AREA POWER ADMINISTRATION
DESERT SOUTHWEST REGION**

**METER SERVICE AGREEMENT
FOR SCHEDULING COORDINATORS**

**METER SERVICE AGREEMENT
FOR SCHEDULING COORDINATORS**

THIS AGREEMENT is dated this 25th day of April, 2007 and is entered into, by and between:

(1) **Western Area Power Administration – Desert Southwest Region** having its registered and principal place of business located at 615 South 43rd Avenue, Phoenix, Arizona 85009 (the “SC”);

and

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

The Scheduling Coordinator and the ISO are hereinafter referred to as the “Parties”.

Whereas:

- A. Section 10 of the ISO Tariff requires the ISO to enter into a meter service agreement with each Scheduling Coordinator responsible for providing Settlement Quality Meter Data for Scheduling Coordinator Metered Entities that it represents.
- B. Section 10 of the ISO Tariff requires Scheduling Coordinators to ensure that the Scheduling Coordinator Metered Entities that they represent adhere to the requirements and standards for Metering Facilities set forth in Section 10.3.
- C. The Parties are entering into this Agreement in order to establish the terms and conditions upon which the ISO and the Scheduling Coordinator shall discharge their respective duties and responsibilities pursuant to this Agreement and the ISO Tariff.
- D. All obligations and responsibilities included in this Agreement may be set forth in further detail in the ISO Tariff.

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

ARTICLE I**DEFINITIONS AND INTERPRETATION**

1.1 Master Definitions Supplement. Unless defined in Section 1.2 of this Agreement, all terms and expressions used in this Agreement shall have the same meaning as those contained in the Master Definitions Supplement to the ISO Tariff.

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

“ISO Authorized Inspector” has the meaning as defined in the ISO Tariff.

“ISO Metered Entity” means:

- (a) any one of the following entities that is directly connected to the ISO Controlled Grid:
 - i. a Generator other than a Generator that sells all of its Energy (excluding any Energy consumed by auxiliary load equipment electrically connected to that Generator at the same point) and Ancillary Services to the UDC in whose Service Area it is located;
 - ii. an Eligible Customer; or
 - iii. an End-User other than an End-User that purchases all of its Energy from the UDC in whose Service Area it is located; and
- (b) any one of the following entities:
 - i. a Participating Generator;
 - ii. a Participating TO in relation to its Tie Point Meters with other TOs or Control Areas; or
 - iii. a Participating Load.

“MDAS” means the ISO’s revenue metering data acquisition and processing system.

“Metering Facilities” means revenue quality meters, instrument transformers, secondary circuitry, secondary devices, meter data servers, related communication facilities and other related local equipment.

“SC” means Scheduling Coordinator.

“Scheduling Coordinator Metered Entity” or “SC Metered Entity” means a Generator, Eligible Customer or End-User that is not an ISO Metered Entity.

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

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

ARTICLE II

TERM AND TERMINATION

- 2.1 Effective Date.** This Agreement shall be effective as of the later of the date of execution of this Agreement, or the date it is accepted and made effective by FERC, and shall remain in full force and effect until terminated by operation of law or pursuant to Section 2.2 of this Agreement.
- 2.2 Termination**
- 2.2.1 Termination by ISO.** Subject to Section 14 the ISO may terminate this Agreement by giving written notice of termination in the event that the Scheduling Coordinator commits any default under this Agreement and/or the ISO Tariff which, if capable of being remedied, is not remedied within thirty (30) days after the ISO has given it written notice of the default, unless excused by reason of Uncontrollable Force in accordance with Section 14 of the ISO Tariff. With respect to any notice of termination given pursuant to this Section, the ISO must file a timely notice of termination with FERC. The filing of the notice of termination by the ISO will be considered timely if: (1) the request to file a notice of termination is made after the preconditions for termination have been met, and (2) the ISO files the notice of termination within 30 days of receipt of such request. This Agreement shall terminate upon acceptance by FERC of such notice of termination.
- 2.2.2 Termination by SC.** In the event that the Scheduling Coordinator wishes to terminate this Agreement, the Scheduling Coordinator shall give the ISO ninety (90) days written notice. With respect to any notice of termination given pursuant to this Section, the ISO must file a timely notice of termination with FERC. The filing of the notice of termination by the ISO will be considered timely if: (1) the request to file a notice of termination is made after the preconditions for termination have been met, and (2) the ISO files the notice of termination within 30 days of receipt of such request. This Agreement shall terminate upon acceptance by FERC of such a notice of termination.

