



California Independent  
System Operator Corporation

August 6, 2014

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

**Re: California Independent System Operator Corporation  
First Amended EIM Entity Agreement  
Docket No. ER14-\_\_\_\_-000**

Dear Secretary Bose:

The California Independent System Operator Corporation (“CAISO”) hereby submits a non-conforming amendment to a *pro forma* EIM Entity Agreement entered into between the CAISO and PacifiCorp (“First Amended EIM Entity Agreement”).<sup>1</sup> The proposed deviations from the CAISO’s *pro forma* EIM Entity Agreement are necessary to ensure that (a) PacifiCorp may account for EIM Transfers on the California-Oregon Intertie (“COI”) using a five-minute dynamic e-tag and a fifteen-minute static e-tag to maximize EIM Transfers within their rights, and (b) the CAISO’s modeling and management of EIM Transfers as aggregate dynamic schedules based on PacifiCorp’s submission of a five-minute dynamic and a fifteen-minute static e-tag complies with the CAISO tariff. The CAISO requests that the Commission accept the First Amended EIM Entity Agreement effective on September 30, 2014, the day prior to implementation of the Energy Imbalance Market.

## **I. Procedural Background**

On February 28, 2014, the CAISO filed a tariff amendment to provide other balancing authority areas the opportunity to participate in the real-time market for imbalance energy that the CAISO currently operates in its own

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<sup>1</sup> The CAISO submits this agreement pursuant to Section 205 of the Federal Power Act, 16 U.S.C. § 824d (2012). Capitalized terms not otherwise defined herein shall have the meaning provided in Appendix A to the CAISO Tariff.

balancing authority area (“February 28 Tariff Filing”).<sup>2</sup> The tariff amendment sets forth the rules and procedures governing this expansion of the real-time market. This set of rules and procedures is known as the Energy Imbalance Market or “EIM.” The CAISO requested a July 1, 2014, effective date for various proposed *pro forma* service agreements to be executed by EIM Market Participants and a September 23, 2014, effective date for the balance of the proposed tariff revisions.

On April 15, 2014, the CAISO filed an answer to comments and protests submitted in response to the February 28 Tariff Filing (“April 15 Answer”).<sup>3</sup> In the June 19 Order, the Commission accepted the February 28 Tariff Filing, effective as of the July 1 and September 23, 2014 dates requested by the CAISO, subject to a compliance filing.<sup>4</sup> On July 21, 2014 the CAISO submitted its compliance filing consistent with the Commission’s directives.<sup>5</sup>

## II. Substantive Background

The CAISO tariff provides that the CAISO will model and manage EIM Transfers as aggregate dynamic schedules.<sup>6</sup> The CAISO would ordinarily expect EIM Entities to submit a single dynamic e-tag reflecting the maximum available transmission capacity for EIM Transfers that could occur on each EIM Internal Intertie. The CAISO in turn would model and manage EIM Transfers between balancing authority areas participating in the Energy Imbalance Market as aggregate dynamic schedules. The EIM Entity would then update the dynamic e-tag after the fact based on the CAISO’s calculation of EIM Transfers that occurred on each EIM Internal Intertie.

With respect to PacifiCorp’s implementation, EIM Transfers between the CAISO and PacifiCorp’s West balancing authority area will flow on the California Oregon Intertie (“COI”). The Bonneville Power Administration (“Bonneville”) is the northern path operator for the COI. Bonneville has adopted a business practice that governs the amount of dynamic transfer capability over the COI (“DTC”), which applies to all users of the COI.<sup>7</sup> Since early 2013, the CAISO,

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<sup>2</sup> See Docket No. ER14-1386-000, CAISO Transmittal Letter at p. 11-13 (describing EIM Entity participation in the Energy Imbalance Market).

<sup>3</sup> See Docket No. ER14-1386-000, CAISO Answer.

<sup>4</sup> See *Calif. Ind. System Op.*, 147 FERC ¶ 61,231 (ordering paragraphs (A)-(D)).

<sup>5</sup> See Docket No. ER14-1386-001; see also Docket No. ER14-2484-000 (proposing two additional tariff changes and a request for authorization to address matters unrelated to this filing).

<sup>6</sup> CAISO Tariff, sections 29.7(e) and 29.7(f).

<sup>7</sup> See Bonneville’s business practice with respect to dynamic transfers and allocation of available capability at:  
[http://transmission.bpa.gov/ts\\_business\\_practices/Content/7\\_Scheduling/Dynamic\\_Tran](http://transmission.bpa.gov/ts_business_practices/Content/7_Scheduling/Dynamic_Tran)

PacifiCorp, and Bonneville have been involved in ongoing operational discussions to determine how to facilitate EIM Transfers over the COI, consistent with BPA's business practice governing dynamic transfer capability. A practical solution to accommodate Bonneville's business and operational practices that are commonly applied on the COI is for the CAISO to continue modeling and managing EIM Transfers as aggregate dynamic schedules based on PacifiCorp's submission of a 5-minute dynamic and a fifteen-minute static e-tags.<sup>8</sup>

To clarify and support the inclusion and use of a fifteen-minute static component of an aggregate dynamic schedule for EIM Transfers on the COI, the CAISO and PacifiCorp have mutually agreed to the First Amended EIM Entity Agreement. The non-conforming provisions in sections 2.5.1 and 2.5.2 provide as follows:

- The EIM Entity may account for EIM Transfers on the COI using a combination of normal (i.e., static) and dynamic e-tags to maximize EIM Transfers consistent with the rights of a "PacifiCorp Interchange Rights Holder" as defined in the EIM Entity's Open Access Transmission Tariff.
- The CAISO shall model and manage EIM Transfers over the COI as aggregate dynamic schedules based on a combination of the normal (i.e., static) and dynamic e-tags accounted for by the EIM Entity pursuant to Section 2.5.1, as provided in the CAISO tariff.

