

July 24, 2020

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

**Re: California Independent System Operator Corporation  
Filing of Amended and Restated EIM Entity Agreement with  
Balancing Authority of Northern California**

**Docket No. ER20-\_\_\_\_-000**

Dear Secretary Bose:

The California Independent System Operator Corporation (“CAISO”) submits for Commission acceptance an Amended and Restated EIM Entity Agreement (“Agreement”) between the CAISO and the Balancing Authority of Northern California (“BANC”).<sup>1</sup> The Agreement amends and restates the legal obligations and operational rules established by the EIM Entity Agreement applicable to the first phase of BANC’s participation in the CAISO’s Energy Imbalance Market (“EIM”),<sup>2</sup> so that the second phase of BANC’s participation in the EIM can proceed on schedule.<sup>3</sup> The first phase of BANC’s participation in the EIM commenced on April 3, 2019 with the Sacramento Municipal Utility District (“SMUD”), but specifically did not include the Western Area Power Administration – Sierra Nevada Region (“WAPA”) or other BANC members. The Agreement removes those provisions that were necessary to account for the initial single participation by SMUD and the exclusion of WAPA and the other BANC members. Phase 2 of BANC’s participation in the EIM will include WAPA and other BANC members,<sup>4</sup> so it will be necessary to remove those provisions that originally limited BANC’s participation to SMUD.

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<sup>1</sup> The CAISO submits the Agreement pursuant to Section 205 of the Federal Power Act, 16 U.S.C. § 824d. The Agreement amends and restates Service Agreement No. 4828 under the CAISO tariff.

<sup>2</sup> See Letter Order in ER18-2360 (October 18, 2018) (accepting the legal obligations and operational rules applicable to BANC’s first phase of participation in the EIM).

<sup>3</sup> See Letter Order in ER20-95 (December 4, 2019) (accepting the EIM Implementation Agreement applicable to the second phase of BANC’s participation in the EIM).

<sup>4</sup> In addition to SMUD, which was part of BANC EIM phase 1, the phase 2 BANC members also include the Modesto Irrigation District, the City of Redding and the City of Roseville.

The CAISO requests that the Commission accept the Agreement effective March 25, 2021 and issue an order by October 1, 2020. This will allow the CAISO and BANC to complete all necessary actions to enable the second phase of participation to include WAPA and other BANC members on March 25, 2021, while allowing BANC to continue its participation in the EIM with only SMUD until that date.<sup>5</sup> This will also provide WAPA and other BANC members assurance that their participation will be acceptable as they finalize EIM participation agreements with the CAISO and prepare to commence market simulation and ultimately participate in parallel operations as part of the EIM readiness certification. The CAISO further requests waiver of the 120-day notice requirement to support the requested early acceptance of the Agreement.

## **I. Background**

The EIM has continued to develop and attract the interest of a diverse array of participants throughout the Western Interconnection. With respect to publicly owned utilities, BANC was the first participant, commencing its first phase of EIM participation in April 2019. Thereafter, the Salt River Project Agricultural Improvement and Power District and the City of Seattle by and through its City Light Department commenced EIM participation in April 2020.<sup>6</sup> Turlock Irrigation District and the Los Angeles Department of Water and Power intend to commence EIM participation in April 2021, and the City of Tacoma, Department of Public Utilities, Light Division will commence EIM participation in the spring of 2022.

## **II. Agreement**

The Agreement continues to address the legal and regulatory issues unique to BANC as a publicly owned utility under Section 201(f) of the Federal Power Act, as well as termination, liability and indemnity, and state law considerations unique to publicly owned utilities. These provisions are identical to provisions accepted by the Commission with respect to participation in the EIM

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<sup>5</sup> The BANC phase 2 implementation requires the CAISO to retire the BANC phase 1 mapping and implement new mapping that includes SMUD along with the other BANC members in the network model. This re-mapping requires a static network model promotion to occur as part of the EIM implementation, which adds additional execution risk. To mitigate the risk and to have more devoted resources from CAISO, BANC, and the other software vendors supporting the BANC phase 2 implementation, the BANC phase 2 implementation date has been moved up to March 25, 2021. See <https://www.westerneim.com/Documents/BANCEIMPhase2-EIMImplementationAgreementExhibitA.pdf> (updating the BANC phase 2 implementation date to March 25, 2021).

