

2.3.2.9.3 Imposing Sanctions. If the ISO finds that the operation and maintenance practices of any Participating TOs, Participating Generators, Eligible Customers, or UDCs prolonged the response time or contributed to the Outage, the ISO may impose sanctions on the responsible Participating TOs, Participating Generators, Eligible Customers, or UDCs provided that no sanction shall be imposed in respect of actions taken in compliance with the ISO's instructions or pursuant to a Remedial Action Scheme. The ISO shall develop and file with FERC a schedule of such sanctions. Any dispute concerning whether sanctions should be imposed under this Section shall be resolved through the ISO ADR Procedures. The schedule of sanctions filed with FERC (including categories and levels of sanctions) shall not be subject to the ISO ADR Procedures. The ISO shall publish on the ISO Home Page details of all instances in which a sanction has been imposed.

2.3.3 Coordination of Outages and Maintenance.

2.3.3.1 ISO Outage Coordination Office. The ISO Outage Coordination Office shall be established by the ISO and shall coordinate and approve Maintenance Outages of: (i) all facilities that comprise the ISO Controlled Grid and (ii) Participating Generators. The ISO shall coordinate Outages of other resources within the ISO Control Area or the State of California in accordance with applicable law. The ISO shall additionally coordinate and approve Outages required for new construction and for work on de-energized and live transmission facilities (e.g., relay maintenance or insulator washing) and associated equipment.

2.3.3.2 Requirement for Approval. An Operator shall not take: (i) facilities that comprise the ISO Controlled Grid or (ii) Participating Generators out of service for the purposes of planned maintenance or for new construction or other work except as approved by the ISO Outage Coordination Office.

2.3.3.3 Requests for Outages in Real Time Operation. Requests for Outages of: (i) facilities that comprise the ISO Controlled Grid or (ii) Participating Generators in real time operation shall be made by the Operator to the ISO Control Center. The ISO will not approve any Outage request made within one hundred twenty (120) hours of the requested Outage start time unless: (i) the requested Outage could not have been reasonably foreseen and scheduled through the Outage coordination process provided in Section 2.3.3; (ii) the requested Outage will not compromise ISO Controlled Grid reliability; and (iii) the requested Outage will not cause unduly significant market impacts.

2.3.3.4 Single Point of Contact. Requests for approvals and coordination of all Maintenance Outages (consistent with Section 2.3.3.1) will be through a single point of contact between the ISO Outage Coordination Office and each Operator. The single point of contact for the ISO and each Operator will be specified from time to time by the Operator and the ISO pursuant to the detailed procedures referred to in Section 2.3.3.5.

2.3.3.5 Maintenance Outage Planning. Each Operator shall, by not later than October 15 each year, provide the ISO with a proposed schedule of all Maintenance Outages it wishes to undertake in the following year. The proposed schedule shall include all of the Operator's transmission facilities that comprise the ISO Controlled Grid and Participating Generators. In the case of a Participating TO's transmission facilities, that proposed schedule shall be developed in consultation with the UDCs interconnected with that Participating TO's system and shall take account of each UDC's planned maintenance requirements. The nature of the information to be provided and the detailed Maintenance Outage planning procedure shall be established by the ISO and set out in an ISO Protocol. Either the ISO, pursuant to Section 2.3.3.6, or an Operator, subject to Section 2.3.3.5.4, may at any time request a change to an Approved

Maintenance Outage. An Operator may, upon one hundred twenty (120) advance notice, schedule with the ISO Outage Coordination Office a Maintenance Outage on its system, subject to the conditions of Sections 2.3.3.5.1, 2.3.3.5.2, and 2.3.3.5.3.

2.3.3.5.1 The ISO Outage Coordination Office shall evaluate whether the requested Maintenance Outage or change to an Approved Maintenance Outage is likely to have a detrimental effect on the efficient use and reliable operation of the ISO Controlled Grid or the facilities of a Connected Entity.

2.3.3.5.2 Where the ISO Outage Coordination Office reasonably determines that the requested Maintenance Outage or the requested change to an Approved Maintenance Outage, when evaluated together with existing Approved Maintenance Outages, is not likely to have a detrimental effect on the efficient use and reliable operation of the ISO Controlled Grid, the ISO shall authorize the Maintenance Outage or change to the Approved Maintenance Outage, and shall so notify the requesting Operator and other entities who may be directly affected.

2.3.3.5.3 Where, in the reasonable opinion of the ISO Outage Coordination Office, the requested Maintenance Outage or requested change to an Approved Maintenance Outage is likely to have a detrimental effect on the efficient use and reliable operation of the ISO Controlled Grid, the ISO Outage Coordination Office may reject the requested Maintenance Outage or requested change to Approved Maintenance Outage. The determination of the ISO Outage Coordination Office shall be final and binding on the Operator. If, within fourteen (14) days of having made its determination, the Operator requests the ISO Outage Coordination Office to provide reasons for its determination, it shall do so as soon as is reasonably practicable. The ISO will give reasons for informational purposes only and without affecting in any way the finality or validity of the determination.

2.3.3.5.4 In the event an Operator of facilities forming part of the ISO Controlled Grid cancels an Approved Maintenance Outage after 5:00 a.m. of the day prior to the day upon which the Outage is scheduled to commence and the ISO determines that the change was not required to preserve System Reliability, the ISO may disregard the availability of the affected facilities in determining the availability of transmission capacity in the Day-Ahead Market, provided, however, that the ISO will, as promptly as practicable, notify Market

Participants and reflect the availability of the affected facilities in determining the availability of transmission capacity in the Hour-Ahead Market.

2.3.3.6 Maintenance Outage Requests by the ISO. The ISO Outage Coordination Office may at any time request a Maintenance Outage or a change to an Approved Maintenance Outage from an Operator if, in the opinion of the ISO Outage Coordination Office, the requested Maintenance Outage or change is required to secure the efficient use and reliable operation of the ISO Controlled Grid. In addition, the ISO Outage Coordination Office may, by providing notice no later than 5:00 a.m. of the day prior to the day upon which the Outage is scheduled to commence, direct the Operator to cancel an Approved Maintenance Outage, when necessary to preserve or maintain System Reliability or to avoid unduly significant market impacts that would arise if the Outage were to proceed as scheduled. The Operator, acting in accordance with Good Utility Practice, shall comply with the ISO's direction and the provisions of Sections 2.3.3.6.1 and 2.3.3.6.2 shall apply. The ISO shall give notice of any such direction to Market Participants prior to the deadline for submission of initial Preferred Day-Ahead Schedules for the day on which the Outage was to have commenced. For purposes of this section and Section 2.3.3.3, an "unduly significant market impact" means an unplanned event or circumstance (e.g., unseasonable weather, a Forced Outage of a facility, or other occurrence) that adversely affects the competitive nature and efficient workings of the ISO markets, and is of such severity that a prudent Operator would not have scheduled a Maintenance Outage of its facility if the unplanned event or circumstance could have been anticipated.

2.3.3.6.1 The Operator may: (1) refuse the request; (2) agree to the request; or (3) agree to the request subject to specific conditions. The Operator, acting in

accordance with Good Utility Practice, shall make every effort to comply with requests by
the ISO

Outage Coordination Office. In the event that the Operator refuses the ISO's request, it shall provide to the ISO Outage Coordination Office written justification for its position within seventy-two (72) hours.