ARTICLE III

GENERAL TERMS AND CONDITIONS

- 3.1 Agreement Subject to ISO Tariff.** This Agreement shall be subject to the provisions of the ISO Tariff which shall be deemed to be incorporated herein, as the same may be changed or superseded from time to time. The Parties agree that they will comply with the provisions of Section 10 of the ISO Tariff.
- 3.2 Requirements and Standards for Metering Facilities.** The Scheduling Coordinator shall ensure that the Scheduling Coordinator Metered Entities it

represents shall adhere to the requirements and standards for Metering Facilities of its Local Regulatory Authority. If that Scheduling Coordinator Metered Entity's Local Regulatory Authority has not set any requirements or standards in relation to any of its Metering Facilities, the Scheduling Coordinator representing that Scheduling Coordinator Metered Entity must comply with the requirements and standards for those Metering Facilities as set forth in this Agreement and the ISO Tariff.

3.3 Obligations and Rights of the Scheduling Coordinator.

3.3.1 Meter Information. If the ISO so requests, the Scheduling Coordinator shall provide in the format prescribed by Schedule 1 to this Agreement the required information with respect to the meters for all Scheduling Coordinator Metered Entities it represents including the reference to specific distribution loss factors or methodology it proposes to use as determined by the relevant UDC and approved by the relevant Local Regulatory Authority. The Scheduling Coordinator must

Immediately notify the ISO of any changes to the information provided to the ISO in accordance with this Section 3.3.1 and provide the ISO with any information in relation to such change as reasonably requested by the ISO. Any amendments or additions to Schedule 1 shall not constitute an amendment to this Agreement.

3.3.2 Assistance and Cooperation of Scheduling Coordinator. The Scheduling Coordinator shall ensure that the ISO shall, upon reasonable notice, have access to the entire Metering Facilities of the Scheduling Coordinator Metered Entities that it represents from the meter data server to the Metering Facilities in order to inspect, test or otherwise audit those Metering Facilities.

3.3.3 Profiled and Cumulative Meter Data. The Scheduling Coordinator shall provide the ISO with any applicable load profile for each Scheduling Coordinator Metered Entity that it represents that is load profiled in accordance with the ISO Tariff. The Scheduling Coordinator shall provide a copy of the load profile applicable to each Scheduling Coordinator Metered Entity (if any) that it represents which shall be set forth in Schedule 2 to this Agreement. The Scheduling Coordinator must immediately notify the ISO of any changes to the load profiles referred to in Schedule 2 to this Agreement and provide the ISO with a copy of the new or amended load profile. Such change to Schedule 2 shall not constitute an amendment to this Agreement.

3.3.4 Security and Validation Procedures. The Scheduling Coordinator shall apply to the Meter Data of the Scheduling Coordinator Metered Entities that it represents, the security and validation procedures prescribed by the relevant Local Regulatory Authority. If the relevant Local Regulatory Authority has not prescribed any such procedures, the Scheduling Coordinator shall apply the procedures set forth in the ISO Tariff. Meter Data submitted by a Scheduling

Coordinator for Scheduling Coordinator Metered Entities shall conform to these standards unless the ISO has, at its discretion, exempted the Scheduling Coordinator from these standards.

3.4 Obligations and Rights of the ISO.

3.4.1 Exemptions Granted by ISO. Any exemptions provided for under the ISO Tariff that are granted by the ISO shall be set forth in Schedule 3 to this Agreement. Any amendment or addition to Schedule 3 shall not constitute an amendment to this Agreement.

3.4.2 ISO as Third-Party Beneficiary. The ISO shall be a third-party beneficiary to the agreements between the Scheduling Coordinator and Scheduling Coordinator Metered Entities that the Scheduling Coordinator represents. Such agreements shall grant the ISO access to any relevant information, records and facilities of the Scheduling Coordinator Metered Entity as needed for the ISO to fulfill its obligations under this Agreement and the ISO Tariff.

ARTICLE IV

PENALTIES & SANCTIONS

4.1 Penalties. If the Scheduling Coordinator provides inaccurate or incorrect Settlement Quality Meter Data or fraudulent Meter Data to the ISO, the ISO shall be entitled to impose penalties and sanctions, including but not limited to suspension of trading rights following 14 days written notice to the Scheduling Coordinator. Fraudulent Meter Data means any data provided to the ISO by the Scheduling Coordinator that the Scheduling Coordinator knows to be false, incorrect or incomplete at the time it provided it to the ISO. All penalties and sanctions shall be set forth in Schedule 4 Part

A. No penalties or sanctions, including the suspension of trading rights, may be imposed under this Agreement unless a Schedule providing for such penalties or sanctions has first been filed with and made effective by FERC. Nothing in the Agreement, with the exception of the provisions relating to ADR, shall be construed as waiving the rights of the Scheduling Coordinator to oppose or protest any penalty proposed by the ISO to the FERC or the specific imposition by the ISO of any FERC-approved penalty on the Scheduling Coordinator. The ISO will provide notice to all Scheduling Coordinators of any filing of proposed penalties or sanctions with the FERC. The ISO shall notify the Scheduling Coordinator of those approved penalties within 14 days of their approval by the FERC.

