

CITY OF AZUSA, CALIFORNIA
TRANSMISSION OWNER TARIFF

Authorized by City of Azusa
Ordinance No. _____

Issued on: _____

Resolution No. _____ Effective: January 1, 2003
Original Sheet No. 1

TABLE OF CONTENTS

	<u>Page No.</u>
1. Preamble	4
2. Effective Date	4
3. TO Definitions.....	4
4. Eligibility	5
5. Access Charges.....	5
5.1 Transmission Revenue Requirement	5
5.2 Transmission Revenue Balancing Account (“TRBA”).....	5
6. Ancillary Services –Applicability and Charges.....	6
7. Billing and Payment.....	6
8. Expansion and Interconnection	6
8.1 Expansion	6
8.2 Interconnection	7
8.3 Project Managers and Operators	7
9. Uncontrollable Forces and Indemnification.....	7
9.1 Procedures to Follow if Uncontrollable Force Occurs	7
9.2 Indemnification	8
10. Regulatory Filings.....	8
11. Miscellaneous	8
11.1 Notices.....	8
11.2 Waiver	8
11.3 Confidentiality	9
11.3.1 Maintaining Confidentiality if Not for Public Disclosure	9
11.3.2 Disclosure of Confidential Information.....	9
11.4 Titles	9
11.5 Severability	9
11.6 Preservation of Obligations.....	10
11.7 Governing Law	10
11.8 Appendices Incorporated	10
11.9 Consistency with ISO Tariff.....	10
 APPENDIX I – Transmission Revenue Requirement and TRBA Adjustment	 11
 APPENDIX II – Notices	 12

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Resolution No. _____ Effective: January 1, 2003
Original Sheet No. 2

1. **Preamble.** Azusa's TRR for its high voltage transmission Entitlements place under the ISO's Operational Control, and certain terms and conditions relating to transmission expansion of and interconnection with facilities associated with Azusa's Entitlements, are set forth in this TO Tariff and to the extent permitted by joint ownership agreements are intended to be consistent with the ISO Tariff
2. **Effective Date.** This TO Tariff is effective on the date on which Azusa becomes a Participating TO and shall continue to be effective so long as Azusa is a party to the TCA.
3. **TO Definitions.** Certain capitalized terms used in this TO Tariff that are set out immediately below shall have the meanings set out immediately below. Capitalized terms used in this tariff and not defined below shall have the meanings set out in the ISO Tariff as currently effective as of the issuance date of this tariff sheet, including changes authorize in FERC Docket No. ER00-2019.
 - 3.1 **Local Regulatory Authority.** In the case of Azusa, the Azusa City Council.
 - 3.2 **MAP Joint Ownership Agreement.** That certain agreement entered into by the Mead Adelanto owners, as the same may be revised, amended or supplemented from time to time.
 - 3.3 **MAP Coordinating Committee.** Governing committee of the MAP.
 - 3.4 **MAP Operation Agreement.** That certain agreement entered into by the Mead-Adelanto owners and Los Angeles, which, among other things, designates Los Angeles as operation manager for the Mead-Adelanto Project.
 - 3.5 **Marketplace Administrative Committee.** Governing committee of the Marketplace Substation.
 - 3.6 **Marketplace Owners.** Each of the Mead-Phoenix owners and each of the Mead-Adelanto owners, their successors and assigns.
 - 3.7 **Marketplace Substation.** The common terminal for the Mead-Phoenix and Mead-Adelanto Projects and includes the Marketplace-McCullough tie line as common facilities, as more fully described in the Marketplace Substation Participation Agreement.
 - 3.8 **Marketplace Substation Participation Agreement.** That certain agreement entered into by the Marketplace Owners, which provides, among other things, for ownership, construction, operation, maintenance, and rights of use associated with the Marketplace Substation.
 - 3.9 **Mead-Adelanto Project or MAP.** A 500 kV AC transmission line with termination facilities at the Adelanto Switching station and Marketplace Substation, as more fully described in the Mead-Adelanto Project Agreements as defined in the MAP Joint Ownership Agreement.