2.3.3.6.2 In response the ISO Outage Coordination Office may: (1) overrule any refusal of a Maintenance Outage or a change to an Approved Maintenance Outage by an Operator, in which case the ISO Outage Coordination Office determination shall be final; (2) accept any changes or conditions proposed by the Operator, in which case the Maintenance Outage request or the request to change an Approved Maintenance Outage shall be deemed to be amended accordingly; or (3) reject the change or condition, in which case the ISO Outage Coordination Office and the Operator shall determine if acceptable alternative conditions or changes can be agreed. If the Operator and the ISO Outage Coordination Office cannot agree on acceptable alternative conditions or changes to the ISO Outage Coordination Office's request for a Maintenance Outage or change to an Approved Maintenance Outage, the ISO Outage Coordination Office determination shall be final. If the Operator and the ISO Outage Coordination Office cannot agree on acceptable alternative conditions or changes to the ISO Outage Coordination Office's request for a Maintenance Outage or change to an Approved Maintenance Outage, the ISO may notify the FERC of the dispute and take any other steps that are within its authority to maintain the reliability of the ISO Controlled Grid.

2.3.3.6.3 The ISO will compensate the applicable Participating TO or Participating Generator for any direct and verifiable costs that such Participating TO or Participating Generator incurs as a result of the ISO's cancellation of an Approved Maintenance Outage pursuant to this Section 2.3.3.6. For purposes of this section, direct costs include verifiable labor and equipment rental costs that have been incurred by the applicable

Participating TO or Participating Generator solely as a result of the ISO's cancellation of the Approved Maintenance Outage. Each Participating TO or Participating Generator must make a reasonable effort to avoid incurring any such direct costs through such measures as, but not limited to, the prompt cancellation of all contractual arrangements with third parties related to the Approved Maintenance Outage.

2.3.3.6.4 The amount used to compensate each applicable Participating TO and Participating Generator, as described in Section 2.3.3.6.3, shall be charged to the Scheduling Coordinators in proportion to their metered Demand (including exports) during the Settlement Period(s) of the originally scheduled Outage.

2.3.3.7 The ISO Outage Coordination Office shall provide notice to the Operator of the approval or disapproval of any requested Maintenance Outage. Additionally, the ISO Outage Coordination Office shall notify any Connected Entity that may in the reasonable opinion of the ISO Outage Coordination Office be directly affected by an Approved Maintenance Outage. The content of and procedures for such notice shall be established by the ISO.

2.3.3.8 Final Approval. On the day on which an Approved Maintenance Outage is scheduled to commence, the Operator shall contact the ISO Control Center for final approval of the Maintenance Outage. No Maintenance Outage shall commence without such final approval (including the time of release, in hours and minutes) being obtained from the ISO Control Center whose decision shall be final.

2.3.3.9 Forced Outages.

2.3.3.9.1 Coordination of all Forced Outages (consistent with Section 2.3.3.4) will be through the single point of contact between the Operator and the ISO Control Center.

2.3.3.9.2 All notifications of Forced Outages shall be communicated to the ISO Control Center with as much notice as possible in order that the necessary security analysis and ISO Controlled Grid assessments may be performed. If prior notice of a Forced Outage cannot be given, the Operator shall notify the ISO of the Forced Outage immediately after it occurs.

2.3.3.9.3 The ISO Control Center shall coordinate any operational changes necessary to accommodate a Forced Outage and Market Participants shall comply with the ISO's instructions given for that purpose.

2.3.3.9.4 All Forced Outages shall be communicated by the ISO Control Center to Operators likely to be affected by the Outage using the same procedures adopted for Maintenance Outage coordination procedures.

2.3.3.9.5 Within seven (7) days of the commencement of a Forced Outage, the Operator shall provide to the ISO an explanation of the Forced Outage, including a description of the equipment failure or other cause and a description of all remedial actions taken by the Operator. Upon request of the ISO, Operators, and where applicable, Eligible Customers, Scheduling Coordinators, UDCs and MSSs promptly shall provide information requested by the ISO to enable the ISO to review the explanation submitted by the Operator and to prepare reports on Forced Outages. If the ISO determines that any Forced Outage may have been the result of gaming or other questionable behavior by the Operator, the ISO shall submit a report describing the basis for its determination to the FERC.

2.3.3.10 Other Control Areas. The ISO Outage Coordination Office shall make all reasonable efforts to coordinate Outages involving other Control Areas or affecting an intertie, import or export capability not under the Operational Control of the ISO to the extent that they may affect the reliability of the ISO Controlled Grid.

2.3.3.11 Records. The ISO and all Operators shall develop procedures to keep a record of approved Maintenance Outages as they are implemented and to report the completion of approved Maintenance Outages.

2.3.4 Management of Overgeneration Conditions.

The ISO's management of Overgeneration relates only to real time. Overgeneration in real time will be mitigated by the ISO as follows; provided that the ISO operator will have the discretion, if necessary to avoid a system emergency, to eliminate one or more of the following steps.

2.3.4.1 Commencing one hour prior to the start of the Settlement Period, the ISO will, based on available Adjustment Bids, Supplemental Energy bids and Ancillary Service Energy bids, issue Dispatch instructions to Scheduling Coordinators to reduce Generation and imports for the next operating hour.

- (d) Generating Unit operating limits (high and low MW);
- (e) Generating Unit ramp rate (MW/Min); and
- (f) Such other information as the ISO may determine it requires to evaluate bids, as published from time to time in ISO Protocols.

Scheduling Coordinators for Must-Offer Generators, as defined in Section 5.11 of this ISO Tariff, may elect to submit Supplemental Energy bids for gas-fired Generating Units at the Proxy Price calculated in accordance with Section 2.5.23.3.3.4. Scheduling Coordinators for all other Generating Units, System Units, and System Resources may elect to submit Supplemental Energy bids to be paid the Marginal Proxy Clearing Price as determined in accordance with Section 2.5.23.3.3.1.

2.5.22.5 Information used in the Real Time Dispatch. The ISO shall place all the bid price information (except for Regulation bid prices and Adjustment Bids carried forward from the Day-Ahead and Hour-Ahead Markets) received from available Generating Units, Loads, System Units and System Resources in a database for use in real time Dispatch of Balancing Energy. The database shall indicate:

- (a) Generating Unit/Load/ System Unit/ System Resource name;
- (b) congestion zone;
- (c) quantity bid;
- (d) normal ramp rate;
- (e) price;
- (f) whether the Generating Unit/ Load/ System Unit/ System Resource has been contracted to provide any Ancillary Services and/or Supplemental Energy, and, if so, which ones.

The quantity blocks shall be ordered in a merit order stack of ascending incremental and descending decremental price bids. Energy bids associated with Spinning and Non-Spinning Reserve shall be included in the merit order stack during normal operating conditions unless the capacity associated with such bids has been designated as available to supply Imbalance Energy only in the event of the occurrence of an unplanned Outage, a Contingency or an imminent or actual System Emergency.

2.5.22.6 Real Time Dispatch. The ISO shall select the least-cost Generating Unit, Load, System Unit or System Resource that is effective to meet Imbalance Energy requirements in real time, subject to the limitation on the Dispatch of Spinning Reserve and Non-Spinning Reserve set forth in Section 2.5.22.3. The ISO shall determine that additional output is needed if the current output levels

If the ISO declares a System Emergency, e.g. during times of supply scarcity, and involuntary load shedding occurs during the real time Dispatch, the ISO shall set the Hourly Ex Post Price at the Administrative Price.