4.2 Corrective Measures. If the Scheduling Coordinator or any Scheduling Coordinator Metered Entity that it represents fails to meet or maintain the standards for Metering Facilities or comply with the audit or test procedures as

set forth in the ISO Tariff, the ISO shall be permitted to take corrective measures. Details of the corrective measures and rights the ISO may exercise upon any failure by any entity to meet those standards for Metering Facilities or to comply with the audit or test procedures shall be set forth in Schedule 4 Part B.

ARTICLE V

ACCESS TO METER DATA

- 5.1 Third Parties.** Third parties that are authorized by the Scheduling Coordinator to access the Meter Data of a Scheduling Coordinator Metered Entity held by the ISO and that are entitled to such Meter Data shall be identified in Schedule 5 to this Agreement. The Scheduling Coordinator shall not provide a third party access to Meter Data of a Scheduling Coordinator Metered Entity unless the Scheduling Coordinator has permission from that Scheduling Coordinator Metered Entity to provide that access. The relevant UDCs and TOs shall be included in Schedule 5 provided that the Scheduling Coordinator Metered Entity has granted those UDCs and TOs access to its Meter Data. Any amendment or addition to Schedule 5 shall not constitute an amendment to this Agreement. The Scheduling Coordinator shall, on request by the Scheduling Coordinator Metered Entity, access the Meter Data held by the ISO relating to that Scheduling Coordinator Metered Entity and provide that Meter Data to the Scheduling Coordinator Metered Entity in a timely manner.

ARTICLE VI

COSTS

- 6.1 Certification, Inspection and Auditing of Meters.** The Scheduling Coordinator shall be responsible for all reasonable costs incurred by the ISO or an ISO Authorized Inspector in connection with them carrying out the certification, inspection, testing or auditing of the meters identified in Schedule 1 from which the Scheduling Coordinator provides Meter Data to the ISO. The ISO or ISO Authorized Inspector will furnish the Scheduling Coordinator, upon request, an itemized bill for such costs.

ARTICLE VII

DISPUTE RESOLUTION

- 7.1 Dispute Resolution.** The Parties shall make reasonable efforts to settle all disputes arising out of or in connection with this Agreement. In the event any dispute is not settled, the Parties shall adhere to the ISO ADR Procedures set forth in Section 13 of the ISO Tariff, which is incorporated by reference, except that all reference in Section 13 of the ISO Tariff to Market Participants shall be read as a reference to the Scheduling Coordinator Metered Entity and references to the ISO Tariff shall be read as references to this Agreement.

ARTICLE VIII

REPRESENTATIONS AND WARRANTIES

- 8.1 Representations and Warranties.** Each Party represents and warrants that the execution, delivery and performance of this Agreement by it has been duly authorized by all necessary corporate and/or governmental actions, to the extent authorized by law.
- 8.2 Necessary Authority.** The Scheduling Coordinator represents and warrants that all of the entities which it identifies on Schedule 1 as Scheduling Coordinator Metered Entities that it represents have granted it all necessary authority to enable it to carry out its obligations under this Agreement and the ISO Tariff, and, subject to the execution and delivery by the ISO, this Agreement will be enforceable against the Scheduling Coordinator in accordance with its terms.
- 8.3 Meter Data Access.** The Scheduling Coordinator represents and warrants that all third parties referred to in Schedule 5 to this Agreement have been authorized by the relevant Scheduling Coordinator Metered Entity as having access to its Settlement Quality Meter Data.

ARTICLE IX

LIABILITY AND INDEMNIFICATION

- 9.1 Liability and Indemnification.** The provisions of Section 14 of the ISO Tariff will apply to liability arising under this Agreement except that all references in Section 14 of the ISO Tariff to Market Participants shall be read as references to the Scheduling Coordinator and references in the ISO Tariff shall be read as references to this Agreement.

ARTICLE X**UNCONTROLLABLE FORCES**

- 10.1 Uncontrollable Forces.** Section 14 of the ISO Tariff shall be incorporated by reference into this Agreement except that all references in Section 14 of the ISO Tariff to Market Participants shall be read as references to the Scheduling Coordinator and all references to the ISO Tariff shall be read as references to this Agreement.