- 3.10 Mead-Phoenix Project or MPP.** A 500 kV AC transmission line interconnecting the Westwing Switchyard, Mead Substation, and Marketplace Substation, as more fully described in the Mead-Phoenix Agreements as defined in the Mead-Phoenix Joint Ownership Agreement.
- 3.11 MPP Joint Ownership Agreement.** That certain agreement entered into by the Mead-Phoenix owners, as the same may be revised, amended or supplemented from time to time.
- 3.12 MPP Management Committee.** Governing committee of the MPP.
- 3.13 MPP Operation Agreement.** That certain agreement entered into by the Mead-Phoenix owners, SRP and Western, which, among other things, designates SRP and Western as operation managers for the Mead-Phoenix Project.
- 3.14 Participating TO.** Transmission service over Azusa’s high voltage transmission Entitlements placed under the ISO’s Operational Control shall be provided only to Eligible Customers as defined by the ISO Tariff. Any dispute as to whether a customer is eligible for wholesale transmission service shall be resolved by FERC and any dispute as to whether a Azusa End-Use Customer is eligible for service under this TO Tariff shall be resolved by the Local Regulatory Authority. At the present time, there are no Azusa End-Use Customers eligible for service under this tariff.
- 4. Eligibility.** Transmission service over Azusa’s high voltage transmission Entitlements placed under the ISO’s Operational Control shall be provided only to Eligible Customers as defined by the ISO Tariff. Any dispute as to whether a customer is eligible for wholesale transmission service shall be resolved by FERC and any dispute as to whether an Azusa End-Use Customer is eligible for service under this TO Tariff shall be resolved by the Local Regulatory Authority. At the present time, there are no Azusa End-Use Customers eligible for service under this tariff.
- 5. Access Charges.** The applicable Access Charges are provided in the ISO Tariff.

 - 5.1 Transmission Revenue Requirement.** The Transmission Revenue Requirement approved by the Azusa City Council and authorized to be filed with the FERC as a compliance filing in the FERC No. _____ is set forth in Appendix I. Azusa’s Transmission Revenue Requirement is set forth in Appendix I.
 - 5.2 Transmission Revenue Balancing Account (“TRBA”).** The Azusa TRBA adjustment, calculated in accordance with the ISO Tariff and approved by the City Council, is stated in Appendix I.
- 6. Ancillary Services – Applicability and Charges.** If any Ancillary Services are required, Azusa will not provide such services, but transmission customer will be required to meet any such requirement in accordance with the ISO Tariff.

7. Billing and Payment.

7.1 The ISO will make payments to Azusa based upon the Azusa TRR in accordance with the ISO Tariff.

7.2 The ISO, in accordance with the ISO Tariff, shall pay the Participating TO, among other things, Wheeling, Usage, Access Charge revenues, and FTR auction proceeds (excluding Usage Charge revenues payable to FTR Holders) in accordance with the ISO Tariff.

7.3 Users of Azusa's high voltage transmission Entitlements placed under the ISO's Operational Control shall pay to the ISO all applicable charges in accordance with the ISO Tariff.

8. Expansion and Interconnection. Expansion and/or interconnection to the facilities associated with the high voltage transmission Entitlements placed under the ISO's Operational Control require approval of the owners and/or the management committees of those facilities. Azusa will submit, or assist in the submission of, expansion and/or interconnection requests from third parties to the appropriate bodies of a project pursuant to the individual agreements. It is Azusa's intent to facilitate the submission of such requests to the full extent allowed by the agreements governing those projects and the applicable laws and regulations. The project agreements have the provisions, described immediately below, that address expansion and interconnection requests. At this time, the projects do not have explicit procedures for expansions and interconnection requests. In some cases, such procedures may be under development. Third parties making such requests will be responsible for reimbursing all of Azusa's reasonable expenses incurred by Azusa in facilitating submission of such requests to such governing bodies.

8.1 Expansion

8.1.1. Mead-Adelanto Project. Pursuant to the Section 11.4 of the MAP Operation Agreement, the Project Coordinating Committee may consider increasing the available transmission capability of the transmission line.