With these clarifying and supporting provisions, EIM Transfers on the COI would be maximized and not unduly limited. This approach is consistent with the operational solutions being developed by CAISO, PacifiCorp and Bonneville. In addition, 5-minute dynamic e-tags are consistent with Bonneville's dynamic transfer capability limits set forth in its business practice.

### **III. The Non-Conforming EIM Entity Agreement Provisions are Narrowly Tailored to Provide for Use of a Fifteen-Minute Static E-Tag**

The EIM Entity Agreement governs the rights and obligations of PacifiCorp as an EIM Entity. It incorporates provisions of the CAISO tariff applicable to the

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[sfer Op Sched.htm](#). Under Bonneville's current business practice, only 200 MW of on-peak dynamic transfer rights and 550 MW of off-peak dynamic transfer rights may be allocated to transmission customers requesting dynamic use of the COI.

<sup>8</sup> Until recently, the AC Intertie Agreement between PacifiCorp and Bonneville, which governs PacifiCorp's respective ownership and scheduling rights over the COI, provided only for hourly schedule changes. Accordingly, PacifiCorp and Bonneville agreed to an amendment to the agreement that would allow PacifiCorp to make 15-minute schedule changes on the COI. See ER14-2602-000 (requesting an amendment to the AC Intertie Agreement between PacifiCorp and Bonneville).

Energy Imbalance Market and ensures compliance with those requirements. The proposed non-conforming language clarifies the application of the CAISO tariff requirements with respect to EIM Transfers under certain circumstances specific to PacifiCorp in its role as an EIM Entity.<sup>9</sup>

The proposed non-conforming revisions to the EIM Entity Agreement support PacifiCorp's submission of a fifteen-minute static e-tag and a five-minute dynamic e-tag to account for and maximize EIM Transfers on the COI.<sup>10</sup> This ensures that Bonneville will be able to account for the portion of EIM Transfers limited to the dynamic transfer capability allocated to PacifiCorp separately from those that use fifteen-minute static schedules. It also will allow PacifiCorp to make additional capacity available for EIM Transfers up to the limit of its contractual rights on the COI.

The CAISO will model and manage the combination of the fifteen-minute static and a five-minute dynamic EIM Transfers as aggregate dynamic schedules.<sup>11</sup> This ensures that the CAISO will remain in compliance with its current tariff requirements regarding EIM Transfers in the event PacifiCorp does not submit a single dynamic e-tag.

#### **IV. The CAISO Will Continue to Manage EIM Transfers on the COI as Aggregate Dynamic Schedules**

PacifiCorp will create 5-minute dynamic e-tags for the COI with the transmission capacity equal to the dynamic transfer capability allocated to PacifiCorp. In addition, PacifiCorp will create static fifteen-minute e-tags that differentiate the amount of COI transmission capacity available for EIM Transfers on a 15-minute basis. Consistent with the e-tag, PacifiCorp will designate the maximum amount of capacity available for EIM Transfers 75 minutes prior to the operating hour.<sup>12</sup>

The CAISO will model the transmission capacity available for EIM Transfers on the COI based on the combination of the static and dynamic e-tags.<sup>13</sup> The CAISO will distinguish EIM Transfers from the static hourly and

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<sup>9</sup> CAISO Tariff, sections 29.7(e) and 29.7(f).

<sup>10</sup> EIM Entity Agreement, proposed section 2.5.1.

<sup>11</sup> *Id.* at proposed section 2.5.2.

<sup>12</sup> See PacifiCorp OATT, Attachment T, section 5.2 (pending changes on compliance filed in ER14-1578-001 in accordance with the Commission's June 19 order).

<sup>13</sup> The proposed procedures will not affect the manner in which scheduling coordinators address California greenhouse gas regulations. Use of the combination of EIM fifteen minute static and dynamic e-tags to create aggregate dynamic schedules between the CAISO and EIM Entity will not alter how the CAISO informs EIM Participating Resource Scheduling Coordinators of the resources that support the EIM

fifteen-minute e-tags PacifiCorp submits as part of its EIM interchange base schedule. In addition, the CAISO will limit five-minute dispatches on the COI to PacifiCorp's allocation of dynamic transfer capability on COI in modeling EIM Transfers as aggregate dynamic schedules. The CAISO will manage the combination of the fifteen-minute static transmission capacity made available for EIM Transfers by PacifiCorp as an aggregate dynamic schedule, consistent with the CAISO tariff, and will not exceed PacifiCorp's allocation of dynamic transfer capability on COI in any five-minute interval.

#### **V. The First Amended EIM Entity Agreement Is Consistent with the CAISO Tariff and the June 19 Order**

The First Amended EIM Entity Agreement is consistent with the CAISO tariff and does not function to amend, or otherwise create an exception to, the CAISO tariff. The CAISO expects that other EIM Entities will submit a single dynamic e-tag to account for EIM Transfers, unless they provide similarly compelling reasons to justify an alternative approach memorialized in their respective EIM Entity Agreement.

The CAISO tariff provides that the CAISO manage and model EIM Transfers as aggregate dynamic schedules.<sup>14</sup> The non-conforming provisions of the EIM Entity Agreement ensure that the CAISO will continue to calculate the intra-hour incremental, integrated and net scheduled EIM Transfers over the COI as it would if PacifiCorp were to submit a single dynamic e-tag.

In its April 15 Answer, the CAISO made certain representations regarding the differences between static exports and EIM Transfers in justifying its proposed transmission charge reciprocity. The non-conforming provisions in the EIM Entity Agreement do not undermine that justification. EIM Transfers accounted for using a combination of a dynamic e-tag and a fifteen-minute static e-tag remain distinguishable from other static e-tagged transactions assessed the wheeling access charge, including PacifiCorp's. As the CAISO stated in the April 15 Answer, Energy Imbalance Market participation for fifteen-minute intervals includes optimized unit commitment that is not part of the fifteen-minute market for non-EIM participants.<sup>15</sup> Notably, this was not the only basis relied upon by the Commission's in its determination that reciprocity of transmission

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Transfer. In other words, the CAISO's market results interface will identify which resources the optimization dispatched to support the EIM Transfer. Importantly, the market results will continue to guide compliance with greenhouse gas regulations, not the e-tag.