ARTICLE XI**MISCELLANEOUS**

- 11.1 Assignments.** Either Party may assign or transfer any or all of its rights and/or obligations under this Agreement with the other Party's prior written consent in accordance with Section 22.2 of the ISO Tariff. Such consent shall not be unreasonably withheld. Any such transfer or assignment shall be conditioned upon the successor in interest accepting the rights and/or obligations under this Agreement as if said successor in interest was an original Party to this Agreement.
- 11.2 Notices.** Any notice, demand or request which may be given to or made upon either Party regarding this Agreement shall be made in accordance with the Scheduling Coordinator's Scheduling Coordinator Agreement and in accordance with Section 22.4 of the ISO Tariff. A Party must update the information in Schedule 6 as information changes. Such changes shall not constitute an amendment to this Agreement.
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California Independent System Operator Corporation

By: *Karen Edson* *RR*
Name: Karen Edson
Vice President
Title: External Affairs
Date: 4/25/07

Western Area Power Administration – Desert Southwest Region

By: *Penny D. Casey*
Name: Penny D. Casey
Title: Energy Management + Marketing office, mgr
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4. **Equal Opportunity Employment Practices.** Section 202 of Executive Order No. 11246, 30 Fed. Reg. 12319 (1965), as amended by Executive Order No. 12086, 43 Fed. Reg. 46501 (1978), as amended or supplemented, which provides, among other things, that the CAISO will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin, is incorporated herein by reference the same as if the specific language had been

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SCHEDULE 1

METER INFORMATION

[Section 3.3.1]

Meter Number

Name of the Facility

Contact details for Scheduling Coordinator Metered Entity Representative

SCHEDULE 2

APPROVED LOAD PROFILE

[Section 3.3.3]

Attach details of each load profile used by the Scheduling Coordinator Metered Entities represented by the Scheduling Coordinator, the names of the Scheduling Coordinator Metered Entities that use each of those load profiles and the name of the Local Regulatory Authority that approved each of those load profiles.

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EXEMPTIONS FROM METERING STANDARDS AND OTHER REQUIREMENTS

[Section 3.4.1]

Exemption

Attach variation with an explanation.

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Name of the relevant Local Regulatory Authority which sets security and validation standards for the Scheduling Coordinator Metered Entity.

NONE .

Other Exemptions

NONE

SCHEDULE 4

PART A

ISO IMPOSED PENALTIES AND SANCTIONS

[Section 4.1]

TO BE INSERTED UPON FERC APPROVAL

PART B

CORRECTIVE MEASURES

[Section 4.2]

TO BE DEVELOPED

SCHEDULE 5

ACCESS TO METER DATA

[Section 5.1]

List the third parties authorized by each Scheduling Coordinator Metered Entity represented by the Scheduling Coordinator to access that Scheduling Coordinator Metered Entities' Settlement Quality Meter Data.

APS Energy Services Company, Inc.

SCHEDULE 6**NOTICE****[Section 11.2]****Name of Primary**

Representative: Penny Casey
Title: Manager, Energy Management and Marketing Office
Company: Western Area Power Administration – Desert Southwest Region
Address: 615 South 43rd Avenue
City/State/Zip Code: Phoenix, AZ 85009
Email Address: casey@wapa.gov
Phone: (602) 605-2585
Fax No: (602) 605-2831

Name of Alternative

Representative: Roy Tinsley
Title: Program Manager
Company: Western Area Power Administration – Desert Southwest Region
Address: 615 South 43rd Avenue
City/State/Zip Code: Phoenix, AZ 85009
Email Address: tinsley@wapa.gov
Phone: (602) 605-2788
Fax No: (602) 605-2831

ISO:**Name of Primary**

Representative: Roni L. Reese
Title: Sr. Contracts Analyst
Address: 151 Blue Ravine Road
City/State/Zip Code: Folsom, CA 95630
Email address: rreese@caiso.com
Phone: (916) 608-7027
Fax: (916) 608-7292

**Name of Alternative
Representative:**

Philip D. Pettingill
Title: Manager of Infrastructure Policy & Contracts
Address: 151 Blue Ravine Road
City/State/Zip Code: Folsom, CA 95630
Email address: ppettingill@caiso.com
Phone: (916) 608-7241
Fax: (916) 608-7292

ATTACHMENT D

**CALIFORNIA INDEPENDENT SYSTEM
OPERATOR**

AND

**WESTERN AREA POWER ADMINISTRATION
DESERT SOUTHWEST REGION**

FIRST AMENDMENT TO

**SCHEDULING COORDINATOR
AGREEMENT**

**CALIFORNIA INDEPENDENT SYSTEM OPERATOR
AND
WESTERN AREA POWER ADMINISTRATION**

FIRST AMENDMENT TO

SCHEDULING COORDINATOR AGREEMENT

THIS FIRST AMENDMENT is made this 13th day of February, 2008
("Amendment") and is entered into, by and between:

(1) **CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION**, a California nonprofit public benefit corporation having a principal executive office located at such place in the State of California as the ISO Governing Board may from time to time designate, initially 151 Blue Ravine Road, Folsom, California 95630 (the "CAISO").

and

(2) **WESTERN AREA POWER ADMINISTRATION – DESERT SOUTHWEST REGION** having a registered or principal executive office at 615 South 43rd Avenue, Phoenix, Arizona 85009 (the "Scheduling Coordinator").