2.5.23.3 Temporary Limitation on BEEP Interval Ex Post Prices

2.5.23.3.1 Limitation. Notwithstanding any other provision of the ISO Tariff, during System Emergencies the BEEP Interval Ex Post Price shall not exceed the highest Proxy Price calculated in accordance with Section 2.5.23.3.4 for a gas-fired Generating Unit that : (i) is owned or controlled by a Must-Offer Generator; and (ii) is dispatched by the ISO to provide Imbalance Energy. This Proxy Price shall establish the Market Clearing Price (the "Marginal Proxy Clearing Price") for all Scheduling Coordinators for Generating Units, System Units, and System Resources that submit bids at or below the level of the Marginal Proxy Clearing Price during System Emergencies unless the marginal bid accepted by the ISO for the supply of Imbalance Energy from a gas-fired Generating Unit owned or controlled by a Must-Offer Generator is below the calculated Proxy Price for that Generating Unit, in which case such marginal bid shall establish the Marginal Proxy Clearing Price. Scheduling Coordinators for Generating Units, System Units, and System Resources that submit bids above the Marginal Proxy Clearing Price for the supply of Imbalance Energy during System Emergencies shall be paid in accordance with their bids if accepted for Dispatch by the ISO. Scheduling Coordinators for Generating Units, System Units and System Resources that submit bids for the supply of Imbalance Energy above the Marginal Proxy Clearing Price during System Emergencies shall be subject to the cost justification requirements and potential refunds, as set forth in Section 2.5.23.3.5.

2.5.23.3.2 Charges for Certain Instructed Imbalance Energy. Amounts paid to Scheduling Coordinators in accordance with Section 2.5.23.3.1 for Instructed Imbalance

Energy from Generating Units, System Units and System Resources at bids above the
Marginal Proxy

Clearing Price shall be charged to Scheduling Coordinators such that the charge to each Scheduling Coordinator shall be pro rata based upon the same proportion as the Scheduling Coordinator's Net Negative Uninstructed Deviations for the BEEP Interval bears to the total Net Negative Uninstructed Deviations of all Scheduling Coordinators for the BEEP Interval. Such charge shall apply in lieu of any charge specified in the ISO Tariff for such Instructed Imbalance Energy based on the BEEP Interval Ex Post Price.

2.5.23.3.3 Requirement of Must-Offer Generators to File Heat Rate and Emission Rate Data

Must-Offer Generators, as defined in Section 5.11 of this ISO Tariff, that own or control gas-fired Generating Units must file with the ISO and the FERC, on a confidential basis, the heat rates and emission rates for each gas-fired Generating Unit that they own or control. Heat rate and emission rate data shall be provided in the format specified by the ISO as posted on the ISO Home Page. Heat rate data provided to comply with this requirement shall not include start-up or minimum Load fuel costs. Must-Offer Generators must also file periodic updates of this data upon the direction of either FERC or the ISO. If requested by a Must-Offer Generator, the ISO will treat the information provided to the ISO in accordance with this Section 2.5.23.3.3 as confidential and will apply the procedures in section 20.3.4 of ISO Tariff with regard to requests for disclosure of such information.

2.5.23.3.4 Calculation of the Proxy Price

The ISO shall calculate each day separate Proxy Prices for each gas-fired Generating Unit owned or controlled by a Must-Offer Generator by applying the filed heat rates and emission rates for those Generating Units to a daily proxy figure for natural gas costs and a daily proxy figure for emissions costs with an additional \$2/MWh allowed for operations and maintenance expenses. The proxy figures for natural gas and emission costs shall be based on the most

recent data available and shall be posted on the ISO Home Page by 8:00 AM on the day prior to which the figures will be used for calculation of the Proxy Price.

2.5.23.3.5 Requirement to Justify Bids Above the Proxy Price

The following entities shall be required to provide cost justification for Supplemental Energy bids submitted to the ISO:

- (a) Scheduling Coordinators for gas-fired Generating Units owned or controlled by Must-Offer Generators that submit bids for the supply of Imbalance Energy bids during System Emergencies above the Proxy Price for those Generating Units; and
- (b) Scheduling Coordinators for all other Generating Units, System Units, and System Resources that submit bids for the supply of Imbalance Energy during System Emergencies above the Marginal Proxy Clearing Price determined in accordance with Section 2.5.23.3.1.

Scheduling Coordinators subject to the cost justification requirement shall provide such justification in writing to the ISO and the FERC by no later than seven (7) calendar days after the end of the month in which the bid was submitted. The cost justification for bids submitted on behalf of Must-Offer Generators and other Generating Units and System Units shall include a detailed breakdown of the component costs associated with such bids. The cost justification for bids submitted on behalf of non-Scheduling Coordinator Market Participants shall include a detailed breakdown of the prices paid by that non-Scheduling Coordinator Market Participants for the Energy bid. Cost justifications provided pursuant to this Section 2.5.23.3.5 shall not include components representing scarcity rents or opportunity costs. Amounts collected by Scheduling Coordinators subject to the cost justification requirement in excess of the Proxy

Price or Marginal Proxy Clearing Price, as applicable, shall be subject to refund, as may be ordered by the FERC.

2.5.24 Verification of Performance of Ancillary Services.

Availability of both contracted and self provided Ancillary Services shall be verified by the ISO by unannounced testing of Generating Units, Loads and System Resources, by auditing of response to ISO Dispatch instructions, and by analysis of the appropriate Meter Data, or interchange schedules. Participating Generators, owners or operators of Loads, operators of System Units or System Resources and Scheduling Coordinators shall notify the ISO immediately whenever they become aware that an Ancillary Service is not available in any way. All Participating Generators, owners or operators of Loads and operators of System Units or System Resources shall check, monitor and/or test their system and related equipment routinely to assure availability of the committed Ancillary Services. These requirements apply whether the Ancillary Services are contracted or self provided. For a duration specified by the ISO, the ISO may suspend the technical eligibility certificate of a Scheduling Coordinator for a Generating Unit, System Unit, Load or System Resource, which repeatedly fails to perform. The ISO shall develop measures to discourage repeated non-performance on the part of both bidders and self providers.

2.5.25 Periodic Testing of Units.

The ISO may test Generating Units, System Units, Loads and System Resources in the manner described herein. The frequency of testing shall be within such timeframes as are reasonable under all the circumstances. Scheduling Coordinators shall manage the resulting Energy output if notification of testing permits the Energy to be scheduled. If a Generating Unit, System Unit, Load, or System Resource fails to meet requirements in a

Payments.

Scheduling Coordinators for owners of Reliability Must-Run Units (or Black Start Generators, as the case may be) shall receive the following payments for Energy output from Black Start facilities:

$$BSEN_{ijt} = (EnQBS_{ijt} * EnBid_{ijt}) + BSSUP_{ijt} - Adjustment$$

where BSSUP_{ijt} is the start-up payment for a Black Start successfully made by Generating Unit i of Scheduling Coordinator j (or Black Start Generator j) in Trading Interval t calculated in accordance with the applicable Reliability Must-Run Contract (or the Interim Black Start agreement as the case may be).

2.5.27.7 Temporary Limitation on Ancillary Service Prices.

[Not Used]

2.5.28 Settlement for User Charges for Ancillary Services.

(a) The ISO shall determine a separate hourly user rate for Regulation, Spinning Reserve, Non-Spinning Reserve and Replacement Reserve for each Settlement Period purchased in the Day-Ahead market, and in the Hour-Ahead Market. Each rate will be charged to Scheduling Coordinators on a volumetric basis applied to each Scheduling Coordinator's obligation for the Ancillary Service concerned which it has not self provided, as adjusted by any Inter-Scheduling Coordinator Ancillary Service Trades.

applicable to such failure. Such sanctions shall be assessed pursuant to the procedures contained in the WSCC Reliability Criteria Agreement. Each and all of the provisions of the WSCC Reliability Criteria Agreement are hereby incorporated by reference into this Section 5.4.2 as though set forth fully herein, and Participating Generators shall for all purposes be considered Participants as defined in that Agreement, and shall be subject to all of the obligations of Participants, under and in connection with the WSCC Reliability Criteria Agreement. The Participating Generators shall copy the ISO on all reports supplied to the WSCC in accordance with Section IV of Annex A of the WSCC Reliability Criteria Agreement.