<sup>14</sup> CAISO Tariff, sections 29.7(e) and 29.7(f).

<sup>15</sup> April 15 Answer at p 57; see also, *id.* at pp. 49-65 (distinguishing EIM Transfers from static exports).

service without charge for EIM Transfers is just and reasonable.<sup>16</sup>

## **VI. Request for Limited Waiver if the Commission Views the Amendment as an Exception to the CAISO Tariff**

This filing seeks to clarify application of the CAISO tariff under circumstances not contemplated in the February 28 Filing to implement the Energy Imbalance Market. As described above, the amendment is consistent with the CAISO tariff and does not result in any substantive change in the respective obligations of the CAISO as the market operator or PacifiCorp as an EIM Entity with regard to EIM Transfers. Acceptance of this amendment will facilitate EIM Transfers and make PacifiCorp's rights on the COI available to the fullest extent possible on the October 1, 2014 implementation date.

Nonetheless, the CAISO respectfully requests that the Commission waive any requirement of the CAISO tariff to the extent this filing is inconsistent with any CAISO tariff requirement. In particular, the CAISO requests waiver of any express or implied CAISO tariff requirement that PacifiCorp submit a single dynamic e-tag to account for EIM Transfers or that the CAISO must model or manage EIM Transfers based on the submission of a single dynamic e-tag. As noted above, PacifiCorp may submit an EIM static and dynamic e-tag and the CAISO would model and manage the combination of such e-tags as aggregate dynamic schedules.

There is good cause to waive any such requirements of the CAISO tariff. Although the Commission has typically granted waiver requests where an emergency situation or an unintentional error was involved,<sup>17</sup> the Commission does not limit waivers to such circumstances. It has also granted waivers when good cause for a waiver of limited scope exists, there are no undesirable consequences, and the resultant benefits to customers are evident.<sup>18</sup> This request meets those criteria.

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<sup>16</sup> See *Calif. Ind. System Op.*, 147 FERC ¶ 61,231 at PP 155-157.

<sup>17</sup> See, e.g., *Cal. Indep. Sys. Operator Corp.*, 118 FERC ¶ 61,226 at P 24 (2007) (granting waiver to generator interconnection procedures to facilitate efficient and cost-effective treatment of 4,350 MW of wind-related interconnection requests), citing *ISO New England Inc.*, 117 FERC ¶ 61,171 at P 21(2006) (allowing a limited and temporary suspension of tariff provision to correct an error); *Great Lakes Gas Transmission Ltd. Partnership*, 102 FERC ¶ 61,331 at P 16 (2003) (granting emergency waiver involving force majeure event granted for good cause shown); and *TransColorado Gas Transmission Co.*, 102 FERC ¶ 61,330 at P 5 (2003) (granting waiver for good cause shown to address calculation in variance adjustment).

<sup>18</sup> *Southern Cal. Edison Co.*, 125 FERC ¶ 61,009, at P 17 (2008) (citing *Cal. Ind. Sys. Operator Corp.*, 124 FERC ¶ 61,031 (2008), and *Cal. Ind. Sys. Operator Corp.*, 118 FERC ¶ 61,226 (2007)).

## **VII. Effective Date and Request for Waiver of the Notice Requirement**

The CAISO requests an effective date September 30, 2014, one day prior to implementation of the Energy Imbalance Market, for the proposed First Amended EIM Entity Agreement. PacifiCorp and the CAISO have entered into a conforming *pro forma* EIM Entity Agreement effective July 31, 2014, which will be reported through the Commission's Electric Quarterly Reporting ("EQR") system. The *pro forma* agreement is designated as CAISO service agreement no. 3121, and supports the submission of base schedule and other information in advance of the October 1, 2014 implementation date.

The First Amended EIM Entity Agreement needs to be effective September 30, 2014, to support PacifiCorp's submission of EIM Transfer base schedule and e-tag information and CAISO's modeling as aggregate dynamic schedules. In the event the Commission rejects this filing, the already effective conforming EIM Entity Agreement will continue in effect until otherwise terminated in accordance with its terms.

The CAISO requests waiver, pursuant to Section 35.11 of the Commission's regulations (18 C.F.R. § 35.11), of the 60-day notice requirement set forth in Section 35.3 of the Commission's regulations (18 C.F.R. § 35.3), and to the extent necessary, the CAISO respectfully requests that the Commission grant any other waivers of Part 35 of its regulations that may be required in connection with the requested effective date. PacifiCorp and Bonneville only recently reached agreement on an amendment to the AC Intertie Agreement to enable 15 minute scheduling, and this filing appropriately follows that filing.<sup>19</sup> Further, September 30, 2014 supports PacifiCorp's advance submission of EIM Transfer base schedule and e-tag information and the CAISO's modeling of EIM Transfers on COI in support of the October 1, 2014 implementation date. Granting the requested effective date and waiver, therefore, is appropriate.

## **VIII. Service**

The CAISO has served copies of this filing upon all scheduling coordinators, the California Public Utilities Commission, and the California Energy Commission. In addition, the CAISO has posted the filing on the CAISO website.

## **IX. Contents of this Filing**

In addition to this transmittal letter, this filing includes the following attachments:

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<sup>19</sup> See ER14-2602-000 (requesting an amendment to the AC Intertie Agreement between PacifiCorp and Bonneville).