The **CAISO** and the **WESTERN AREA POWER ADMINISTRATION – DESERT SOUTHWEST REGION ("WESTERN-DSR")** are hereinafter referred to individually as "Party" or collectively as the "Parties."

Whereas:

- A. The Parties are signatories to a Scheduling Coordinator Agreement, dated April 25, 2007, (the "Agreement"), which Agreement became effective in accordance with its terms on May 1, 2007.
- B. WESTERN-DSR has requested the CAISO to include a few general provisions in order to make the Agreement conform to federal contracting guidelines.
- C. The Parties now desire to amend the Agreement by entering into this Amendment.
- D. The Parties intend that the Agreement remain in full force and effect in accordance with its terms in all other respects.

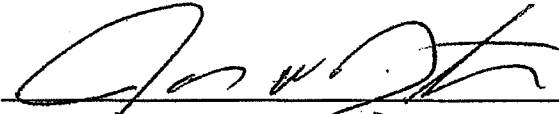
NOW THEREFORE, **THE PARTIES AGREE** as follows:

1. **Effective Date.** This Amendment shall be effective on the date accepted for filing and made effective by the Federal Energy Regulatory Commission.
2. **Complete and Final Agreement.** This Amendment constitutes a complete and final agreement of the Parties with respect to the purpose of this Amendment as described in the Recitals hereto and supersedes all prior understandings, whether written or oral, with respect to such subject matter.
3. **Agreement in Full Force and Effect.** Except as expressly modified in this Amendment, the Agreement shall remain in full force and effect in accordance with its terms, and the unmodified provisions of the Agreement shall apply to any new rights and/or obligations established by this Amendment.
4. **Amendment.** Attachment 1 is hereby made a part of this Agreement the same as if they had been expressly set forth herein the Scheduling Coordinator Agreement, dated April 25, 2007.

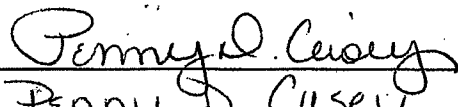


IN WITNESS WHEREOF, the Parties have caused this Amendment to be duly executed by and through their respective authorized representatives as of the date hereinabove written.

California Independent System Operator Corporation

By: 
Name: JAMES W DETMERS
Title: VP OPERATIONS
Date: 2/13/08

Western Area Power Administration – Desert Southwest Region

By: 
Name: Penny D. Casey
Title: Manager, Energy Mgmt + Mktg Office
Date: June 21, 2007

**FIRST AMENDMENT
TO
SCHEDULING COORDINATOR AGREEMENT WITH
WESTERN AREA POWER ADMINISTRATION – DESERT SOUTHWEST REGION**

ATTACHMENT 1

1. **Contingent upon Appropriations.** Where activities provided for in the contract extend beyond the current fiscal year, continued expenditures by the United States are contingent upon Congress making the necessary appropriations required for the continued performance of the United States' obligations under the contract. In case such appropriation is not made, the CAISO hereby releases the United States from its contractual obligations and from all liability due to the failure of Congress to make such appropriation.
2. **Covenant against Contingent Fees.** The CAISO warrants that no person or selling agency has been employed or retained to solicit or secure the contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the CAISO for the purpose of securing business. For breach or violation of this warranty, Western shall have the right to annul the contract without liability or in its discretion to deduct from the contract price or consideration the full amount of such commission, percentage, brokerage, or contingent fee.
3. **Contract Work Hours and Safety Standards.** The contract, to the extent that it is of a character specified in Section 103 of the Contract Work Hours and Safety Standards Act (Act), 40 U.S.C. § 329, as amended or supplemented, is subject to the provisions of the Act, 40 U.S.C. §§ 327-334, as amended or supplemented, and to regulations promulgated by the Secretary of Labor pursuant to the Act.
4. **Equal Opportunity Employment Practices.** Section 202 of Executive Order No. 11246, 30 Fed. Reg. 12319 (1965), as amended by Executive Order No. 12086, 43 Fed. Reg. 46501 (1978), as amended or supplemented, which provides, among other things, that the CAISO will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin, is incorporated herein by reference the same as if the specific language had been written into the contract, except that Indian Tribes and tribal organizations may apply Indian preference to the extent permitted by Federal law.

5. **Use of Convict Labor.** The CAISO agrees not to employ any person undergoing sentence of imprisonment in performing the contract except as provided by 18 U.S.C. § 3622(c), as amended or supplemented, and Executive Order No. 11755, 39 Fed. Reg. 779 (1973), as amended or supplemented.