5.4.3 Payment of Sanctions.

Each Participating Generator shall be responsible for payment directly to the WSCC of any monetary sanction assessed against that Participating Generator by the WSCC pursuant to the WSCC Reliability Criteria Agreement. Any such payment shall be made pursuant to the procedures specified in the WSCC Reliability Criteria Agreement.

5.5 Outages.

5.5.1 Planned Maintenance.

Each Participating Generator shall comply with the applicable provisions of Section 2.3.3.

5.5.2 The ISO shall, on the basis of the information supplied by Participating Generators under Section 5.5.1 and other information available to the ISO, prepare and publish on WEnet forecast aggregate available Generation capacity and forecast Demand on an annual, quarterly and monthly basis in accordance with the provisions of the ISO Outage Coordination Protocol. In publishing these forecasts, the ISO shall identify any expected congestion conditions caused by planned Outages of Participating Generators.

5.5.3 Forced Outages.

Procedures equivalent to those set out in Section 2.3.3 shall apply to all Participating Generators in relation to Forced Outages.

5.6 System Emergencies.

5.6.1 All Generating Units, System Units and System Resources that are owned or controlled by a Participating Generator are (without limitation to the ISO's other rights

Generating Units, including, but not limited to, reports on major Generation Outages, available transmission capacity, and Congestion.

5.8.3 Preparation of Reports on Major Incidents.

In preparing any report on a major incident the ISO shall have due regard to the views of any Participating Generator involved or materially affected by such incident.

5.8.4 Sharing Information on Reliability of ISO Controlled Grid.

The ISO and each Participating Generator shall have the obligation to inform each other, as promptly as possible, of any circumstance of which it becomes aware (including, but not limited to, abnormal temperatures, storms, floods, earthquakes, and equipment depletions and malfunctions and deviations from the Registered Data and operating characteristics) that is reasonably likely to threaten the reliability of the ISO Controlled Grid or the integrity of the Participating Generator's facilities. The ISO and each Participating Generator shall also inform the other as promptly as possible of any incident of which it becomes aware (including, but not limited to, equipment outages, over-loads or alarms) which, in the case of a Participating Generator, is reasonably likely to threaten the reliability of the ISO Controlled Grid or, in the case of the ISO, is reasonably likely to adversely affect the Participating Generator's facilities. Such information shall be provided in a form and content which is reasonable in all the circumstances and sufficient to provide timely warning to the other party of the potential impact.

5.9 Access Right.

A Participating Generator shall, at the request of the ISO and upon reasonable notice, provide access to its facilities (including those relating to communications, telemetry and direct control requirements) as necessary to permit the ISO or an ISO approved meter

inspector to perform such testing as is necessary (i) to test the accuracy of any meters upon which the Participating Generator's compensation is based, or performance is measured, (ii) to test the Participating Generator's compliance with any performance standards pursuant to subsection 5.4 hereof, or (iii) to obtain information relative to a Forced Outage.

5.10 Black Start Services.

5.10.1 All Participating Generators with Black Start Generating Units must satisfy technical requirements specified by the ISO.

5.10.2 The ISO shall from time to time undertake performance tests, with or without prior notification.

5.10.3 The ISO shall have the sole right to determine when the operation of Black Start Generating Units is required to respond to conditions on the ISO Controlled Grid.

5.10.4 If the ISO has intervened in the market for Energy and/or Ancillary Services pursuant to Section 2.3.2.3, the price paid by the ISO for Black Start services shall be sufficient to permit the relevant Participating Generator to recover its costs over the period that it is directed to operate by the ISO.

5.10.5 If a Black Start Generating Unit fails to achieve a Black Start when called upon by the ISO, or fails to pass a performance test administered by the ISO, the Market Participant that has contracted to supply Black Start service from the Generating Unit shall re-pay to the ISO any reserve payment(s) that it has received since the administration of the last performance test or the last occasion upon which it successfully achieved a Black Start when called upon by the ISO, whichever is the shorter period.

5.11 Selling Obligations

5.11.1 Applicability

The requirements of Section 5.11 shall apply to (a) all Participating Generators, and (b) all persons, regardless of whether the person is a "public utility" as defined in Section 201 of the Federal Power Act, that own or control one or more non-hydroelectric Generating Units located in California from which energy or capacity is either: (i) sold through any market operated by the ISO, or (ii) transmitted over the ISO Controlled Grid. Each person described in this Section 5.11.1 is referred to in the ISO Tariff as a "Must-Offer Generator." The requirements of this Section 5.11 shall apply to all non-hydroelectric Generating Units located in California that are owned or controlled by a Must-Offer Generator.

5.11.2 Available Generation

For the purposes of this Section 5.11, a Must-Offer Generator's "Available Generation" from a non-hydroelectric Generating Unit shall be (a) the Generating Unit's maximum operating level adjusted for any outages or reductions in capacity reported to the ISO in accordance with Section 2.3 or 5.11.3, (b) minus the Generating Unit's scheduled operating point as identified in the ISO's Final Hour-Ahead Schedule, (c) minus the Generating Unit's capacity committed to provide Ancillary Services to the ISO either through the ISO's Ancillary Services market or through self provision by a Scheduling Coordinator.

5.11.3 Reporting Requirements for Non-Participating Generators

So that the ISO may determine the Available Generation of all Must-Offer Generators, Must-Offer Generators that are not Participating Generators shall be required to file with the ISO, for each non-hydroelectric Generating Unit located in California they own or control: (i) the Unit's minimum operating level; (ii) the Unit's maximum operating level; and (iii) the Unit's ramp rates at all operating levels; and (iv) such other information the ISO determines is necessary to determine

available generation and to dispatch Must-Offer Generators. In addition, Must-Offer Generators that are not Participating Generators must, consistent with the notification obligations of Participating Generators and in order to comply with the intent of this Section 5.11, notify the ISO, as soon as practicable, of any Planned Maintenance Outages, Forced Outages, Force Majeure Event outages or any other reductions in their maximum operating levels.

5.11.4 Obligation To Offer Available Capacity

All Must-Offer Generators shall offer to sell in the ISO's Imbalance Energy market, in all hours, all their Available Generation as defined in Section 5.11.2.

5.11.5 Submission of Bids and Applicability of the Proxy Price

For each Operating Hour, Must-Offer Generators shall submit Supplemental Energy bids for all of their Available Generation to the ISO in accordance with Section 2.5.22.4. In addition, the ISO shall calculate for each gas-fired Must-Offer Generator, in accordance with Section 2.5.23, a Proxy Price for Energy. In hours in which the ISO has declared a System Emergency, any submitted bids that are priced above the Marginal Proxy Clearing Price for the hour, as determined in accordance with Section 2.5.23, will be paid as bid if accepted by the ISO. If, under this section, a Must-Offer Generator is paid as-bid, such bids will be subject to the cost-justification procedures established by FERC and may be subject to refund, as determined by FERC.

If a Must-Offer Generator fails to submit a Supplemental Energy bid for any portion of its Available Generation for an hour, the unbid quantity of the Must-Offer Generator's Available Generation will be deemed by the ISO to be bid at the Must-Offer Generator's Proxy Price for that hour if the applicable Generating Unit is a gas-fired unit. For all other Generating Units owned or controlled by a Must-Offer Generator, the unbid quantity of the Must-Offer Generator's Available Generation will be deemed by the ISO to be bid to receive the Market

Clearing Price for that hour. In order to dispatch resources providing Imbalance Energy in
proper merit

order, the ISO will insert this unbid quantity into the Must-Offer Generator's Supplemental Energy bid curve above any lower-priced segments of the bid curve and below any higher-priced segments of the bid curve as necessary to maintain a non-decreasing bid curve over the entire range of the Must-Offer Generator's Available Generation.