Attachment A	First Amended EIM Entity Agreement
Attachment B	Redlined First Amended EIM Entity Agreement showing revisions from the <i>pro forma</i>

## **X. Correspondence**

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

Roger E. Collanton  
General Counsel  
\*John C. Anders  
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\* Individuals designated for service pursuant to Rule 203(b)(3),  
18 C.F.R. § 203(b)(3).

## **IX. Conclusion**

The CAISO respectfully requests that the Commission accept this filing and permit the First Amended EIM Entity Agreement to be made effective as requested herein.

Respectfully submitted,

/s/ John C. Anders  
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General Counsel  
Anthony J. Ivancovich  
Deputy General Counsel  
John C. Anders  
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**Attachment A – First Amended EIM Entity Agreement**

**First Amended EIM Entity Agreement**

**California Independent System Operator Corporation**

**CALIFORNIA INDEPENDENT SYSTEM  
OPERATOR CORPORATION**

**AND**

**PACIFICORP**

**FIRST AMENDED  
ENERGY IMBALANCE MARKET  
ENTITY AGREEMENT**

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## ENERGY IMBALANCE MARKET ENTITY AGREEMENT

**THIS ENERGY IMBALANCE MARKET ENTITY AGREEMENT (“AGREEMENT”)** is established this 6<sup>th</sup> day of August, 2014, and is accepted by and between:

- (1) **PacifiCorp** (“EIM Entity”), having its registered and principal executive office at 825 Northeast Multnomah Street, Suite 1600, Portland, Oregon 97232.  
and
- (2) **California Independent System Operator Corporation** (“CAISO”), a California nonprofit public benefit corporation having a principal executive office located at such place in the State of California as the CAISO Governing Board may from time to time designate.

The EIM Entity and the CAISO are hereinafter referred to as the “Parties.”

### Whereas:

- A. The Parties named above operate Balancing Authority Areas.
- B. The EIM Entity provides transmission service in accordance with an open access transmission tariff (“OATT”), including balancing Energy services.
- C. The CAISO operates the Real-Time Market pursuant to the CAISO Tariff.
- D. There are third party transmission service providers within the EIM Entity Balancing Authority Area that intend to enable Energy Imbalance Market services on their transmission systems.
- E. The Parties are entering into this Agreement to enable the EIM Entity to participate in the CAISO’s Real-Time Market and to provide Energy Imbalance Market services within the EIM Entity Balancing Authority Area, including Real-Time transfers of Energy among the CAISO Balancing Authority Area and other EIM Entity Balancing Authority Areas.

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.** All terms and expressions used in this Agreement shall have the same meaning as those contained in the Master Definitions Supplement to the CAISO Tariff.
- 1.2 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 CAISO Tariff, the CAISO 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) unless the context requires otherwise, “or” is used in the conjunctive sense; and

- (l) the captions and headings in this Agreement are inserted solely to facilitate reference and shall have no bearing upon the interpretation of any of the terms and conditions of this Agreement.

## ARTICLE II

### RESPONSIBILITIES OF EIM ENTITY AND CAISO

- 2.1 Scope of Responsibilities.** The Parties are individually responsible for the efficient use and reliable operation of their Balancing Authority Areas consistent with the Reliability Standards established by the Western Electricity Coordinating Council (“WECC”) and the North American Electric Reliability Corporation (“NERC”), and in accordance with their respective tariffs on file with the Federal Energy Regulatory Commission (“FERC”). Nothing in this Agreement is intended to change, supersede, or alter either Party's obligations to abide by NERC and WECC Reliability Standards or to provide open and non-discriminatory transmission access in accordance with the terms of their respective FERC tariffs.
- 2.2 Tariff Provisions.** The CAISO shall provide open access to the Real-Time Market in accordance with the terms of the CAISO Tariff. The EIM Entity shall have in effect provisions in its OATT to enable operation of the Real-Time Market in its Balancing Authority Area in accordance with the CAISO Tariff.
- 2.3 EIM Entity Scheduling Coordinator.** The EIM Entity shall be represented by an EIM Entity Scheduling Coordinator, which may be the EIM Entity or another entity certified by the CAISO to perform the functions of an EIM Entity Scheduling Coordinator.
- 2.4 EIM Transmission Service and Resource Information.** The EIM Entity shall provide information to the CAISO for Energy Imbalance Market purposes regarding the network topology of its Balancing Authority Area, non-participating resources, and loads in accordance with the CAISO Tariff and the Business Practice Manual for the Energy Imbalance Market. The EIM Entity is responsible for the accuracy and completeness of this information.
- 2.5 EIM Transmission Availability.** The EIM Entity shall make available for use in the Real-Time Market transmission capacity on its system that is not otherwise encumbered, reserved, scheduled, or being used by its transmission customers or by others and shall make arrangements with third party transmission service providers within its Balancing Authority Area that intend to enable Energy Imbalance Market services on their transmission systems to provide such transmission capacity on their systems for use in the Real-Time Market. The EIM Entity shall provide the CAISO with real time information regarding the availability of transmission capacity for use in the Energy



Imbalance Market as provided in the CAISO Tariff and Business Practice Manual for the Energy Imbalance Market.

- 2.5.1 California-Oregon Intertie EIM Transfer Accounting.** The EIM Entity may account for EIM Transfers on the California-Oregon Intertie using a combination of normal (i.e., static) and dynamic E-Tags to maximize EIM Transfers consistent with the rights of a “PacifiCorp Interchange Rights Holder” as defined in the EIM Entity’s Open Access Transmission Tariff.
- 2.5.2 California-Oregon Intertie EIM Transfer Modeling and Management.** The CAISO shall model and manage EIM Transfers over the California-Oregon Intertie as aggregate Dynamic Schedules based on a combination of the normal (i.e., static) and dynamic E-Tags accounted for by the EIM Entity pursuant to Section 2.5.1, as provided in the CAISO Tariff.
- 2.6 EIM Entity Corrective Actions.** The EIM Entity may take corrective action, subject to the provision of its OATT, to address an issue with Energy Imbalance Market implementation or operation consistent with Section 29 of the CAISO Tariff.