<sup>6</sup> EIM participation materials are available at <https://www.westerneim.com/Pages/About/default.aspx>.

by other publicly owned utilities, and remain in the Agreement.<sup>7</sup> The differences between the Agreement and the EIM Entity Agreement currently in effect with respect to BANC's phase 1 participation in the EIM are limited to the removal of provisions that account for participation solely by SMUD, while excluding WAPA and other BANC members from EIM participation.

Article I of the existing EIM Entity (phase 1) Agreement includes specifically defined terms for Balancing Authority Area, EIM Entity Balancing Authority Area, Interties, EIM Internal Interties, EIM Transmission Service Information, and EIM Transmission Service Provider. These specific definitions were necessary to clarify that BANC's phase 1 EIM participation only included SMUD. The Agreement removes these definitions and includes revised recitals and other descriptions to account for BANC's second phase of EIM participation by WAPA and other BANC members. The remainder of the agreement is unchanged, and essentially the same as EIM Entity Agreements between the CAISO and other publicly owned utilities previously accepted by the Commission.<sup>8</sup>

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

The CAISO requests that this Agreement be made effective March 25, 2021 in support of BANC's second phase of participation in the EIM. The CAISO and BANC must engage in activities that support a certification of readiness for phase 2 at least 30 days prior to the implementation date, while BANC continues to participate in the EIM under the phase 1 arrangement until that time.<sup>9</sup> Having the Agreement effective March 25, 2021 will allow the parties to proceed with activities to certify their readiness in a timely manner while BANC continues its phase 1 participation in the EIM. Furthermore, the CAISO requests that the Commission issue an order accepting the Agreement by October 1, 2020 so that WAPA and the newly-participating BANC members have assurance that their participation will be acceptable as they finalize EIM participation agreements with the CAISO and prepare to commence market simulation and ultimately enter parallel operations in support of readiness certification.

The CAISO respectfully requests waiver of the Commission's notice requirement to permit the Agreement to go into effect on March 25, 2021. Specifically, pursuant to section 35.11 of the Commission's regulations

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<sup>7</sup> See Letter Orders in ER18-2360 (October 18, 2018), ER19-539 (February 8, 2019), ER19-1612 (June 5, 2019), and ER20-1865 (June 26, 2020).

<sup>8</sup> *Id.*

<sup>9</sup> See sections 29.2(b)(6)-(7) of the CAISO tariff; and Letter Order in ER18-2360 (October 18, 2018).

(18 C.F.R. § 35.11), the CAISO requests waiver of the notice requirement contained in section 35.3 of the Commission's regulations (18 C.F.R. § 35.3) to allow the requested effective date.

## **V. Service**

The CAISO has served copies of this filing upon BANC, all parties to ER18-2360 (the BANC phase 1 EIM Entity Agreement filing), the California Public Utilities Commission, the California Energy Commission, and all parties with scheduling coordinator agreements under the CAISO tariff. In addition, the CAISO has posted the filing on the CAISO website.

## **VI. Contents of Filing**

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

- |              |   |
|--------------|---|
| Attachment A | The fully executed Agreement; and   |
| Attachment B | A red-line showing the differences between the Agreement and the BANC phase 1 EIM Entity Agreement. |

## **VII. Correspondence**

Pursuant to Rule 203(b) of the Commission's Rules of Practice and Procedure,<sup>10</sup> the CAISO requests that all correspondence, pleadings, and other communications concerning this filing be served upon the following:

John C. Anders  
Assistant General Counsel  
California Independent System  
Operator Corporation  
250 Outcropping Way  
Folsom, CA 95630  
Tel: (916) 608-7287  
E-mail: [janders@caiso.com](mailto:janders@caiso.com)

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<sup>10</sup> 18 C.F.R. § 385.203(b).

## **VIII. Conclusion**

The CAISO requests that the Commission accept the Agreement effective March 25, 2021. The CAISO also requests the Commission issue an order by October 1, 2020, and waive the 120-day notice requirement. If there are any questions concerning this filing, please contact the undersigned.