**Low Voltage
Transmission Revenue
Requirement**

The portion of a Participating TO's TRR associated with and allocable to the Participating TO's Low Voltage Transmission Facilities and Converted Rights associated with Low Voltage Transmission Facilities.

**Low Voltage Wheeling
Access Charge**

The Wheeling Access Charge associated with the recovery of a Participating TO's Low Voltage Transmission Revenue Requirement in accordance with Section 7.1.

Maintenance Outage

A period of time during which an Operator (i) takes its transmission facilities out of service for the purposes of carrying out routine planned maintenance, or for the purposes of new construction work or for work on de-energized and live transmission facilities (e.g., relay maintenance or insulator washing) and associated equipment; or (ii) takes its Generating Unit or System Unit out of service for the purposes of carrying out routine planned maintenance, or for the purposes of new construction work.

**Marginal Proxy Clearing
Price**

The Market Clearing Price determined in accordance with Section 2.5.23.3.1.

Marginal Generators

Those Generating Units which, in an hour, are the sources of the last increments of Generation in the Preferred Schedule, excluding: (i) Must-Run Generation, (ii) Must-Take Generation, (iii) units scheduled to ramp at their maximum ramp rate throughout the hour, or (iv) units operating at minimum operating levels (when less costly Generation must be backed down).

Marginal Loss Factor

The marginal impact of a given Generating Unit's output on total system Transmission Losses.

Market Clearing Price

The price in a market at which supply equals Demand. All Demand prepared to pay at least this price has been satisfied and all supply prepared to operate at or below this price has been purchased.

Municipal Tax Exempt Debt

An obligation the interest on which is excluded from gross income for federal tax purposes pursuant to Section 103(a) of the Internal Revenue Code of 1986 or the corresponding provisions of prior law without regard to the identity of the holder thereof. Municipal Tax Exempt Debt does not include Local Furnishing Bonds.

Municipal Tax Exempt TO

A Transmission Owner that has issued Municipal Tax Exempt Debt with respect to any transmission facilities, or rights associated therewith, that it would be required to place under the ISO's Operational Control pursuant to the Transmission Control Agreement if it were a Participating TO.

Must-Offer Generator

All entities defined in Section 5.11.1 of the ISO Tariff

NERC

The North American Electric Reliability Council or its successor.

Net Negative Uninstructed Deviation

The real time change in Generation or Demand associated with underscheduled Load (i.e., Load that appears unscheduled in real time) and overscheduled Generation (i.e., Generation that is scheduled in forward markets and does not appear in real time). Deviations are netted for each BEEP Interval, apply to a Scheduling Coordinator's entire portfolio, and include Load, Generation, Imports and Exports.

New Facility

A planned or Existing Generating Unit that requests, pursuant to Section 5.7 of the ISO Tariff, to interconnect or modify its interconnection to the ISO Controlled Grid.

New Facility License

A license issued by a federal, state or Local Regulatory Authority that enables an entity to build and operate a Generating Unit.

New Facility Operator

The owner of a planned New Facility, or its designee.

New High Voltage Facility

A High Voltage Transmission Facility of a Participating TO that enters service after the beginning of the transition period described in Section 4 of Schedule 3 of Appendix F, or a capital addition made after the beginning of the transition period described in Section 4.1 of Schedule 3 of Appendix F to an Existing High Voltage Transmission Facility.

New Participating TO

A Participating TO that is not an Original Participating TO.

Nomogram

A set of operating or scheduling rules which are used to ensure that simultaneous operating limits are respected, in order to meet NERC and WSCC operating criteria.

Operating Reserve

The combination of Spinning and Non-Spinning Reserve required to meet WSCC and NERC requirements for reliable operation of the ISO Control Area.

Operational Control

The rights of the ISO under the Transmission Control Agreement and the ISO Tariff to direct Participating TOs how to operate their transmission lines and facilities and other electric plant affecting the reliability of those lines and facilities for the purpose of affording comparable non-discriminatory transmission access and meeting Applicable Reliability Criteria.

Operator

The operator of facilities that comprise the ISO Controlled Grid or a Participating Generator.

OPF (Optimal Power Flow)

A computer optimization program which uses a set of control variables (which may include active power and/or reactive power controls) to determine a steady-state operating condition for the transmission grid for which a set of system operating constraints (which may include active power and/or reactive power constraints) are satisfied and an objective function (e.g. total cost or shift of schedules) is minimized.

Order No. 888

The final rule issued by FERC entitled "Promoting Wholesale Competition through Open Access Non-discriminatory Transmission Services by Public Utilities; Recovery of Stranded Costs by Public Utilities and Transmitting Utilities," 61 Fed. Reg. 21,540 (May 10, 1996), FERC Stats. & Regs., Regulations Preambles [1991-1996] ¶ 31,036 (1996), Order on Rehearing, Order No. 888-A, 78 FERC ¶ 61,220 (1997), as it may be amended from time to time.

Preliminary Settlement Statement

The initial statement issued by the ISO of the calculation of the Settlements and allocation of the charges in respect of all Settlement Periods covered by the period to which it relates.

Project Sponsor

A Market Participant or group of Market Participants or a Participating TO that proposes the construction of a transmission addition or upgrade in accordance with Section 3.2 of the ISO Tariff.

Proxy Price

The value determined for each gas-fired Generating Unit owned or controlled by a Must-Offer Generator in accordance with Section 2.5.23.3.4.

PX (Power Exchange)

The California Power Exchange Corporation, a state chartered, nonprofit corporation charged with providing a Day-Ahead forward market for Energy in accordance with the PX Tariff. The PX is a Scheduling Coordinator and is independent of both the ISO and all other Market Participants.

PX Auction Activity Rules

The rules by which bids submitted to and validated by the PX may be modified or withdrawn during a PX Energy market auction.

PX Participant

An entity that is authorized to buy or sell Energy or Ancillary Services through the PX, and any agent authorized to act on behalf of such entity.

PX Protocols

The rules, protocols, procedures and standards attached to the PX Tariff as Appendix E, promulgated by the PX (as amended from time to time) to be complied with by the PX and Market Participants in relation to operation and participation in the PX Markets.

PX Tariff

The California Power Exchange Operating Agreement and
Tariff, dated March 31, 1997, as it may be modified from time
to time.

OUTAGE COORDINATION PROTOCOL (OCP)

OCP 1 OBJECTIVES, DEFINITIONS, AND SCOPE

OCP 1.1 Objectives

The objective of the OCP is to enable the ISO to coordinate maintenance outages as far as possible in advance to allow the ISO to maintain System Reliability and to minimize the quantity and effect of Congestion on the ISO Controlled Grid and Interconnections.

OCP 1.1.1 The Role of the ISO

The ISO Tariff authorizes the ISO to coordinate outage schedules for maintenance, repair and construction of Generating Units, sections of the ISO Controlled Grid, and Interconnections. This Protocol is designed to enable the ISO to perform this role.

The Facility Owner shall remain solely and directly responsible for the performance of all maintenance work, whether on energized or deenergized facilities, including all activities related to providing a safe working environment.