## ARTICLE III

### TERM AND TERMINATION

- 3.1 Effective Date.** This Agreement shall be effective as of the later of the date it is executed by the Parties or the date it is accepted for filing and made effective by FERC and shall remain in full force and effect until terminated pursuant to Section 3.2 of this Agreement.
- 3.2 Termination**
- 3.2.1 Termination by CAISO.** The CAISO may terminate this Agreement by giving written notice of termination pursuant to Section 29.1(d) of the CAISO Tariff or in the event that the EIM Entity commits any material default under this Agreement or Section 29 of the CAISO Tariff that, if capable of being remedied, is not remedied within thirty (30) days after the CAISO has given the EIM Entity written notice of the default, unless the default is excused by reason of Uncontrollable Forces in accordance with Article IX of this Agreement. With respect to any notice of termination given pursuant to this Section, the CAISO must file a timely notice of termination with FERC or must otherwise comply with the requirements of FERC Order No. 2001 and related FERC orders. The filing of the notice of termination by the CAISO with FERC will be considered timely if (1) the filing of the notice of termination is made after the preconditions for termination have been met, and the CAISO files the notice of termination within sixty (60) days after issuance of the notice of default; or (2) the CAISO files the notice of termination in accordance with the requirements of FERC Order No. 2001. This Agreement shall terminate upon acceptance

by FERC of such a notice of termination or thirty (30) days after the date of the CAISO's notice of default, if terminated in accordance with the requirements of FERC Order No. 2001 and related FERC orders.

**3.2.2 Termination by EIM Entity.** In the event that the EIM Entity no longer wishes to enable Energy Imbalance Market services within its Balancing Authority Area pursuant to the CAISO Tariff, it may terminate this Agreement on giving the CAISO not less than one-hundred and eighty (180) days written notice. With respect to any notice of termination given pursuant to this Section, the CAISO must file a timely notice of termination with FERC or must otherwise comply with the requirements of FERC Order No. 2001 and related FERC orders. The filing of the notice of termination by the CAISO with FERC 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 the CAISO files the notice of termination within one hundred and twenty (120) days of receipt of such request; or (2) the CAISO files the notice of termination in accordance with the requirements of FERC Order No. 2001. This Agreement shall terminate upon acceptance by FERC of such a notice of termination or upon the next production date of the Full-Network Model release following the one-hundred and eighty (180) days after the CAISO's receipt of the EIM Entity's notice of termination, if terminated in accordance with the requirements of FERC Order No. 2001 and related FERC orders.

**3.3 No Termination Charge.** The CAISO shall not levy an exit fee or other charge associated with CAISO systems, procedures, or other changes required by the termination of the EIM Entity's participation in the Energy Imbalance Market as of the effective date of such notice, provided that EIM Entity obligations incurred under this Agreement prior to the effective date of such notice shall survive termination until satisfied.

## ARTICLE IV

### CAISO TARIFF

**4.1 Agreement Subject to CAISO Tariff.** This Agreement shall be subject to Section 29 of the CAISO Tariff, which shall be deemed to be incorporated herein. The EIM Entity shall abide by, and shall perform, all of the obligations of EIM Entities under the CAISO Tariff.



**ARTICLE V**

**COSTS**

**5.1 Operating and Maintenance Costs.** The EIM Entity shall be responsible for all its costs incurred in connection with meeting its obligations under this Agreement.

**ARTICLE VI**

**DISPUTE RESOLUTION**

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

**ARTICLE VII**

**REPRESENTATIONS AND WARRANTIES**

**7.1 Representation 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.

**7.2 Necessary Approvals.** The EIM Entity represents that all necessary rights, leases, approvals, permits, licenses, easements, access to operate in compliance with this Agreement have been or will be obtained by the EIM Entity prior to the effective date of this Agreement, including any arrangement with third party Balancing Authorities.



## ARTICLE VIII

### LIABILITY

- 8.1 Liability.** The provisions of Section 14 of the CAISO Tariff will apply to liability arising under this Agreement, except that all references in Section 14 of the CAISO Tariff to Market Participants shall be read as references to the EIM Entity and references to the CAISO Tariff shall be read as references to this Agreement.

## ARTICLE IX

### UNCONTROLLABLE FORCES

- 9.1 Uncontrollable Forces Tariff Provisions.** Section 14.1 of the CAISO Tariff shall be incorporated by reference into this Agreement except that all references in Section 14.1 of the CAISO Tariff to Market Participants shall be read as a reference to the EIM Entity and references to the CAISO Tariff shall be read as references to this Agreement.

## ARTICLE X

### MISCELLANEOUS

- 10.1 Assignments.** Either Party may assign or transfer any or all of its rights or obligations under this Agreement with the other Party's prior written consent in accordance with Section 22.2 of the CAISO Tariff and no Party may assign or transfer any or all of its rights or obligations under this Agreement without such consent. Such consent shall not be unreasonably withheld. Any such transfer or assignment shall be conditioned upon the successor in interest accepting the rights or obligations under this Agreement as if said successor in interest were an original Party to this Agreement.
- 10.2 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 Section 22.4 of the CAISO Tariff, provided that all references in Section 22.4 of the CAISO Tariff to Market Participants shall be read as a reference to the EIM Entity and references to the CAISO Tariff shall be read as references to this Agreement, and unless otherwise stated or agreed shall be made to the representative of the other Party indicated in Schedule 1. A Party must update the information in Schedule 1 of this Agreement as information changes. Such changes shall not constitute an amendment to this Agreement.
- 10.3 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 constitute or be deemed a waiver

with respect to any subsequent default or other matter arising in connection with this Agreement. Any delay, short of the statutory period of limitations, in asserting or enforcing any right under this Agreement shall not constitute or be deemed a waiver of such right.