Respectfully submitted,

**By: /s/ John C. Anders**

Roger E. Collanton  
General Counsel  
Burton A. Gross  
Deputy General Counsel  
John C. Anders  
Assistant General Counsel  
California Independent System  
Operator Corporation  
250 Outcropping Way  
Folsom, CA 95630

*Attorneys for the California Independent  
System Operator Corporation*

**Attachment A – Executed Agreement**

**Amended and Restated EIM Entity Agreement**

**between the California Independent System Operator**

**and the Balancing Authority of Northern California**

**July 24, 2020**

**CALIFORNIA INDEPENDENT SYSTEM  
OPERATOR CORPORATION**

**AND**

**BALANCING AUTHORITY OF NORTHERN  
CALIFORNIA**

**AMENDED AND RESTATED  
EIM ENTITY AGREEMENT**

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## AMENDED AND RESTATED EIM ENTITY AGREEMENT

**THIS AMENDED AND RESTATED ENERGY IMBALANCE MARKET ENTITY AGREEMENT (“AGREEMENT”)** is established this 29<sup>th</sup> day of June, 2020, and is accepted by and between:

(1) The Balancing Authority of Northern California, a joint powers authority (“JPA”) established pursuant to the laws of the State of California (“EIM Entity”),

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 is a JPA that, among other things, provides Balancing Authority services to BANC Members and the Western Area Power Administration – Sierra Nevada Region (“WAPA”) in accordance with an operating agreement, whose certain members and WAPA within the Balancing Authority Area may in turn provide transmission service to their customers pursuant to existing agreements and/or open access transmission tariffs (“OATT”), including balancing Energy services.
- C. The CAISO operates the Real-Time Market pursuant to the CAISO Tariff.
- D. In April of 2019, the EIM Entity, along with one of its members, the Sacramento Municipal Utility District (“SMUD”), completed implementation and began successfully operating in the Energy Imbalance Market, referred to as BANC EIM Phase 1 (“Phase 1”).
- E. Other BANC Members and WAPA, whose facilities are also located within the BANC Balancing Authority Area, did not participate in Phase 1 to allow more time to address operational and contractual challenges.
- F. These other BANC Members and WAPA are now in a position to participate in the Energy Imbalance Market and, therefore, the Parties intend this

Agreement to define such additional participation in the Energy Imbalance Market within the EIM Entity Balancing Authority Area, referred to as BANC EIM Phase 2.

- G.** The Parties are entering into this Agreement to enable the EIM Entity to participate in the CAISO's Real-Time Market and to facilitate the provision of 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 unless defined below.
- (a) **BANC Member** means a party to the BANC Joint Powers Agreement, as that agreement may be modified from time to time.
  - (b) **EIM Participant** means a party to the BANC EIM Participation Agreement, as that agreement may be modified from time to time.
- 1.2 Rules of Interpretation.** The following rules of interpretation and conventions shall apply to this Agreement:
- (a) if and to the extent a matter is specifically addressed by a provision of this Agreement, the provision of this Agreement shall govern notwithstanding any inconsistent provisions of the CAISO Tariff;
  - (b) if and to the extent this Agreement provides that a matter shall be determined in accordance with the applicable provisions of the CAISO Tariff, the applicable provisions of the CAISO Tariff shall govern;
  - (c) the singular shall include the plural and vice versa;
  - (d) the masculine shall include the feminine and neutral and vice versa;
  - (e) "includes" or "including" shall mean "including without limitation";

- (f) 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;
- (g) 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;
- (h) 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;
- (i) 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;
- (j) unless the context otherwise requires, any reference to a Party includes a reference to its permitted successors and assigns;
- (k) any reference to a day, week, month or year is to a calendar day, week, month or year;
- (l) unless the context requires otherwise, “or” is used in the conjunctive sense; and
- (m) 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 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”). Nothing in this Agreement is intended to change, supersede, or alter either Party's obligations to abide by NERC and WECC Reliability Standards.
- 2.2 Tariff Provisions.** The CAISO shall provide open access to the Real-Time Market in accordance with the terms of the CAISO Tariff.