6. **Counterparts.** This Amendment may be executed in one or more counterparts at different times, each of which shall be regarded as an original and all of which, taken together, shall constitute one and the same agreement.

7. **Termination.** The provisions of this Amendment including any subsequent amendments shall remain in full force and effect until the termination of the Agreement.

ATTACHMENT E

**SCHEDULING COORDINATOR AGREEMENT WITH
WESTERN AREA POWER ADMINISTRATION
DESERT SOUTHWEST REGION**

Issued by: Anjali Sheffrin, Ph.D, Chief Economist
Issued on: April 9, 2008

Effective: June 9, 2008

**CALIFORNIA INDEPENDENT SYSTEM
OPERATOR**

AND

**WESTERN AREA POWER ADMINISTRATION
DESERT SOUTHWEST REGION**

**SCHEDULING COORDINATOR
AGREEMENT**

Scheduling Coordinator Agreement

THIS AGREEMENT is made this 25TH day of April, 2007 and is entered into, by and between:

- (1) **Western Area Power Administration – Desert Southwest Region** having a registered or principal executive office at 615 South 43rd Avenue, Phoenix, Arizona 85009 (the “Scheduling Coordinator”)

and

- (2) **CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION**, a California nonprofit public benefit Corporation having a principal executive office located at such place in the State of California as the ISO Governing Board may from time to time designate (the “ISO”).

Whereas:

- A. The Scheduling Coordinator has applied for certification by the ISO under the certification procedure referred to in Section 4.5.1 of the ISO Tariff.
- B. The Scheduling Coordinator wishes to schedule Energy and Ancillary Services on the ISO Controlled Grid under the terms and conditions set forth in the ISO Tariff.

NOW IT IS HEREBY AGREED as follows:

1. Definitions

- A. Terms and expressions used in this Agreement shall have the same meanings as those contained in the Master Definitions Supplement to the ISO Tariff.
- B. The “ISO Tariff” shall mean the ISO Operating Agreement and Tariff as amended from time to time, together with any Appendices or attachments thereto.

2. Covenant of the Scheduling Coordinator

The Scheduling Coordinator agrees that:

- A. the ISO Tariff governs all aspects of scheduling of Energy and Ancillary Services on the ISO Controlled Grid, including (without limitation), the financial and technical criteria for Scheduling Coordinators, bidding, settlement, information reporting requirements and confidentiality restrictions;

- B. it will abide by, and will perform all of the obligations under the ISO Tariff placed on Scheduling Coordinators in respect of all matters set forth therein including, without limitation, all matters relating to the scheduling of Energy and Ancillary Services on the ISO Controlled Grid, ongoing obligations in respect of scheduling, Settlement, system security policy and procedures to be developed by the ISO from time to time, billing and payments, confidentiality and dispute resolution;
- C. it shall ensure that each UDC, over whose Distribution System Energy or Ancillary Services are to be transmitted in accordance with Schedules, Adjustment Bids or bids for Ancillary Services submitted to the ISO by the Scheduling Coordinator, enters into a UDC operating agreement in accordance with Section 4.4 of the ISO Tariff;
- D. it shall ensure that each Generator for which it schedules Energy or on whose behalf it submits to the ISO Adjustment Bids or bids for Ancillary Services enters into a Generator agreement in accordance with Section 4.6 of the ISO Tariff;
- E. it shall have the primary responsibility to the ISO, as principal, for all Scheduling Coordinator payment obligations under the ISO Tariff;
- F. its status as a Scheduling Coordinator is at all times subject to the ISO Tariff.

3. Term and Termination

- 3.1 This Agreement shall commence on the date the Scheduling Coordinator is certified by the ISO as a Scheduling Coordinator.
- 3.2 This Agreement shall terminate upon acceptance by FERC of a notice of termination. The ISO shall timely file any notice of termination with FERC.

4. Assignment

Either party may assign its obligations under this Agreement with the other party's consent; such consent shall not to be unreasonably withheld.

5. Partial Invalidity

If any provision of this Agreement, or the application of such provision to any persons, circumstance or transaction, shall be held invalid, the remainder of this Agreement, or the application of such provision to other persons or circumstances or transactions, shall not be affected thereby.

6. Settlement Account

The Scheduling Coordinator shall maintain at all times an account with a bank capable of Fed-Wire transfer to which credits or debits shall be made in accordance with the

billing and Settlement provisions of Section 11 of the ISO Tariff. Such account shall be the account referred to in Clause 7 hereof or as notified by the Scheduling Coordinator to the ISO from time to time by giving at least 7 days written notice before the new account becomes operational.

7. Notices

Any notice, demand or request made to or by either party regarding this Agreement shall be made in accordance with the ISO Tariff and unless otherwise stated or agreed shall be made to the representative of the other party indicated below.