- 10.4 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 Parties irrevocably consent that any legal action or proceeding arising under or relating to this Agreement to which the CAISO 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.
- 10.5 Consistency with Federal Laws and Regulations.** This Agreement shall incorporate by reference Section 22.9 of the CAISO Tariff as if the references to the CAISO Tariff were referring to this Agreement.
- 10.6 Merger.** This Agreement constitutes the complete and final agreement of the Parties with respect to the subject matter hereof and supersedes all prior agreements, whether written or oral, with respect to such subject matter.
- 10.7 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.
- 10.8 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 require FERC approval shall not take effect until FERC has accepted such amendments for filing and made them effective. Nothing contained herein shall be construed as affecting in any way the right of the CAISO to unilaterally make application to FERC for a change in the rates, terms and conditions of this Agreement under Section 205 of the FPA and pursuant to FERC's rules and regulations promulgated thereunder, and the EIM Entity shall have the right to make a unilateral filing with FERC to modify this Agreement pursuant to Section 206 or any other applicable provision of

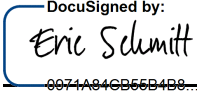
the FPA and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by the other Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Agreement shall limit the rights of the Parties or of FERC under Sections 205 or 206 of the FPA and FERC's rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.

**10.9 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.

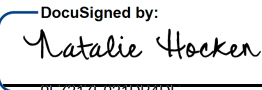


**IN WITNESS WHEREOF**, the Parties hereto have caused this Agreement to be duly executed on behalf of each by and through their authorized representatives as of the date hereinabove written.

**California Independent System Operator Corporation**

By:  \_\_\_\_\_  
Name: Eric Schmitt  
Title: VP, Operations  
Date: 8/6/2014

**PacifiCorp**

By:  \_\_\_\_\_  
Name: Natalie Hocken  
Title: Senior Vice President, Transmission and System Operations  
Date: 8/6/2014



**SCHEDULE 1**

**NOTICES**

**[Section 10.2]**

**EIM Entity**

Name of Primary

Representative: Natalie Hocken  
Title: Senior Vice President, Transmission and System Operations  
Company: PacifiCorp  
Address: 825 NE Multnomah Street, Ste. 1600  
City/State/Zip Code: Portland, OR 97232  
Email Address: Natalie.Hocken@PacifiCorp.com  
Phone: (503) 813-7205  
Fax No: (503) 813-6893

Name of Alternative

Representative: Patience Kerchinsky  
Title: Contract Administration  
Company: PacifiCorp  
Address: 825 NE Multnomah Street, Ste. 1600  
City/State/Zip Code: Portland, OR 97232  
Email Address: Patience.Kerchinsky@PacifiCorp.com  
Phone: (503) 813-5476  
Fax No: (503) 813-6893



**CAISO**

Name of Primary Representative: Regulatory Contracts  
Title: N/A  
Address: 250 Outcropping Way  
City/State/Zip Code: Folsom, CA 95630  
Email address: RegulatoryContracts@caiso.com  
Phone: (916) 351-4400  
Fax: (916) 608-5063

Name of Alternative Representative: Christopher J. Sibley  
Title: Lead Contract Negotiator  
Address: 250 Outcropping Way  
City/State/Zip Code: Folsom, CA 95630  
Email address: csibley@caiso.com  
Phone: (916) 608-7030  
Fax: (916) 608-5063

**Attachment B – Redline Showing Revisions from Pro Forma *Pro Form***

**First Amended EIM Entity Agreement**

**California Independent System Operator Corporation**

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**CALIFORNIA INDEPENDENT SYSTEM  
OPERATOR CORPORATION**

**AND**

**PACIFICORP**

**FIRST AMENDED & ~~RESTATED~~**  
**ENERGY IMBALANCE MARKET  
ENTITY AGREEMENT**

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## ENERGY IMBALANCE MARKET ENTITY AGREEMENT

**THIS ENERGY IMBALANCE MARKET ENTITY AGREEMENT (“AGREEMENT”)** is established this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, and is accepted by and between:

- (1) **PacifiCorp** (“EIM Entity”), having its registered and principal executive office at 825 Northeast Multnomah Street, Suite 1600, Portland, Oregon 97232.  
and
- (2) **California Independent System Operator Corporation** (“CAISO”), a California nonprofit public benefit corporation having a principal executive office located at such place in the State of California as the CAISO Governing Board may from time to time designate.

The EIM Entity and the CAISO are hereinafter referred to as the “Parties.”

### Whereas:

- A. The Parties named above operate Balancing Authority Areas.
- B. The EIM Entity provides transmission service in accordance with an open access transmission tariff (“OATT”), including balancing Energy services.
- C. The CAISO operates the Real-Time Market pursuant to the CAISO Tariff.
- D. There are third party transmission service providers within the EIM Entity Balancing Authority Area that intend to enable Energy Imbalance Market services on their transmission systems.
- E. The Parties are entering into this Agreement to enable the EIM Entity to participate in the CAISO’s Real-Time Market and to provide Energy Imbalance Market services within the EIM Entity Balancing Authority Area, including Real-Time transfers of Energy among the CAISO Balancing Authority Area and other EIM Entity Balancing Authority Areas.

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.** All terms and expressions used in this Agreement shall have the same meaning as those contained in the Master Definitions Supplement to the CAISO Tariff.
- 1.2 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 CAISO Tariff, the CAISO 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) unless the context requires otherwise, “or” is used in the conjunctive sense; and

- (l) the captions and headings in this Agreement are inserted solely to facilitate reference and shall have no bearing upon the interpretation of any of the terms and conditions of this Agreement.