8.1.2. Mead-Phoenix Project. Pursuant to the Section 11.4 of the MPP Operation Agreement, the Project Management Committee may consider increasing the available transmission capability of the transmission line.

8.1.3. Marketplace Substation. Pursuant to the Section 10.6 of the Marketplace Substation Participation Agreement, the Administrative Committee may consider increasing the capability of the Substation.

8.2 Interconnection

8.2.1 Mead-Adelanto Project. Pursuant to Section 6.2.10 of the MAP Ownership Agreement, the Project Coordinating Committee has the power to approve and designate contracts.

8.2.2 Mead-Phoenix Project. Pursuant to Section 6.2.10 of the MPP Ownership Agreement, the Project Management Committee has the power to approve and designate contracts.

8.2.3 Marketplace Substation. Pursuant to Section 13 of the Marketplace Substation Participation Agreement, any entity may interconnect transmission lines at the Marketplace Substation subject to approval by each Marketplace Owner and execution of an interconnection agreement between the Marketplace Owners and the requesting entity.

8.3 Project Managers and Operators. Each transmission project in which Azusa has Entitlements has a project manager and an operating agent. They are as follows and can be contacted in connection with any request for expansion or interconnection.

	<u>Project Manager</u>	<u>Operating Agent</u>
Mead-Phoenix Project	SRP, WAPA (DSW)	LADWP
Mead-Adelanto Project	LADWP	LADWP

9. Uncontrollable Forces and Indemnification.

9.1 Procedures to Follow if Uncontrollable Force Occurs. In the event of the occurrence of an Uncontrollable Force which prevents a Party from performing any of its obligations under this TO Tariff, such Party shall (i) immediately notify the other Parties in writing of the occurrence of such Uncontrollable Force, (ii) not be entitled to suspend performance in any greater scope or longer duration than is required by the Uncontrollable Force, (iii) use its best efforts to mitigate the effects of such Uncontrollable Force, remedy its inability to perform, and resume full performance hereunder, (iv) keep the other Parties apprised of such efforts on a continual basis and (v) provide written notice of the resumption of performance hereunder. Notwithstanding any of the foregoing, the settlement of any strike, lockout, or labor dispute constituting an Uncontrollable Force shall be within the sole discretion of the Party to this TO Tariff involved in such strike, lockout, or labor dispute and the requirement that a Party must use its best efforts to remedy the cause of the Uncontrollable Force and mitigate its effects and resume full performance hereunder shall not apply to strikes, lockouts, or labor disputes. No Party will be considered in default as to any obligation under this TO Tariff if prevented from fulfilling the obligation due to the occurrence of an Uncontrollable Force.

9.2 Indemnification. A Market Participant shall at all times indemnify, defend, and save the Participating TO harmless from any and all damages, losses, claims, (including claims and actions relating to injury or to death of any person to damage to property), demands, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the Participating TO's performance of its obligations under this TO Tariff on behalf of a Market Participant, except in cases of negligence or intentional wrongdoing by the Participating TO.

