

Black Start Generator

A Participating Generator in its capacity as party to an Interim Black Start Agreement with the ISO for the provision of Black Start services, but shall exclude Participating Generators in their capacity as providers of Black Start services under their Reliability Must-Run Contracts

Bulk Supply Point

A UDC metering point.

Business Day

A day on which banks are open to conduct general banking business in California.

C.F.R.

Code of Federal Regulations.

Completed Application Date

For purposes of Section 5.7, the last day of the calendar month in which a Generating Unit submits an Interconnection Application to the ISO that satisfies the requirements of this Tariff.

Conditional Energy Bids

A Bid for Energy to serve Demand at or below a specified price.

Congestion

A condition that occurs when there is insufficient Available Transfer Capacity to implement all Preferred Schedules simultaneously or, in real time, to serve all Generation and Demand. "Congested" shall be construed accordingly.

Congestion Management

The alleviation of Congestion in accordance with Applicable ISO Protocols and Good Utility Practice.

<u>Converted Rights</u>	Those transmission service rights as defined in Section 2.4.4.2.1 of the ISO Tariff.
<u>Cost Shifting</u>	A transfer of costs from one group of customers to another or from one utility to another.
<u>CPUC</u>	The California Public Utilities Commission, or its successor.
<u>Critical Protective System</u>	Facilities and sites with protective relay systems and Remedial Action Schemes that the ISO determines may have a direct impact on the ability of the ISO to maintain system security and over which the ISO exercises Operational Control.
<u>CTC (Competition Transition Charge)</u>	A non-bypassable charge that is the mechanism that the California Legislature and the CPUC mandated to permit recovery of costs stranded as a result of the shift to the new market structure.
<u>Curtable Demand</u>	Demand that can be curtailed at the direction of the ISO in the real time dispatch of the ISO Controlled Grid. Scheduling Coordinators with Curtable Demand may offer it to the ISO to meet Non-spinning or Replacement Reserve requirements.
<u>Data Adequacy Requirement</u>	Any minimum data requirements, as they may exist from time to time, of the state agency responsible for generation siting or any applicable Local Regulatory Authority.
<u>Day-Ahead</u>	Relating to a Day-Ahead Market or Day-Ahead Schedule.

	Generator.
<u>Dependent Participating TO</u>	A Participating TO that is not Self-Sufficient.
<u>Designated Contact Person</u>	The person designated by a Participating TO to coordinate with the ISO on the processing and completion of all Interconnection Applications.
<u>Direct Access Demand</u>	The Demand of Direct Access End-Users.
<u>Direct Access End-User</u>	An Eligible Customer located within the Service Area of a UDC who purchases Energy and Ancillary Services through a Scheduling Coordinator.
<u>Direct Access Generation</u>	An Eligible Customer who is selling Energy or Ancillary Services through a Scheduling Coordinator.
<u>Dispatch</u>	The operating control of an integrated electric system to: i) assign specific Generating Units and other sources of supply to effect the supply to meet the relevant area Demand taken as Load rises or falls; ii) control operations and maintenance of high voltage lines, substations, and equipment, including administration of safety procedures; iii) operate interconnections; iv) manage Energy transactions with other interconnected Control Areas; and v) curtail Demand.
<u>Dispatchable Loads</u>	Load which is the subject of an Adjustment Bid.
<u>Distribution System</u>	The distribution assets of a TO or UDC.
<u>EEP (Electrical Emergency Plan)</u>	A plan to be developed by the ISO in consultation with UDCs to address situations when Energy reserve

Generating Unit.

GMM (Generation Meter Multiplier)

A number which when multiplied by a Generating Unit's Metered Quantity will give the total Demand to be served from that Generating Unit.

Good Faith Deposit

The deposit paid by an applicant to the ISO with submission of its Interconnection Application in accordance with Section 5.7.1.1, in an amount equal to \$1/kW of the proposed Generating Unit's maximum output. Thereafter, the term Good Faith Deposit shall include any accrued interest, less any applicable bank fees or other charges, on such original amount.

Good Utility Practice

Any of the practices, methods, and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods, and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety, and expedition. Good Utility Practice is not intended to be any one of a number of the optimum practices, methods, or acts to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted

Grid Management Charger

in the region.

The ISO monthly charge on all Scheduling Coordinators that is intended to recover the ISO's startup and development costs and the costs associated with the ongoing operation and maintenance, including financing costs, of the ISO Controlled Grid which shall be

Interconnection

Transmission facilities, other than additions or replacements to existing facilities that: i) connect one system to another system where the facilities emerge from one and only one substation of the two systems and are functionally separate from the ISO Controlled Grid facilities such that the facilities are, or can be, operated and planned as a single facility; or ii) are identified as radial transmission lines pursuant to contract; or iii) produce Generation at a single point on the ISO Controlled Grid; provided that such interconnection does not include facilities that, if not owned by the Participating TO, would result in a reduction in the ISO's Operational Control of the Participating TO's portion of the ISO Controlled Grid.