- 2.3 EIM Entity Scheduling Coordinator.** The EIM Entity shall be represented by an EIM Entity Scheduling Coordinator to implement the provisions of this Agreement, 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 EIM Entity 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 will use reasonable efforts to provide accurate and complete information described in this section to the CAISO.
- 2.5 EIM Transmission Availability.** The EIM Entity shall make available for use in the Real-Time Market transmission capacity within the EIM Entity Balancing Authority Area that is not otherwise encumbered, reserved, scheduled, or being used by EIM Participants, their transmission customers or by others and shall make arrangements with third party transmission service providers within the EIM Entity 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.
- 2.6 EIM Entity Corrective Actions.** The EIM Entity may take corrective action to address an issue with Energy Imbalance Market implementation or operation consistent with Section 29 of the CAISO Tariff.
- 2.7 EIM Entity Non-Jurisdictional Status.** The CAISO acknowledges that the EIM Entity is an exempt entity as described in section 201(f) of the Federal Power Act, 16 U.S.C. 824(f) and this Agreement does not extend the Federal Energy Regulatory Commission's ("FERC") jurisdiction over the EIM Entity, as that jurisdiction may or may not exist beyond the terms of the Agreement.

### 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. The CAISO shall file a timely notice of termination with FERC after the termination date provided in the EIM Entity notice. Termination will be effective upon acceptance of the notice of termination by FERC; provided, however, that the EIM Entity's rights and obligations under this Agreement will terminate as of the termination date provided in the EIM Entity's notice of termination, regardless of any action or inaction by FERC with respect to any application by the CAISO to terminate this Agreement.

**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 as interpreted in accordance with sections 1.2(a) and 1.2(b) of this Agreement. 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 for Damages.** Except as provided for in Section 13.3.14 of the CAISO Tariff and subject to Section 8.3, neither Party to this Agreement, nor any of its directors, officers, employees, consultants or agents nor any of its directors, officers, employees, consultants or agents, shall be liable to any other Party for any losses, damages (including consequential, incidental, punitive, special or indirect damages), claims, liability, costs, or expenses (including legal expenses) arising from the performance or non-performance of its obligations under this Agreement except to the extent that its grossly negligent performance of this Agreement (including intentional breach) results directly in physical damage to property owned, operated by, or under the operational control of any of the other Parties or in the death or injury of any person.
- 8.2 Exclusion of Certain Types of Loss.** Neither Party shall be liable to the other Party under any circumstances whatsoever for any punitive damages or consequential or indirect financial loss (including but not limited to loss of profit, loss of earnings or revenue, loss of use, loss of contract, or loss of goodwill) resulting from physical damage to property for which a Party may be liable under Section 8.1.
- 8.3 Indemnity.** The EIM Entity shall indemnify the CAISO and hold it harmless against all losses, damages, claims, liability, costs, or expenses (including legal expenses) arising from third party claims due to any acts or omissions of the EIM Entity, except to the extent that they result from intentional wrongdoing or gross negligence on the part of the CAISO or of its officers, directors, or employees. The CAISO shall give written notice of any third party claims against which it is entitled to be indemnified under this Section to the EIM Entity concerned promptly after becoming aware of them. The EIM Entity who has acknowledged its obligation to provide a full indemnity shall be entitled to control any litigation in relation to such third party claims (including settlement and other negotiations) and the CAISO shall, subject to its right to be indemnified against any resulting costs, cooperate fully with the EIM Entity in defense of such claims.

## 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 FERC.
- 10.5 Consistency with State Laws and Regulations.** The participation under this Agreement by the EIM Entity, which is not a public utility under the Federal

Power Act, is subject in all respects to the laws and regulations of the state of its creation and to rate schedules adopted by its governing body under state law. FERC has exclusive jurisdiction to interpret this Agreement, and how it applies to the EIM Entity. However, in the event that the governing body of the EIM Entity, subject to state court review, determines that a conflict exists between the applicable state law, regulations, or rate schedules and the provisions of this Agreement as interpreted by FERC, such state law, regulations, or rate schedules shall, effective upon the CAISO's filing with FERC as described below, govern with respect to the application of this Agreement to the EIM Entity. Should the governing body of the EIM Entity determine that such a conflict exists, the EIM Entity must submit in writing to the CAISO documents notifying the CAISO of the governing body's determination of such a conflict and explaining both the conflict (including what state laws, regulations or rate schedules, and what provisions of this Agreement, are at issue) and what actions the governing board is taking in response to that determination. The CAISO will review the documents submitted by the EIM Entity and, if it determines that any modification to this Agreement that would become effective under this provision will not impair the efficiency of Energy Imbalance Market and will not make the EIM Entity's continued participation in Energy Imbalance Market unduly discriminatory or preferential, the CAISO will file the documents provided by the EIM Entity with the Commission. If the CAISO cannot make such a determination, then the CAISO will terminate this Agreement in accordance with Section 3.2.1 and the modification to this Agreement described in the documents will not take effect.