## ARTICLE II

### RESPONSIBILITIES OF EIM ENTITY AND CAISO

- 2.1 Scope of Responsibilities.** The Parties are individually responsible for the efficient use and reliable operation of their Balancing Authority Areas consistent with the Reliability Standards established by the Western Electricity Coordinating Council (“WECC”) and the North American Electric Reliability Corporation (“NERC”), and in accordance with their respective tariffs on file with the Federal Energy Regulatory Commission (“FERC”). Nothing in this Agreement is intended to change, supersede, or alter either Party's obligations to abide by NERC and WECC Reliability Standards or to provide open and non-discriminatory transmission access in accordance with the terms of their respective FERC tariffs.
- 2.2 Tariff Provisions.** The CAISO shall provide open access to the Real-Time Market in accordance with the terms of the CAISO Tariff. The EIM Entity shall have in effect provisions in its OATT to enable operation of the Real-Time Market in its Balancing Authority Area in accordance with the CAISO Tariff.
- 2.3 EIM Entity Scheduling Coordinator.** The EIM Entity shall be represented by an EIM Entity Scheduling Coordinator, which may be the EIM Entity or another entity certified by the CAISO to perform the functions of an EIM Entity Scheduling Coordinator.
- 2.4 EIM Transmission Service and Resource Information.** The EIM Entity shall provide information to the CAISO for Energy Imbalance Market purposes regarding the network topology of its Balancing Authority Area, non-participating resources, and loads in accordance with the CAISO Tariff and the Business Practice Manual for the Energy Imbalance Market. The EIM Entity is responsible for the accuracy and completeness of this information.
- 2.5 EIM Transmission Availability.** The EIM Entity shall make available for use in the Real-Time Market transmission capacity on its system that is not otherwise encumbered, reserved, scheduled, or being used by its transmission customers or by others and shall make arrangements with third party transmission service providers within its Balancing Authority Area that intend to enable Energy Imbalance Market services on their transmission systems to provide such transmission capacity on their systems for use in the Real-Time Market. The EIM Entity shall provide the CAISO with real time information regarding the availability of transmission capacity for use in the Energy

Imbalance Market as provided in the CAISO Tariff and Business Practice Manual for the Energy Imbalance Market.

**2.5.1 California-Oregon Intertie EIM Transfer Accounting.** The EIM Entity may account for EIM Transfers on the California-Oregon Intertie using a combination of normal (i.e., static) and dynamic E-Tags to maximize EIM Transfers consistent with the rights of a “PacifiCorp Interchange Rights Holder” as defined in the EIM Entity’s Open Access Transmission Tariff.

**2.5.2 California-Oregon Intertie EIM Transfer Modeling and Management.** The CAISO shall model and manage EIM Transfers over the California-Oregon Intertie as aggregate Dynamic Schedules based on a combination of the normal (i.e., static) and dynamic E-Tags accounted for by the EIM Entity pursuant to Section 2.5.1, as provided in the CAISO Tariff.

**2.6 EIM Entity Corrective Actions.** The EIM Entity may take corrective action, subject to the provision of its OATT, to address an issue with Energy Imbalance Market implementation or operation consistent with Section 29 of the CAISO Tariff.

## ARTICLE III

### TERM AND TERMINATION

**3.1 Effective Date.** This Agreement shall be effective as of the later of the date it is executed by the Parties or the date it is accepted for filing and made effective by FERC and shall remain in full force and effect until terminated pursuant to Section 3.2 of this Agreement.

#### 3.2 Termination

**3.2.1 Termination by CAISO.** The CAISO may terminate this Agreement by giving written notice of termination pursuant to Section 29.1(d) of the CAISO Tariff or in the event that the EIM Entity commits any material default under this Agreement or Section 29 of the CAISO Tariff that, if capable of being remedied, is not remedied within thirty (30) days after the CAISO has given the EIM Entity written notice of the default, unless the default is excused by reason of Uncontrollable Forces in accordance with Article IX of this Agreement. With respect to any notice of termination given pursuant to this Section, the CAISO must file a timely notice of termination with FERC or must otherwise comply with the requirements of FERC Order No. 2001 and related FERC orders. The filing of the notice of termination by the CAISO with FERC will be considered timely if (1) the filing of the notice of termination is made after the preconditions for termination have been met, and the CAISO files the notice of termination within sixty (60) days after issuance of the notice of default; or (2) the CAISO files the notice of termination in accordance with the requirements of FERC Order No. 2001. This Agreement shall terminate upon acceptance

by FERC of such a notice of termination or thirty (30) days after the date of the CAISO's notice of default, if terminated in accordance with the requirements of FERC Order No. 2001 and related FERC orders.

**3.2.2 Termination by EIM Entity.** In the event that the EIM Entity no longer wishes to enable Energy Imbalance Market services within its Balancing Authority Area pursuant to the CAISO Tariff, it may terminate this Agreement on giving the CAISO not less than one-hundred and eighty (180) days written notice. With respect to any notice of termination given pursuant to this Section, the CAISO must file a timely notice of termination with FERC or must otherwise comply with the requirements of FERC Order No. 2001 and related FERC orders. The filing of the notice of termination by the CAISO with FERC 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 the CAISO files the notice of termination within one hundred and twenty (120) days of receipt of such request; or (2) the CAISO files the notice of termination in accordance with the requirements of FERC Order No. 2001. This Agreement shall terminate upon acceptance by FERC of such a notice of termination or upon the next production date of the Full-Network Model release following the one-hundred and eighty (180) days after the CAISO's receipt of the EIM Entity's notice of termination, if terminated in accordance with the requirements of FERC Order No. 2001 and related FERC orders.

**3.3 No Termination Charge.** The CAISO shall not levy an exit fee or other charge associated with CAISO systems, procedures, or other changes required by the termination of the EIM Entity's participation in the Energy Imbalance Market as of the effective date of such notice, provided that EIM Entity obligations incurred under this Agreement prior to the effective date of such notice shall survive termination until satisfied.