OCP 1.1.2 ISO Outage Coordination Office

The ISO Outage Coordination Office will be operational Monday through Friday, except holidays, and will accept, schedule, and approve or deny Maintenance Outage requests as necessary for the reliable operation of the ISO Controlled Grid. The Outage Coordination Office is located in Folsom and Alhambra. Each office and the areas of responsibility of that office are detailed in the most recent version of the applicable ISO Operating Procedures, which are posted on the ISO Home Page.

OCP 1.2 Definitions

OCP 1.2.1 Master Definitions Supplement

Any word or expression defined in the Master Definitions Supplement to the ISO Tariff shall have the same meaning where used in this Protocol. A reference to a Section or an Appendix refers to a Section or an Appendix of the ISO Tariff unless otherwise indicated. References to OCP are to this Protocol or to the stated paragraph of this Protocol.

OCP 1.2.2 Special Definitions for this Protocol

In this Protocol, the following words and expressions shall have the meaning set opposite them:

“Final Approval” means a statement of consent by the ISO Control Center to initiate a scheduled Outage.

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

OCP 1.2.3 Rules of Interpretation

- (a) Unless the context otherwise requires, if the provisions of this Protocol and the ISO Tariff conflict, the ISO Tariff will prevail to the extent of the inconsistency. The provisions of the ISO Tariff have been summarized or repeated in this Protocol only to aid understanding.
- (b) Unless the context otherwise requires, if the provisions of this Protocol and that of an existing contract conflict, the existing contract will prevail to the extent of the inconsistency.
- (c) A reference in this Protocol to a given agreement, ISO Protocol or instrument shall be a reference to that agreement or instrument as modified, amended, supplemented or restated through the date as of which such reference is made.
- (d) The captions and headings in this Protocol are inserted solely to facilitate reference and shall have no bearing upon the interpretation of any of the terms and conditions of this Protocol.
- (e) This Protocol shall be effective as of the ISO Operations Date.
- (f) The Operating Procedures referenced in this Protocol, as may be amended from time to time, shall be posted on the ISO Home Page and such references in this Protocol shall be to the Operating Procedures then posted on the ISO Home Page.

OCP 1.3 Scope

OCP 1.3.1 Scope of Application to Parties

OCP applies to the ISO and to the following:

- (a) Operators;
- (b) Participating Generators;
- (c) Connected Entities, to the extent the agreement between the Connected Entity and the ISO so provides; and
- (d) Utility Distribution Companies (UDCs).

OCP 1.3.2 [Not Used]

OCP 1.3.3 Liability of the ISO

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

OCP 2 PLANNING OF GENERATING UNIT OUTAGES

OCP 2.1 Reporting for Regulatory Must-Take Generation

Information regarding planned outages for resources providing Regulatory Must-Take Generation shall be provided to the ISO Outage Coordination Office by the Participating TO or UDC having an existing contract with such resource or by a Participating Generator. Information provided will be that obtained by the Participating TO, UDC or a Participating Generator pursuant to the terms of the existing agreement with the Regulatory Must-Take Generation resource or as requested by the ISO.

OCP 2.2 Data to ISO

All information submitted in relation to planned Generating Unit Outages must be submitted in accordance with OCP 7.

OCP 2.2.1 Long-Range Planning Program

By October 15 of each year, each Generator will provide the ISO in writing with a proposed Outage schedule for each of its Generating Units (including its Reliability Must-Run Units) and System Units for the following calendar year. The following information is required for each Generating Unit:

- (a) the Generating Unit name and Location Code;
- (b) the MW capacity unavailable;
- (c) the scheduled start and finish date for each Outage; and

- (d) where there is a possibility of flexibility, the earliest start date and the latest finish date, along with the actual duration of the outage once it commences.

OCP 2.2.1.1 Additional Maintenance Outages

If conditions require, a Participating Generator may, upon one hundred twenty (120) hours advance notice (or within the notice period in the Operating Procedures posted on the ISO Home Page), schedule with the ISO Outage Coordination Office a Maintenance Outage affecting any of its units. The Participating Generator shall supply to the ISO the data set out in OCP 2.2.1 and applicable ISO Operating Procedures as posted on the ISO Home Page.

OCP 2.2.2 Quarterly Updates to Planned Generator Outage Program

Each Participating Generator will provide the ISO with quarterly updates of its long-range Outage schedule referred to in OCP 2.2.1 for Generating Units and System Units by the close of business on the fifteenth (15th) day of each January, April, and July. These updates must identify known changes to any previously planned Generating Unit Outages and any additional Outages anticipated over the next twelve months from the time of this report. In this report, each Participating Generator must include all known planned Outages for the following twelve months.

OCP 2.2.3 Changes to Generator Outage Program

In addition to changes made at quarterly Outage submittals, each Participating Generator shall notify the ISO in writing of any known changes to a Generating Unit or System Unit Outage scheduled to occur within the next 90 days.

Participating Generators must obtain the approval of the ISO Outage Coordination Office in accordance with OCP 4 and Section 2.3.3 of the ISO Tariff. Such approval may be withheld only for reasons of System Reliability or security.

OCP 2.2.4 Changes to Planned Maintenance Outages

A Participating Generator may submit changes to its planned Maintenance Outage schedule at any time. Changes must be approved by the ISO Outage Coordination Office. Such approval may be withheld only for reasons of System Reliability or security.

OCP 2.2.5 Additional Information Requests

The ISO may request additional information or seek clarification from Participating Generators of the information submitted in relation to a planned Generating Unit and System Unit Outage. This information may be used to assist the ISO in prioritizing conflicting requests for Outages.

OCP 2.3 ISO Analysis of Generating Unit Outage Plans

OCP 2.3.1 Calculation of Aggregate Generating Capacity

The ISO will use the long-range Generating Unit or System Unit Outage schedule referenced in OCP 2.2.1 and, as appropriate, additional approved Outage requests scheduled to start within 90 days, to calculate the aggregate Generation capacity projected to be available in the following time frames:

- (a) on an annual and quarterly basis, the ISO will calculate the aggregate weekly peak Generation capacity projected to be available during each week of the following year and quarter, respectively; and
- (b) on a monthly basis, the ISO will calculate the aggregate daily peak Generation capacity projected to be available during the month.

OCP 2.3.2 System Adequacy Reports

The ISO will publish the following reports comparing the projected aggregate Generation capacity to the peak forecast Demands, as calculated in accordance with the Demand Forecast Protocol (DFP):

- (a) on an annual basis and within eight weeks after receiving the annual or updated long-range planned Outage schedules from all Participating Generators, the ISO shall publish on the ISO Home Page a report comparing the aggregated weekly peak Generation capacity to the weekly peak forecast Demand for the next 52 weeks;
- (b) on a quarterly basis, the ISO shall publish on the ISO Home Page a report comparing the aggregated weekly peak Generation capacity to the weekly peak forecast Demand for the next 3 months; and
- (c) on a monthly basis, the ISO shall publish on the ISO Home Page a report comparing the aggregated weekly peak Generation capacity to the weekly peak forecast Demand for the next month.

OCP 2.3.3 Approval of Generation Outages

The information relating to each Maintenance Outage submitted by a Participating Generator in accordance with OCP 2.2 constitutes a request for a long-range Maintenance Outage and is not considered an Approved Maintenance Outage until the ISO has notified that Participating Generator of such approval pursuant to OCP 4.3.

OCP 3 PLANNING OF ISO CONTROLLED GRID MAINTENANCE

OCP 3.1 Data to ISO

All information submitted in relation to planned Outages of ISO Controlled Grid facilities must be submitted in accordance with OCP 7.