The EIM Entity shall notify the CAISO as soon as practicable after it identifies a potential conflict that it expects to ask its governing body to determine pursuant to this provision, and negotiate in good faith with the CAISO to modify this Agreement in a way that avoids the conflict.

- 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.

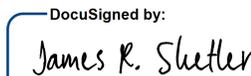
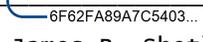


**IN WITNESS WHEREOF**, the Parties hereto have caused this Agreement to be duly executed on behalf of each by and through their authorized representatives as of the date hereinabove written.

**California Independent System Operator Corporation**

By:   
Name:   
Title: VP, Operations  
Date: 6/29/2020

**Balancing Authority of Northern California**

By:   
Name:   
Title: General Manager  
Date: 6/29/2020

**SCHEDULE 1**

**NOTICES**

**[Section 10.2]**

**EIM Entity**

Name of Primary

Representative: James R. Shetler  
Title: General Manager  
Company: Balancing Authority of Northern California  
Address: P.O. Box 15830 MS D109  
City/State/Zip Code: Sacramento, CA 95852-1830  
Email Address: jimshetler@thebanc.org  
Phone: (916) 870-3774  
Fax No: Not provided.

Name of Alternative

Representative: C. Anthony Braun  
Title: General Counsel  
Company: Braun Blaising Smith Wynne, P.C.  
Address: 555 Capitol Mall, Suite 570  
City/State/Zip Code: Sacramento, CA 95814  
Email Address: braun@braunlegal.com  
Phone: (916) 326-5812  
Fax No: (916) 330-4337

**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: Manager, Regulatory Contracts  
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 – Marked Tariff displaying the differences between the Agreement and the  
BANC phase 1 EIM Entity Agreement  
Amended and Restated EIM Entity Agreement  
between the California Independent System Operator  
and the Balancing Authority of Northern California  
July 24, 2020**

**Attachment B – Marked Tariff displaying the differences between the Agreement and the  
BANC phase 1 EIM Entity Agreement  
Amended and Restated EIM Entity Agreement  
between the California Independent System Operator  
and the Balancing Authority of Northern California  
July 24, 2020**

**CALIFORNIA INDEPENDENT SYSTEM  
OPERATOR CORPORATION**

**AND**

**Balancing Authority of Northern California**

**AMENDED AND RESTATED**

**EIM ENTITY AGREEMENT**

**AMENDED AND RESTATED EIM ENTITY AGREEMENT**

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

(1) The Balancing Authority of Northern California, a joint powers authority (“JPA”) established pursuant to the laws of the State of California (“EIM Entity”),

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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 is a JPA that, among other things, provides Balancing Authority services to ~~BANC~~its members and the Western Area Power Administration – Sierra Nevada Region (“WAPA”) in accordance with an operating agreement, whose certain members and ~~WAPA~~ether entities within the Balancing Authority Area may in turn provide transmission service to their customers pursuant to existing agreements and/or open access transmission tariffs (“OATT”), including balancing Energy services.
- C. The CAISO operates the Real-Time Market pursuant to the CAISO Tariff.
- D. In April of 2019, the EIM Entity, along with one of its members, tThe Sacramento Municipal Utility District (“SMUD”), completed implementation and began successfully operating in the ~~is a BANC Member and third party transmission service provider within the BANC Balancing Authority Area that intends to enable Energy Imbalance Market, referred to as BANC EIM Phase 1 (“Phase”) services on its transmission system.~~
- E. Other BANC Members and ~~the Western Area Power Administration~~WAPA – Sierra Nevada Region (“WAPA”), whose facilities are located within the BANC Balancing Authority Area, ~~did~~are not ~~in a position to~~ participate in the Phase 1 to allow more time to address operational and contractual challenges~~Energy Imbalance Market at this time and, therefore, the Parties intend this Agreement to solely define SMUD’s participation in the Energy Imbalance Market.~~