- 10. Regulatory Filings.** Nothing contained herein shall be construed as affecting, in any way, the right of Azusa to unilaterally make application to FERC as it deems necessary and appropriate to recover its Transmission Revenue Requirements, or for a change in its terms and conditions, including changes in rate methodology, or for a change in designation of transmission Entitlements to be placed under the ISO's control, pursuant to the applicable FERC rules, regulations, policies, and governing statutes.
- 11. Miscellaneous.**
- 11.1 Notices.** Any notices, demand, or request in accordance with this TO Tariff, unless otherwise provided in this TO Tariff, shall be in writing and shall be deemed properly reserved, given, or made: (i) upon delivery if delivered in person, (ii) five days after deposit in the mail if sent by first class United States mail, postage prepaid, (iii) upon receipt of confirmation by return electronics facsimile if sent by facsimile, or (iv) upon delivery if delivered by prepaid commercial courier service, in each case addressed to a Party at the address set forth in Appendix II. Any Party may at any time, by notice to the other Parties, change the designation or address of the person specified in Appendix II to receive notice on its behalf. Any notice of a routine character in connection with service under this TO Tariff shall be given in such a manner as the Parties may determine from time to time, unless otherwise provided in this TO Tariff.
- 11.2 Waiver.** Any waiver at any time by any Party of its rights with respect to any default under this TO Tariff, or with respect to any other matter arising in connection with this TO Tariff, shall not constitute or be deemed a waiver with respect to any subsequent default or other matter arising in connection with this TO Tariff. Any delay short of the statutory period of limitations in asserting or enforcing any right shall not constitute or be deemed a waiver.
- 11.3 Confidentiality.**
- 11.3.1 Maintaining Confidentiality if Not for Public Disclosure.** The Participating TO shall maintain the confidentiality of all of the documents, data, and information provided to it by any other Party may designate as confidential, provided, however, that the information will not be held confidential by the receiving Party if (1) the designating Party is required to provide such information for public disclosure pursuant to this TO Tariff or applicable regulatory requirements, or (2) the information becomes available to the Public on a non-confidential basis (other than from the receiving Party).
- 11.3.2 Disclosure of Confidential Information.** Notwithstanding anything in this Section 11.3.2 to the contrary, if any Party is required by applicable laws or regulations, or in the course of administrative or judicial proceedings, to disclose information that is otherwise required to be maintained in confidence pursuant to this Section 11.3.2, the Party may disclose such information; provided, however, that as soon as such Party learns of the disclosure requirement and prior to making such disclosure, such Party shall notify the affected Party or Parties of the requirement and the terms thereof. The affected Party or Parties may, at their sole discretion and own costs, direct any challenge to or defense against the disclosure requirement and the disclosing Party shall cooperate with such affected Party or Parties to the maximum extent practicable to minimize the

disclosure of the information consistent with applicable law. The disclosing Party shall cooperate with the affected Parties to obtain proprietary or confidential treatment of confidential information by the person to whom such information is disclosed prior to any such disclosure.

- 11.4 Titles.** The captions and headings in this TO Tariff are inserted solely to facilitate reference and shall have no bearing upon the interpretation of any of the rates, terms, and conditions of this TO Tariff.
- 11.5 Severability.** If any term, covenant, or condition of this TO Tariff or the application or effect of any such term, covenant, or condition is held in valid 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 TO Tariff and their application shall not be affected thereby but shall remain in force and effect. 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 severable from all other provisions of this TO Tariff.
- 11.6 Preservation of Obligations.** Upon termination of this TO Tariff, all unsatisfied obligations of each Party shall be preserved until satisfied.
- 11.7 Governing Law.** This TO Tariff shall be interpreted, governed by, and construed under the laws of the State of California, without regard to the principles of conflict of laws thereof, or the laws of the United States, as applicable, as if executed and to be performed wholly within the State of California.
- 11.8 Appendices Incorporated.** The appendices to this TO Tariff are attached to this TO Tariff and are incorporated by reference as if fully set forth herein.
- 11.9 Consistency with ISO Tariff.** This TO Tariff is intended to be consistent with the ISO Tariff, and, if necessary, shall be amended to conform with any changes authorized or required in any final order in FERC Docket No. ER00-2019.

APPENDIX I

Transmission Revenue Requirement and TRBA Adjustment

The Azusa Base Transmission Revenue Requirement is \$1,451,664.84.

The TRBA adjustment is a negative Zero (0) for calendar year 2003 and has been computed in accordance with ISO Tariff as shown in the Attached Exhibit A.

All of Azusa's Entitlements placed under the ISO's Operational Control are High Voltage Facilities as defined by the ISO Tariff.

The TRBA Adjustment will be recalculated annually consistent with the ISO Tariff, approved by the Azusa City Council, and provided to the ISO.

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Original Sheet No. 9

APPENDIX II

NOTICES

Designated Representative:

Mr. Joseph F. Hsu
Director of Utilities
City of Azusa
729 North Azusa, P.O. Box 9500
Azusa, CA 91702

Telephone (626) 812-5219
FAX (626) 334-3163

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Original Sheet No. 10