OCP 3.1.1 Long-Range Program

By October 15 of each year, each Participating TO will provide the ISO in writing with its list of proposed Maintenance Outages for the next calendar year. This list shall include the following data:

- (a) the identification of the facility and location;
- (b) the nature of the proposed Maintenance Outage;
- (c) the preferred start and finish date for each Maintenance Outage; and
- (d) where there is a possibility of flexibility, the earliest start date and the latest finish date, along with the actual duration of the Outage once it commences.

OCP 3.1.1.1 Additional Maintenance Outages

If conditions require, a Participating TO may, upon one hundred twenty (120) hours advance notice (or as specified in the Operating Procedures on the ISO Home Page), schedule with the ISO Outage Coordination Office a Maintenance Outage on its system. The Participating TO shall supply to the ISO the data set out in OCP 3.1.1.

OCP 3.1.2 Quarterly Update

Each Participating TO will provide the ISO with quarterly updates of the data provided under OCP 3.1.1 by close of business on the fifteenth (15th) day of each January, April, and July. These updates must identify known changes to any previously planned ISO Controlled Grid facility Maintenance Outages and any additional Outages anticipated over the next twelve months from the time of the report. As part of this update, each Participating TO must include all known planned Outages for the following twelve months.

OCP 3.1.3 Changes to Planned Maintenance Outages

A Participating TO may submit changes to its planned Maintenance Outage information at any time, provided, however, that if the Participating TO cancels an Approved Maintenance Outage after 5:00 a.m. of the day prior to the day upon which the Outage is scheduled to commence and the ISO determines that the change was not required to preserve System Reliability, the ISO may disregard the availability of the affected facilities in determining the availability of transmission capacity in the Day-Ahead Market. The ISO will, however, notify Market Participants and reflect the availability of transmission capacity in the Hour-Ahead Market as promptly as practicable.

OCP 3.1.4 Nature of Maintenance Outage Information

The information relating to each Maintenance Outage submitted by a Participating TO in accordance with OCP 3.1 constitutes a request for a long-range Maintenance Outage and is not considered an Approved Maintenance Outage until the ISO has notified the Participating TO of such approval pursuant to OCP 5.4.

OCP 3.1.5 Additional Information

The ISO may request additional information or seek clarification from Participating TOs of the information submitted in relation to a planned Maintenance Outage. This information may be used to assist the ISO in prioritizing conflicting requests for Outages.

OCP 3.1.6 Adjacent Control Areas

The ISO will coordinate the exchange of proposed ISO Controlled Grid Maintenance Outages, as appropriate, with the operators of adjacent Control Areas.

OCP 3.2 ISO Analysis of ISO Controlled Grid Outage Plans

OCP 3.2.1 Review of Planned Maintenance Outages

The ISO Outage Coordination Office will review the Maintenance Outages submitted under OCP 2.2 and OCP 3.1 to determine if any one or a combination of Maintenance Outage requests relating to ISO Controlled Grid facilities, Generating Units or System Units may cause the ISO to violate the Applicable Reliability Criteria. This review will take consideration of factors including, but not limited to, the following:

- (a) forecast peak Demand conditions;
- (b) other Maintenance Outages, previously Approved Maintenance Outages, and anticipated Generating Unit Outages;
- (c) potential to cause Congestion;
- (d) impacts on the transfer capability of Interconnections; and
- (e) impacts on the market.

If in the ISO's determination, any of the proposed Maintenance Outages would cause the ISO to violate the Applicable Reliability Criteria, the ISO will notify the relevant Operator. The Operator then will revise the proposed Maintenance Outage and inform the ISO of the changes pursuant to OCP 2.2 and 3.1.

OCP 3.2.2 Suggested Amendments by the ISO

The ISO Outage Coordination Office may provide each Operator in writing with any suggested amendments to those Maintenance Outage requests rejected by the ISO Outage Coordination Office. Any such suggested amendments will be considered as an ISO maintenance request and will be approved in accordance with the process set forth in Section 2.3.3.6 of the ISO Tariff.

OCP 3.2.3 Direction by the ISO

The ISO Outage Coordination Office may, by providing notice no later than 5:00 a.m. of the day prior to the day upon which the Outage is scheduled to commence, direct the Operator to cancel an Approved Maintenance Outage, when necessary to preserve or maintain System Reliability or to avoid unduly significant market impacts

that would arise if the outage were to proceed as scheduled. The ISO will compensate the applicable Participating TO or Participating Generator, pursuant to the provisions of Section 2.3.3.6.3 of the ISO Tariff, for the direct and verifiable costs incurred by that Participating TO or Participating Generator as a result of the ISO's cancellation of an Approved Maintenance Outage. The Operator, acting in accordance with Good Utility Practice, shall comply with the ISO's direction. The ISO shall give notice of any such direction to Market Participants prior to the deadline for submission of initial Preferred Day-Ahead Schedules for the day on which the Outage was to have commenced. For purposes of this section, an "unduly significant market impact" means an unplanned event or circumstance (e.g., unseasonable weather, a forced outage of a facility, or other occurrence) that adversely affects the competitive nature and efficient workings of the ISO markets, and is of such severity that a prudent Operator would not have scheduled a Maintenance Outage if the unplanned event or circumstance could have been anticipated.

OCP 4 SCHEDULING AND APPROVAL OF GENERATOR MAINTENANCE OUTAGES

OCP 4.1 Regulatory Must-Take Generation

Scheduling and approvals of Maintenance Outages for resources providing Regulatory Must-Take Generation shall continue to be coordinated as detailed in the applicable contract with the Participating TO or UDC, provided the Regulatory Must-Take Generator has not executed a Participating Generator Agreement. The Participating TO or UDC will advise the ISO Outage Coordination Office of scheduled and approved Maintenance Outages on resources providing Regulatory Must-Take Generation pursuant to existing contracts. If the Regulatory Must-Take Generator has executed a Participating Generator Agreement, it shall comply with OCP 2 and other provisions applicable to Participating Generators.

OCP 4.2 Schedule Confirmation and Final Approval of Scheduled Outages Required Under the ISO Tariff

Each Participating Generator which has scheduled a planned Maintenance Outage pursuant to OCP 2 must schedule and receive approval of the Outage from the ISO Outage Coordination Office in accordance with OCP 4 prior to initiating the Approved Maintenance Outage.

Under no circumstance shall an Operator start any Approved Maintenance Outage without receiving Final Approval from the ISO Control Center being requested and given in accordance with OCP 4.3.8.

OCP 4.3 Generator Outage Scheduling and Approval

OCP 4.3.1 Data Required

The Operator of a Participating Generator owned or controlled by a Participating Generator shall submit to the ISO pursuant to OCP 7 its request to confirm the schedule of a planned Maintenance Outage or to change the schedule of a planned Maintenance Outage. Such request must be made to the ISO Outage Coordination Office by no later than 11:30 am five (5) working days prior to the starting date of the proposed Outage (or as specified on the ISO Home Page). Such schedule confirmation request shall specify the following:

- (a) the Generating Unit or System Unit name and Location Code;
- (b) the nature of the maintenance to be performed;
- (c) the date and time the Outage is to begin;
- (d) the date and time the Outage is to be completed;
- (e) the time required to terminate the Outage and restore the Generating Unit to normal capacity;
- (f) identification of primary and alternate telephone numbers for the Operator's single point of contact; and
- (g) in the case of a request for a change to an Approved Maintenance Outage, the date and time of the original Approved Maintenance Outage.

OCP 4.3.2 Delay

The ISO Outage Coordination Office may delay its approval of a scheduled Maintenance Outage for a Participating Generator if sufficient or complete information is not received by the ISO Outage Coordination Office within the time frames set forth in OCP 4.3.1.