F. ~~These other BANC Members and WAPA are now in a position to participate in the Energy Imbalance Market and, therefore, the Parties intend this Agreement to define such additional EIM Entity understands that SMUD's participation in the Energy Imbalance Market with-in the must, at this time, be accounted for separately from WAPA and the other BANC Members within the EIM Entity Balancing Authority Area, referred to as BANC EIM Phase 2.~~

G. The Parties are entering into this Agreement to enable the EIM Entity to participate in the CAISO's Real-Time Market and to facilitate the provision of 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 unless ~~modified defined~~ below.

~~(a) — **Balancing Authority Area** as used in Section 29 of the CAISO Tariff shall mean the EIM Entity Balancing Authority Area as defined in this Agreement, unless the reference is to a Balancing Authority Area other than the Balancing Authority Area operated by the EIM Entity.~~

~~(ab) **BANC Member** means a party to the BANC Joint Powers Agreement as that agreement may be modified from time to time.~~

~~(be) **EIM Participant** means a party to the BANC EIM Participation Agreement, as that agreement may be modified from time to time. **Entity Balancing Authority Area**, as used in its concatenated form in the CAISO Tariff or this Agreement, shall include only the SMUD transmission system that is located within the Balancing Authority Area of the EIM Entity and is represented by E-Tags, an area control error calculation, and revenue quality metering separate from the WAPA transmission system, which is also located within the Balancing Authority Area of the EIM Entity.~~

~~(d) — **EIM External Interties** as defined in the CAISO Tariff shall include the interties between the EIM Entity Balancing Authority Area and the WAPA transmission system located within the Balancing Authority Area of the EIM Entity.~~

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~~(e) **EIM Internal Interties** as defined in the CAISO Tariff shall include the interties between the EIM Entity Balancing Authority Area and the CAISO Balancing Authority Area or other EIM Entity Balancing Authority Areas.~~

~~(f) **EIM Transmission Service Information** as defined in the CAISO Tariff shall include the transmission system information associated with the EIM Entity Balancing Authority Area.~~

~~(g) **EIM Transmission Service Provider** as defined in the CAISO Tariff shall include the transmission system within the EIM Entity Balancing Authority Area.~~

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

- (a) if and to the extent a matter is specifically addressed by a provision of this Agreement, the provision of this Agreement shall govern notwithstanding any inconsistent provisions of the CAISO Tariff;
- (b) if and to the extent this Agreement provides that a matter shall be determined in accordance with the applicable provisions of the CAISO Tariff, the applicable provisions of the CAISO Tariff shall govern;
- (c) the singular shall include the plural and vice versa;
- (d) the masculine shall include the feminine and neutral and vice versa;
- (e) "includes" or "including" shall mean "including without limitation";
- (f) 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;
- (g) 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;
- (h) 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;
- (i) 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;

- (j) unless the context otherwise requires, any reference to a Party includes a reference to its permitted successors and assigns;
- (k) any reference to a day, week, month or year is to a calendar day, week, month or year;
- (l) unless the context requires otherwise, “or” is used in the conjunctive sense; and
- (m) 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 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”). Nothing in this Agreement is intended to change, supersede, or alter either Party’s obligations to abide by NERC and WECC Reliability Standards.
- 2.2 Tariff Provisions.** The CAISO shall provide open access to the Real-Time Market in accordance with the terms of the CAISO Tariff.
- 2.3 EIM Entity Scheduling Coordinator.** The EIM Entity shall be represented by an EIM Entity Scheduling Coordinator to implement the provisions of this Agreement, 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 EIM Entity 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 will use reasonable efforts to provide accurate and complete information described in this section to the CAISO.
- 2.5 EIM Transmission Availability.** The EIM Entity shall make available for use in the Real-Time Market transmission capacity on within the EIM Entity Balancing Authority Area that is not otherwise encumbered, reserved, scheduled, or being used by ~~SMUDEIM Participants, their~~ transmission customers or by others and shall make arrangements with third party transmission service providers within the EIM Entity 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.