## ARTICLE IV

### CAISO TARIFF

**4.1 Agreement Subject to CAISO Tariff.** This Agreement shall be subject to Section 29 of the CAISO Tariff, which shall be deemed to be incorporated herein. The EIM Entity shall abide by, and shall perform, all of the obligations of EIM Entities under the CAISO Tariff.

## ARTICLE V

### COSTS

- 5.1 Operating and Maintenance Costs.** The EIM Entity shall be responsible for all its costs incurred in connection with meeting its obligations under this Agreement.

## ARTICLE VI

### DISPUTE RESOLUTION

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

## ARTICLE VII

### REPRESENTATIONS AND WARRANTIES

- 7.1 Representation 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.
- 7.2 Necessary Approvals.** The EIM Entity represents that all necessary rights, leases, approvals, permits, licenses, easements, access to operate in compliance with this Agreement have been or will be obtained by the EIM Entity prior to the effective date of this Agreement, including any arrangement with third party Balancing Authorities.

## ARTICLE VIII

### LIABILITY

- 8.1 Liability.** The provisions of Section 14 of the CAISO Tariff will apply to liability arising under this Agreement, except that all references in Section 14 of the CAISO Tariff to Market Participants shall be read as references to the EIM Entity and references to the CAISO Tariff shall be read as references to this Agreement.

## ARTICLE IX

### UNCONTROLLABLE FORCES

- 9.1 Uncontrollable Forces Tariff Provisions.** Section 14.1 of the CAISO Tariff shall be incorporated by reference into this Agreement except that all references in Section 14.1 of the CAISO Tariff to Market Participants shall be read as a reference to the EIM Entity and references to the CAISO Tariff shall be read as references to this Agreement.

## ARTICLE X

### MISCELLANEOUS

- 10.1 Assignments.** Either Party may assign or transfer any or all of its rights or obligations under this Agreement with the other Party's prior written consent in accordance with Section 22.2 of the CAISO Tariff and no Party may assign or transfer any or all of its rights or obligations under this Agreement without such consent. Such consent shall not be unreasonably withheld. Any such transfer or assignment shall be conditioned upon the successor in interest accepting the rights or obligations under this Agreement as if said successor in interest were an original Party to this Agreement.
- 10.2 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 Section 22.4 of the CAISO Tariff, provided that all references in Section 22.4 of the CAISO Tariff to Market Participants shall be read as a reference to the EIM Entity and references to the CAISO Tariff shall be read as references to this Agreement, and unless otherwise stated or agreed shall be made to the representative of the other Party indicated in Schedule 1. A Party must update the information in Schedule 1 of this Agreement as information changes. Such changes shall not constitute an amendment to this Agreement.
- 10.3 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 constitute or be deemed a waiver



with respect to any subsequent default or other matter arising in connection with this Agreement. Any delay, short of the statutory period of limitations, in asserting or enforcing any right under this Agreement shall not constitute or be deemed a waiver of such right.

- 10.4 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 Parties irrevocably consent that any legal action or proceeding arising under or relating to this Agreement to which the CAISO 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.
- 10.5 Consistency with Federal Laws and Regulations.** This Agreement shall incorporate by reference Section 22.9 of the CAISO Tariff as if the references to the CAISO Tariff were referring to this Agreement.
- 10.6 Merger.** This Agreement constitutes the complete and final agreement of the Parties with respect to the subject matter hereof and supersedes all prior agreements, whether written or oral, with respect to such subject matter.
- 10.7 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.
- 10.8 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 require FERC approval shall not take effect until FERC has accepted such amendments for filing and made them effective. Nothing contained herein shall be construed as affecting in any way the right of the CAISO to unilaterally make application to FERC for a change in the rates, terms and conditions of this Agreement under Section 205 of the FPA and pursuant to FERC's rules and regulations promulgated thereunder, and the EIM Entity shall have the right to make a unilateral filing with FERC to modify this Agreement pursuant to Section 206 or any other applicable provision of



the FPA and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by the other Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Agreement shall limit the rights of the Parties or of FERC under Sections 205 or 206 of the FPA and FERC's rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.

**10.9 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: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**PacifiCorp**

By: \_\_\_\_\_

Name: Natalie Hocken

Title: Senior Vice President, Transmission and System Operations

Date: \_\_\_\_\_

**SCHEDULE 1****NOTICES****[Section 10.2]****EIM Entity**

Name of Primary

Representative: Natalie Hocken  
Title: Senior Vice President, Transmission and System Operations  
Company: PacifiCorp  
Address: 825 NE Multnomah Street, Ste. 1600  
City/State/Zip Code: Portland, OR 97232  
Email Address: Natalie.Hocken@PacifiCorp.com  
Phone: (503) 813-7205  
Fax No: (503) 813-6893

Name of Alternative

Representative: Patience Kerchinsky  
Title: Contract Administration  
Company: PacifiCorp  
Address: 825 NE Multnomah Street, Ste. 1~~6~~700  
City/State/Zip Code: Portland, OR 97232  
Email Address: Patience.Kerchinsky@PacifiCorp.com  
Phone: (503) 813-5476  
Fax No: (503) 813-6893

**CAISO**

Name of Primary Representative: Regulatory Contracts  
Title: N/A  
Address: 250 Outcropping Way  
City/State/Zip Code: Folsom, CA 95630  
Email address: RegulatoryContracts@caiso.com  
Phone: (916) 351-4400  
Fax: (916) 608-5063

Name of Alternative Representative: Christopher J. Sibley  
Title: Lead Contract Negotiator  
Address: 250 Outcropping Way  
City/State/Zip Code: Folsom, CA 95630  
Email address: csibley@caiso.com  
Phone: (916) 608-7030  
Fax: (916) 608-5063