

“**BEEP**” means the Balancing Energy and Ex-Post Pricing software referred to in SP 11.2 which is used to determine the merit order stack.

“**Control Area Operator**” means the person responsible for managing the real time operations of a Control Area.

“**Dispatch Instruction**” means an operating order that is issued by the ISO to a Participant pertaining to real time operations.

“**GCC**” means the single point of contact at the grid control center of Southern California Edison Company.

“**ISO Home Page**” means the ISO internet home page at <http://www.caiso.com> or such other internet address as the ISO shall publish from time to time.

“**Primary ISO Control Center**” means the ISO Control Center located in Folsom, California.

“**Participant**” means any of those entities referred to in DP 1.3.1(a)-(f).

“**Power System Stabilizer (PSS)**” means an electronic control system applied on a Generating Unit that helps to damp out dynamic oscillations on a power system. The PSS senses Generator variables, such as voltage, current and shaft speed, processes this information and sends control signals to the Generator voltage regulator.

“**Qualifying Facility**” means a qualifying co-generation or small power production facility recognized by FERC.

“**Security Coordinator**” means the person responsible for Security Monitoring in real time for the California Area.

“**TOC**” means the single point of contact at the transmission operations center of Pacific Gas & Electric Company.

“**Total Transfer Capability (TTC)**” means the amount of power that can be transferred over an interconnected transmission network in a reliable manner while meeting all of a specific set of defined pre-contingency and post-contingency system conditions.

“**Western Interconnection**” means a network of transmission lines embodied within the WSCC Region.

DP 1.2.3 Rules of Interpretation

- (a) Unless the context otherwise requires, if the provisions of this Protocol and the ISO Tariff conflict, the ISO Tariff will prevail to the extent of the inconsistency. The provisions of the ISO Tariff have been summarized or repeated in this Protocol only to aid understanding.
- (b) A reference in this Protocol to a given agreement, ISO Protocol 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.
- (c) The captions and headings in this Protocol are inserted solely to facilitate reference and shall have no bearing upon the interpretation of any of the terms and conditions of this Protocol.
- (d) This Protocol shall be effective as of the ISO Operations Date.
- (e) Time references in this Protocol are references to prevailing Pacific time.

DP 1.3 Scope

DP 1.3.1 Scope of Application to Parties

This Protocol applies to the ISO and to the Participants:

- (a) Scheduling Coordinators (SCs);
- (b) Utility Distribution Companies (UDCs);
- (c) Participating Transmission Owners (PTOs);
- (d) Participating Generators;
- (e) Control Area Operators, to the extent the agreement between the Control Area Operator and the ISO so provides; and
- (f) Metered Subsystem (MSS) Operators.

DP 1.3.2 Liability of the ISO

Any liability of the ISO arising out of or in relation to this Protocol shall be subject to Section 14 of the ISO Tariff as if references to the ISO Tariff were references to this Protocol.

- (e) Interconnection schedules between the ISO Control Area and other Control Areas; and
- (f) Inter-Scheduling Coordinator Energy Trades.

DP 3.2 Supplemental Energy

In addition to the Final Schedules, Supplemental Energy bids will be available to the ISO real time dispatchers, as described in the SBP, by forty-five (45) minutes prior to the start of the Settlement Period to which such Supplemental Energy bids apply.

DP 3.3 SC Intertie Schedules

In accordance with the SBP and the SP, SCs shall provide the ISO with Interconnection schedules prepared in accordance with all NERC, WSCC and ISO requirements. The provisions of the SBP and the SP shall apply to real time changes in Interconnection schedules under Existing Contracts.

DP 3.4 Information to be Supplied by SCs

DP 3.4.1 SC Dispatch

Each SC shall be responsible for the scheduling and Dispatch of Generation and Demand in accordance with its Final Schedule.

DP 3.4.2 Generator or Interconnection Schedule Change

Each SC shall keep the ISO apprised of any change or potential change in the current status of all Generating Units, Interconnection schedules and Inter-Scheduling Coordinator Energy Trades. This will include any changes in Generating Unit capacity that could affect planned Dispatch and conditions that could affect the reliability of a Generating Unit. Each SC shall immediately pass to the ISO any information which it receives from a Generator which the Generator provides to the SC pursuant to DP 3.7. Each SC shall immediately pass to the ISO any information it receives from a MSS Operator which the MSS Operator provides to the SC pursuant to DP 3.9.

DP 3.4.3 Verbal Communication with Generators

Normal verbal communication of Dispatch Instructions between the ISO and Generators will be via the relevant SC. Each SC must immediately pass on to the Generator concerned any verbal communication for the Generator which it receives from the ISO. If the ISO considers that there has been a failure at a particular point

DP 3.9 **[Not Used]**

DP 3.9.1 **[Not Used]**

DP 3.9.2 **[Not Used]**

DP 3.9.3 **[Not Used]**

DP 3.9.4 **[Not Used]**

DP 3.9.5 [Not Used]

DP 4 METHODS OF COMMUNICATIONS

DP 4.1 Methods of Transmitting Dispatch Instructions

DP 4.1.1 Full-Time Communications Facility Requirement

Each Participant must provide a communications facility manned twenty-four (24) hours a day, seven (7) days a week capable of receiving Dispatch Instructions issued by the ISO.

DP 4.2 Recording of Dispatch Instructions

The ISO shall maintain records of all electronic, fax and verbal communications related to a Dispatch instruction. The ISO shall maintain a paper or electronic copy of all Dispatch instructions delivered by fax and all Dispatch instructions delivered electronically. The ISO shall record all voice conversations that occur related to Dispatch instructions on the Dispatch Instruction communication equipment. These records, copies and recordings may be used by the ISO to audit the Dispatch Instruction, and to verify the response of the Participant concerned to the Dispatch Instruction.

- such resources in real time for economic trades either between SCs or within a SC's portfolio;
- (d) the ISO shall select the Generating Units, Curtailable Demands and Interconnection schedules to be dispatched to meet its balancing Energy requirements based on the merit order stack of Energy bid prices produced by BEEP;
 - (e) the ISO shall not discriminate between Generating Units, Curtailable Demands and Interconnection schedules other than based on price, and the effectiveness (location and ramp rate) of the resource concerned to respond to the fluctuation in Demand or Generation;
 - (f) Generating Units, Curtailable Demands or Interconnection schedules shall be dispatched during the Settlement Period only until the next variation in Generation or Demand or the end of the Settlement Period, whichever is sooner. In dispatching such resources, the ISO is not making any commitment beyond the Settlement Period, as to the duration of their operation, nor the level of their output or Demand;
 - (g) The ISO will not differentiate between Ancillary Services procured by the ISO and Ancillary Services which are being self-provided;
 - (h) Within BEEP, once a decremental bid has been used by the ISO, it will then be included in the incremental part of the database with its incremental bid equal to its decremental price bid. Once an incremental bid has been used by the ISO it will then be included in the decremental part of the database with a decremental bid equal to its incremental price. In the event that the ISO subsequently needs to decrement output, it will initially decrement the Generating Units or Interconnection schedules incremented previously, and then continue down the merit order of the decremental bids; and
 - (i) The bid ramp rate of a resource will be considered by the BEEP software in determining the amount of Instructed Imbalance Energy by BEEP Interval, and such consideration may result in Instructed Imbalance Energy in BEEP Intervals subsequent to the BEEP Interval to which the Dispatch instruction applies.