California Independent System Operator Corporation:

Name of Primary

Representative: Roni L. Reese
Title: Sr. Contracts Analyst
Company: California Independent System Operator Corporation
Address: 151 Blue Ravine Road
City/State/Zip Code: Folsom, CA 95630
Email Address: rreese@caiso.com
Phone: (916) 608-7027
Fax No: (916) 608-7292

Scheduling Coordinator:

Name of Primary

Representative: Penny Casey
Title: Manager, Energy Management and Marketing Office
Company: Western Area Power Administration – Desert Southwest Region
Address: 615 South 43rd Avenue
City/State/Zip Code: Phoenix, AZ 85009
Email Address: casey@wapa.gov
Phone: (602) 605-2585
Fax No: (602) 605-2831



Settlement Account No:

Title: U.S. Treasury
Sort Code: 051036706
Bank: Federal Reserve Richmond

8. Agreement to be bound by ISO Tariff

The ISO Tariff is incorporated herein and made a part hereof. In the event of a conflict between the terms and conditions of this Agreement and any other terms and conditions set forth in the ISO Tariff, the terms and conditions of the ISO Tariff shall prevail.

9. Electronic Contracting

All submitted applications, schedules, bids, confirmations, changes to information on file with the ISO and other communications conducted via electronic transfer (e.g. direct computer link, FTP file transfer, bulletin board, e-mail, facsimile or any other means established by the ISO) shall have the same legal rights, responsibilities, obligations and other implications as set forth in the terms and conditions of the ISO Tariff as if executed in written format.

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

California Independent System Operator Corporation

By: *Karen Edson*
Name: Karen Edson
Title: Vice President
External Affairs
Date: 4-25-07

Western Area Power Administration – Desert Southwest Region

By: *Penny D. Casey*
Name: Penny D. Casey
Title: Energy management + Marketing Office, mgr
Date: 4/24/07

ATTACHMENT 1

1. **Contingent upon Appropriations.** Where activities provided for in the contract extend beyond the current fiscal year, continued expenditures by the United States are contingent upon Congress making the necessary appropriations required for the continued performance of the United States' obligations under the contract. In case such appropriation is not made, the CAISO hereby releases the United States from its contractual obligations and from all liability due to the failure of Congress to make such appropriation.
2. **Covenant against Contingent Fees.** The CAISO warrants that no person or selling agency has been employed or retained to solicit or secure the contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the CAISO for the purpose of securing business. For breach or violation of this warranty, Western shall have the right to annul the contract without liability or in its discretion to deduct from the contract price or consideration the full amount of such commission, percentage, brokerage, or contingent fee.
3. **Contract Work Hours and Safety Standards.** The contract, to the extent that it is of a character specified in Section 103 of the Contract Work Hours and Safety Standards Act (Act), 40 U.S.C. § 329, as amended or supplemented, is subject to the provisions of the Act, 40 U.S.C. §§ 327-334, as amended or supplemented, and to regulations promulgated by the Secretary of Labor pursuant to the Act.
4. **Equal Opportunity Employment Practices.** Section 202 of Executive Order No. 11246, 30 Fed. Reg. 12319 (1965), as amended by Executive Order No. 12086, 43 Fed. Reg. 46501 (1978), as amended or supplemented, which provides, among other things, that the CAISO will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin, is incorporated herein by reference the same as if the specific language had been written into the contract, except that Indian Tribes and tribal organizations may apply Indian preference to the extent permitted by Federal law.



5. **Use of Convict Labor.** The CAISO agrees not to employ any person undergoing sentence of imprisonment in performing the contract except as provided by 18 U.S.C. § 3622(c), as amended or supplemented, and Executive Order No. 11755, 39 Fed. Reg. 779 (1973), as amended or supplemented.

6. **Counterparts.** This Amendment may be executed in one or more counterparts at different times, each of which shall be regarded as an original and all of which, taken together, shall constitute one and the same agreement.

7. **Termination.** The provisions of this Amendment including any subsequent amendments shall remain in full force and effect until the termination of the Agreement.

ATTACHMENT F

**CALIFORNIA INDEPENDENT SYSTEM
OPERATOR**

AND

**WESTERN AREA POWER ADMINISTRATION
DESERT SOUTHWEST REGION**

**SCHEDULING COORDINATOR
AGREEMENT**

Scheduling Coordinator Agreement

THIS AGREEMENT is made this 25TH day of April, 2007 and is entered into, by and between:

- (1) **Western Area Power Administration – Desert Southwest Region** having a registered or principal executive office at 615 South 43rd Avenue, Phoenix, Arizona 85009 (the "Scheduling Coordinator")

and

- (2) **CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION**, a California nonprofit public benefit Corporation having a principal executive office located at such place in the State of California as the ISO Governing Board may from time to time designate (the "ISO").