- 2.6 EIM Entity Corrective Actions.** The EIM Entity may take corrective action to address an issue with Energy Imbalance Market implementation or operation consistent with Section 29 of the CAISO Tariff.
- 2.7 EIM Entity Non-Jurisdictional Status.** The CAISO acknowledges that the EIM Entity is an exempt entity as described in section 201(f) of the Federal Power Act, 16 U.S.C. 824(f) and this Agreement does not extend the Federal Energy Regulatory Commission's (FERC) jurisdiction over the EIM Entity, as that jurisdiction may or may not exist beyond the terms of the Agreement.

### 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. The CAISO shall file a timely notice of termination with FERC after the termination date provided in the EIM Entity notice. Termination will be effective upon acceptance of the notice of termination by FERC; provided, however, that the EIM Entity's rights and obligations under this Agreement will terminate as of the termination date provided in the EIM Entity's notice of termination, regardless of any action or inaction by FERC with respect to any application by the CAISO to terminate this Agreement.

**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 as interpreted in accordance with sections 1.2(a) and 1.2(b) of this Agreement. 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 for Damages.** Except as provided for in Section 13.3.14 of the CAISO Tariff and subject to Section 8.3, neither Party to this Agreement, nor any of its directors, officers, employees, consultants or agents nor any of its directors, officers, employees, consultants or agents, shall be liable to any other Party for any losses, damages (including consequential, incidental, punitive, special or indirect damages), claims, liability, costs, or expenses (including legal expenses) arising from the performance or non-performance of its obligations under this Agreement except to the extent that its grossly negligent performance of this Agreement (including intentional breach) results directly in physical damage to property owned, operated by, or under the operational control of any of the other Parties or in the death or injury of any person.
- 8.2 Exclusion of Certain Types of Loss.** Neither Party shall be liable to the other Party under any circumstances whatsoever for any punitive damages or consequential or indirect financial loss (including but not limited to loss of profit, loss of earnings or revenue, loss of use, loss of contract, or loss of goodwill) resulting from physical damage to property for which a Party may be liable under Section 8.1.
- 8.3 Indemnity.** The EIM Entity shall indemnify the CAISO and hold it harmless against all losses, damages, claims, liability, costs, or expenses (including legal expenses) arising from third party claims due to any acts or omissions of the EIM Entity, except to the extent that they result from intentional wrongdoing or gross

negligence on the part of the CAISO or of its officers, directors, or employees. The CAISO shall give written notice of any third party claims against which it is entitled to be indemnified under this Section to the EIM Entity concerned promptly after becoming aware of them. The EIM Entity who has acknowledged its obligation to provide a full indemnity shall be entitled to control any litigation in relation to such third party claims (including settlement and other negotiations) and the CAISO shall, subject to its right to be indemnified against any resulting costs, cooperate fully with the EIM Entity in defense of such claims.

## 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 FERC.

**10.5 Consistency with State Laws and Regulations.** The participation under this Agreement by the EIM Entity, which is not a public utility under the Federal Power Act, is subject in all respects to the laws and regulations of the state of its creation and to rate schedules adopted by its governing body under state law. FERC has exclusive jurisdiction to interpret this Agreement, and how it applies to the EIM Entity. However, in the event that the governing body of the EIM Entity, subject to state court review, determines that a conflict exists between the applicable state law, regulations, or rate schedules and the provisions of this Agreement as interpreted by FERC, such state law, regulations, or rate schedules shall, effective upon the CAISO's filing with FERC as described below, govern with respect to the application of this Agreement to the EIM Entity. Should the governing body of the EIM Entity determine that such a conflict exists, the EIM Entity must submit in writing to the CAISO documents notifying the CAISO of the governing body's determination of such a conflict and explaining both the conflict (including what state laws, regulations or rate schedules, and what provisions of this Agreement, are at issue) and what actions the governing board is taking in response to that determination. The CAISO will review the documents submitted by the EIM Entity and, if it determines that any modification to this Agreement that would become effective under this provision will not impair the efficiency of Energy Imbalance Market and will not make the EIM Entity's continued participation in Energy Imbalance Market unduly discriminatory or preferential, the CAISO will file the documents provided by the EIM Entity with the Commission. If the CAISO cannot make such a determination, then the CAISO will terminate this Agreement in accordance with Section 3.2.1 and the modification to this Agreement described in the documents will not take effect.