Interconnection Agreement

A contract between a party requesting interconnection and the Participating TO that owns the transmission facility with which the requesting party wishes to Interconnect.

Interconnection Application

An application meeting the information requirements of the applicable Participating TO Tariff for interconnection of a Generating Unit to the ISO Controlled Grid.

Interest

Interest shall be calculated in accordance with the methodology specified for interest on refunds in the regulations of FERC at 18 C.F.R. §35.19(a)(2)(iii) (1996). Interest on delinquent amounts shall be calculated from the due date of the bill to the date of payment. When payments are made by mail, bills shall be considered as having been paid on the date of receipt.

Interruptible Imports

Energy sold by a Generator or resource located outside the ISO Controlled Grid which by contract can be interrupted or reduced at the discretion of the seller.

Intra-Zonal Congestion

Congestion within a Zone.

IOU

An investor owned electric utility.

ISO (Independent System Operator)

The California Independent System Operator Corporation, a state chartered, nonprofit corporation that controls the transmission facilities of all Participating TOs and dispatches certain Generating Units and Loads.

ISO Account

The ISO Clearing Account, the ISO Reserve Account or such other trust accounts as the ISO deems necessary or convenient for the purpose of efficiently implementing

necessarily causes Energy production from other components; iii) the operational arrangement of related multiple generating components determines the overall physical efficiency of the combined output of all components; iv) the level of coordination required to schedule individual generating components would cause the ISO to incur scheduling costs far in excess of the benefits of having scheduled such individual components separately; or v) metered output is available only for the combined output of related multiple generating components and separate generating component metering is either impractical or economically inefficient.

PMS (Power Management System)

The ISO computer control system used to monitor the real time performance of the various elements of the ISO Controlled Grid, control Generation, and perform operational power flow studies.

Power Flow Model

The computer software used by the ISO to model the voltages, power injections and power flows on the ISO Controlled Grid and determine the expected Transmission Losses and Generation Meter Multipliers.

Power Plant License

A license issued by a federal, state or Local Regulatory

Authority that enables an entity to build and operate a Generating Unit.

Preferred Day-Ahead Schedule

A Scheduling Coordinator's Preferred Schedule for the

Losses, Load, and trades between Scheduling Coordinators to resolve Inter-Zonal Congestion.

Supplemental Energy

Energy from Generating Units and other resources which have uncommitted capacity following finalization of the Hour-Ahead Schedules and for which Scheduling Coordinators have submitted bids to the ISO at least half an hour before the commencement of the Settlement Period.

Supply

The rate at which Energy is delivered to the ISO Controlled Grid measured in units of watts or standard multiples thereof, e.g., 1,000W=1 KW; 1,000 KW = 1MW, etc.

Supply Market Participant

Any Generator on behalf of whom Generation and Ancillary Services are scheduled pursuant to the ISO Tariff.

System Benefits

Participating TO cost savings or FTRs that result from transmission facilities paid for by new Generating Units beyond the new Generating Unit's first point of interconnection to the ISO Controlled Grid. System Benefits cannot exceed the cost of transmission facilities paid for by the new Generator nor can they be less than zero.

System Emergency

Conditions beyond the normal control of the ISO that affect the ability of the ISO Control Area to function normally including any abnormal system condition which requires immediate manual or automatic action to prevent loss of Load, equipment damage, or tripping of

	system elements which might result in cascading outages or to restore system operation to meet the minimum operating reliability criteria.
<u>System Impact Study</u>	An engineering study conducted by a Participating TO to determine whether a request for interconnection to the ISO Controlled Grid would require new transmission additions, upgrades or other mitigation measures, as provided for in Section 5.7 of the ISO Tariff.
<u>System Planning Studies</u>	Reports summarizing studies performed to assess the adequacy of the ISO Controlled Grid as regards conformance to Reliability Criteria.
<u>System Reliability</u>	A measure of an electric system's ability to deliver uninterrupted service at the proper voltage and frequency.
<u>System Resource</u>	A group of resources located outside of the ISO Control Area capable of providing Energy and/or Ancillary Services to the ISO Controlled Grid.
<u>System Unit</u>	One or more resources within a Metered Subsystem controlled so as to simulate a single resource with specified performance characteristics.
<u>Take-Out Point</u>	The metering points at which a Scheduling Coordinator Metered Entity or ISO Metered Entity takes delivery of Energy.
<u>Tax Exempt Debt</u>	Municipal Tax Exempt Debt or Local Furnishing Bonds.

Tax Exempt Participating TO

A Participating TO that is the beneficiary of outstanding Tax-Exempt Debt issued to finance any electric facilities, or rights associated therewith, which are part