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- A. The Scheduling Coordinator has applied for certification by the ISO under the certification procedure referred to in Section 4.5.1 of the ISO Tariff.
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The Scheduling Coordinator agrees that:

- A. the ISO Tariff governs all aspects of scheduling of Energy and Ancillary Services on the ISO Controlled Grid, including (without limitation), the financial and technical criteria for Scheduling Coordinators, bidding, settlement, information reporting requirements and confidentiality restrictions;

- B. it will abide by, and will perform all of the obligations under the ISO Tariff placed on Scheduling Coordinators in respect of all matters set forth therein including, without limitation, all matters relating to the scheduling of Energy and Ancillary Services on the ISO Controlled Grid, ongoing obligations in respect of scheduling, Settlement, system security policy and procedures to be developed by the ISO from time to time, billing and payments, confidentiality and dispute resolution;
- C. it shall ensure that each UDC, over whose Distribution System Energy or Ancillary Services are to be transmitted in accordance with Schedules, Adjustment Bids or bids for Ancillary Services submitted to the ISO by the Scheduling Coordinator, enters into a UDC operating agreement in accordance with Section 4.4 of the ISO Tariff;
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California Independent System Operator Corporation:

Name of Primary

Representative: Roni L. Reese
Title: Sr. Contracts Analyst
Company: California Independent System Operator Corporation
Address: 151 Blue Ravine Road
City/State/Zip Code: Folsom, CA 95630
Email Address: reese@caiso.com
Phone: (916) 608-7027
Fax No: (916) 608-7292

Scheduling Coordinator:

Name of Primary

Representative: Penny Casey
Title: Manager, Energy Management and Marketing Office
Company: Western Area Power Administration – Desert Southwest Region
Address: 615 South 43rd Avenue
City/State/Zip Code: Phoenix, AZ 85009
Email Address: casey@wapa.gov
Phone: (602) 605-2585
Fax No: (602) 605-2831



Settlement Account No:

Title: U.S. Treasury
Sort Code: 051036706
Bank: Federal Reserve Richmond

8. Agreement to be bound by ISO Tariff

The ISO Tariff is incorporated herein and made a part hereof. In the event of a conflict between the terms and conditions of this Agreement and any other terms and conditions set forth in the ISO Tariff, the terms and conditions of the ISO Tariff shall prevail.

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All submitted applications, schedules, bids, confirmations, changes to information on file with the ISO and other communications conducted via electronic transfer (e.g. direct computer link, FTP file transfer, bulletin board, e-mail, facsimile or any other means established by the ISO) shall have the same legal rights, responsibilities, obligations and other implications as set forth in the terms and conditions of the ISO Tariff as if executed in written format.



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

California Independent System Operator Corporation

By: *Karen Edson*
Name: Karen Edson
Title: Vice President
External Affairs
Date: 4-25-07

Western Area Power Administration – Desert Southwest Region

By: *Penny D. Casey*
Name: Penny D. Casey
Title: Energy management + Marketing Office, mgr
Date: 4/24/07

ATTACHMENT 1

- 1. Contingent upon Appropriations.** Where activities provided for in the contract extend beyond the current fiscal year, continued expenditures by the United States are contingent upon Congress making the necessary appropriations required for the continued performance of the United States' obligations under the contract. In case such appropriation is not made, the CAISO hereby releases the United States from its contractual obligations and from all liability due to the failure of Congress to make such appropriation.
- 2. Covenant against Contingent Fees.** The CAISO warrants that no person or selling agency has been employed or retained to solicit or secure the contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the CAISO for the purpose of securing business. For breach or violation of this warranty, Western shall have the right to annul the contract without liability or in its discretion to deduct from the contract price or consideration the full amount of such commission, percentage, brokerage, or contingent fee.
- 3. Contract Work Hours and Safety Standards.** The contract, to the extent that it is of a character specified in Section 103 of the Contract Work Hours and Safety Standards Act (Act), 40 U.S.C. § 329, as amended or supplemented, is subject to the provisions of the Act, 40 U.S.C. §§ 327-334, as amended or supplemented, and to regulations promulgated by the Secretary of Labor pursuant to the Act.
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6. **Counterparts.** This Amendment may be executed in one or more counterparts at different times, each of which shall be regarded as an original and all of which, taken together, shall constitute one and the same agreement.

7. **Termination.** The provisions of this Amendment including any subsequent amendments shall remain in full force and effect until the termination of the Agreement.

CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing document upon all parties listed as receiving service in that document, in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.2010).

Dated at Washington, D.C. this 9th day of April, 2008.


Bradley R. Mliauskas