The EIM Entity shall notify the CAISO as soon as practicable after it identifies a potential conflict that it expects to ask its governing body to determine pursuant to this provision, and negotiate in good faith with the CAISO to modify this Agreement in a way that avoids the conflict.

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

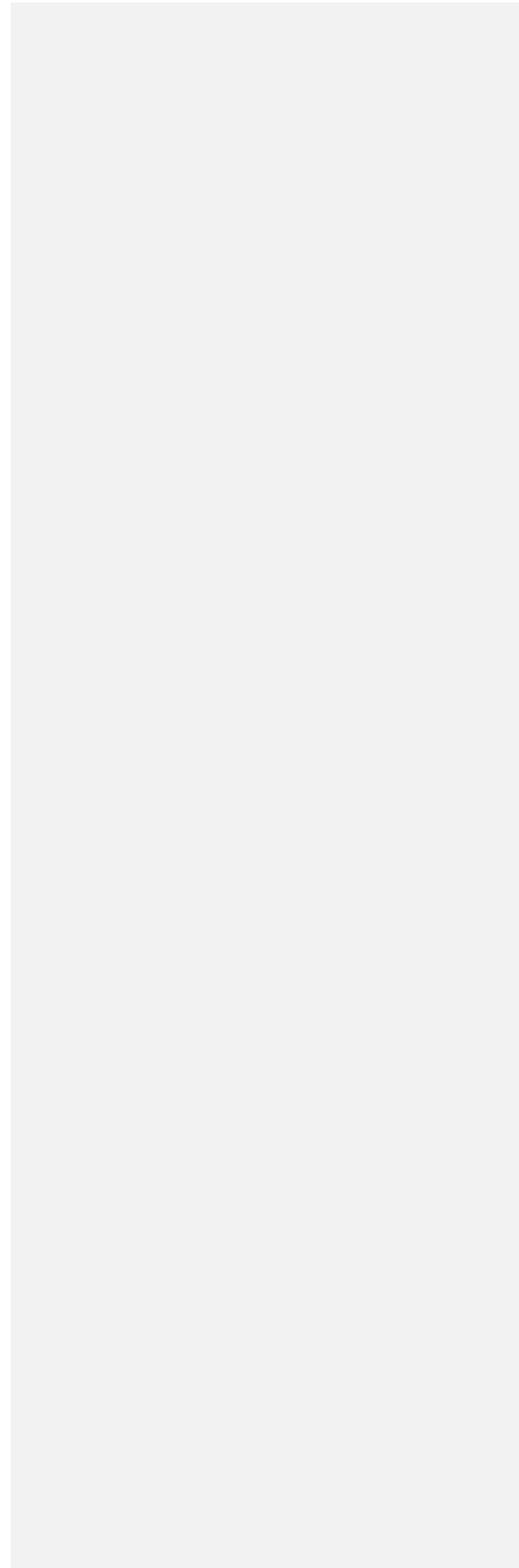
**Balancing Authority of Northern California**

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

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

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

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



**SCHEDULE 1**

**NOTICES**  
**[Section 10.2]**

**EIM Entity**

Name of Primary  
Representative: James R. Shetler  
Title: General Manager  
Company: Balancing Authority of Northern California  
Address: P.O. Box 15830 MS D109  
City/State/Zip Code: Sacramento, CA 95852-1830  
Email Address: jimshetler@thebanc.org  
Phone: (916)870-3774  
Fax No: Not provided.

Name of Alternative  
Representative: C. Anthony Braun  
Title: General Counsel  
Company: Braun Blasing Smith Wynne, P.C.  
Address: 555 Capitol Mall~~915 L Street~~, Suite 570~~4480~~  
City/State/Zip Code: Sacramento, CA 95814  
Email Address: braun@braunlegal.com  
Phone: (916)326-5812  
Fax No: (916)330-4337

**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: Manager, Regulatory Contracts  
Address: 250 Outcropping Way  
City/State/Zip Code: Folsom, CA 95630  
Email address: csibley@caiso.com  
Phone: (916) 608-7030  
Fax: (916) 608-5063