OCP 4.3.3 Acceptance or Rejection of Outage Schedule

The ISO Outage Coordination Office shall acknowledge receipt of each request to confirm or approve a Maintenance Outage for a Generating Unit, System Unit or Aggregated Unit and approve or reject such request in accordance with the Operating Procedures posted on the ISO Home Page.

OCP 4.3.4 Withdrawal or Modification of Request

The Operator of a Participating Generator may withdraw a request at any time prior to actual commencement of the Outage. The Operator of a Participating Generator may modify a request at any time prior to receipt of any acceptance or rejection notice from the ISO Outage Coordination Office or pursuant to OCP 4.3.1, but the ISO Outage Coordination Office shall have the right to reject such modified request for reasons of System Reliability, system security or market impact, because of the complexity of the modifications proposed, or due to insufficient time to assess the impact of such modifications.

OCP 4.3.5 Rejection Notice

The ISO Outage Coordination Office shall, in a rejection notice, identify the ISO's reliability, security and market concerns which prompt the rejection and suggest possible remedies or schedule revisions which might mitigate any such concerns.

OCP 4.3.6 Approval Mandatory

The Operator of a Participating Generator shall not initiate a Generating Unit Outage without receiving Final Approval as prescribed in OCP 4.3.8.

OCP 4.3.7 Priority of Participating Generator Outage Requests

Outage requests which are listed in the long-range maintenance schedules submitted to and approved by the ISO will be given a priority in the scheduling and approval of Outage requests over those which have not been listed.

OCP 4.3.8 Final ISO Approval

On the day when an Approved Maintenance Outage is scheduled to commence the relevant Operator shall contact the ISO Control Center for Final Approval of the requested Outage including the starting time and return time. No such Outage shall commence without such Final Approval being obtained from the ISO Control Center, whose decision shall be final.

OCP 4.3.9 Withholding of Final Approval and Rescheduling of Outage

The ISO Control Center shall have the authority to withhold a Final Approval for an Approved Maintenance Outage for reasons of System Reliability. The ISO Control Center shall immediately notify the relevant Operator of its intention to withhold the Final Approval. The Generator Maintenance Outage will then be rescheduled pursuant to the Outage Coordination Protocol and Dispatch Protocol.

OCP 4.4	[Not Used]
OCP 4.4.1	[Not Used]
OCP 4.4.2	[Not Used]
OCP 4.4.3	[Not Used]
OCP 4.4.4	[Not Used]
OCP 4.4.5	[Not Used]

OCP 4.4.6 [Not Used]

OCP 4.4.7 [Not Used]

OCP 4.4.8 [Not Used]

OCP 4.4.9 [Not Used]

OCP 4.4.10 [Not Used]

OCP 5 ISO Controlled Grid Maintenance Scheduling and Approval

**OCP 5.1 Schedule Confirmation and Final Approval of Scheduled Outages
Required Under the ISO Tariff**

Each Participating TO which has scheduled a Maintenance Outage pursuant to OCP 3 must schedule and receive approval of the Outage from the ISO Outage Coordination Office in accordance with OCP 5.4 prior to initiating the Approved Maintenance Outage.

Under no circumstance shall an Operator start any Approved Maintenance Outage without Final Approval from the ISO Control Center. Such Final Approval shall be requested and given in accordance with OCP 5.7.

OCP 5.2 Adjacent Control Areas

The ISO will coordinate the scheduling of ISO Controlled Grid facilities and approvals, as necessary, with the operators of adjacent Control Areas.

OCP 5.3 Data Required

All Participating TOs shall submit a formal request to confirm or change an Approved Maintenance Outage with respect to any ISO Controlled Grid facility to the ISO Outage Coordination Office in accordance with OCP 5.3.1 and OCP 5.3.2.

A request to confirm a planned Maintenance Outage or to change an Approved Maintenance Outage shall specify:

- (a) the identification of the transmission system element(s) to be maintained including location;
- (b) the nature of the maintenance to be performed;
- (c) the date and time the Maintenance Outage is to begin;
- (d) the date and time the Maintenance Outage is to be completed;
- (e) the time required to terminate the maintenance and restore the transmission system to normal operation;
- (f) identification of primary and alternate telephone numbers for the Operator's single point of contact; and
- (g) in the case of a request for a change to an Approved Maintenance Outage, the date and time of the original Approved Maintenance Outage.

OCP 5.3.1 Five (5) Day Prior Notification

Any request to confirm an Approved Maintenance Outage that may affect the transfer capability of any part of the ISO Controlled Grid must be submitted no later than 11:30 am at least five (5) working days prior to the starting date of the Approved Maintenance Outage (or as posted on the ISO Home Page). OCP 5.3.1 applies to facilities as described on the ISO Home Page.

Failure to submit a request for an Outage by the proper time may mean a delay in approval from the ISO or may cause that Outage to be designated as a Forced Outage based on the nearness of the request to the requested Outage date.

OCP 5.3.2 One (1) Day Prior Notification

Any request to confirm or change the Schedule for an Approved Maintenance Outage requiring only one day notice (as detailed on the ISO Home Page) must be submitted no later than 11:30 am at least one (1) day prior to the starting date of the Outage (or as specified on the ISO Home Page).

Failure to submit a request for an Outage by the proper time may mean a delay in approval from the ISO or may cause that Outage to be designated as a Forced Outage.

OCP 5.3.3 Priority of Transmission Facility Outage Requests

Outage requests which are listed in the long-range planned maintenance schedule submitted to the ISO will be given a priority in scheduling and approval of Outage requests over those which have not been listed.

OCP 5.3.4 Delay

The ISO Outage Coordination Office may delay its approval of an Approved Maintenance Outage schedule if sufficient or complete information is not received by the ISO Outage Coordination Office within the time frames provided in OCP 5.3.1 and 5.3.2.

OCP 5.4 Acceptance or Rejection of Outage Schedule

The ISO Outage Coordination Office shall acknowledge receipt of each request to confirm or approve a Maintenance Outage for ISO Controlled Grid facilities and approve or reject such request in accordance with the Operating Procedures posted on the ISO Home Page.

OCP 5.5 Withdrawal or Modification of Request

A Participating TO's Operator may withdraw a request at any time prior to actual initiation of the Outage. A Participating TO's Operator may modify a request at any time prior to receipt of any acceptance or rejection notice from the ISO Outage Coordination Office or pursuant to OCP 5.3.1 and 5.3.2, but the ISO Outage Coordination Office shall have the right to reject such modified request because of the complexity of the modifications proposed or insufficient time to assess the impact of such modifications.

OCP 5.6 Rejection Notice

The ISO Outage Coordination Office shall, in a rejection notice, identify the ISO's reliability, security and market concerns which prompt the rejection and suggest possible remedies or schedule revisions which might mitigate any such concerns.

OCP 5.6.1 Failure to Meet Requirements

Any request to consider maintenance that does not meet the notification requirements contained in OCP 5.3.1 and 5.3.2 will be rejected without further consideration, unless OCP 6 applies.

OCP 5.7 Final Approval Mandatory

Under no circumstance shall any Outage be initiated for which an approval is required, under this Protocol without the relevant Operator receiving Final Approval of that Outage in accordance with OCP 5.8.

OCP 5.8 Final ISO Approval

On the day when an Approved Maintenance Outage is scheduled to commence the relevant Operator shall contact the ISO Control Center for Final Approval of the requested Outage including the starting time and return time. No such Outage shall commence without such Final Approval being obtained from the ISO Control Center, whose decision shall be final.

OCP 5.9 Withholding of Final Approval and Rescheduling of Outage

The ISO Control Center shall have the authority to withhold a Final Approval for reasons of System Reliability, security or system status of the ISO Controlled Grid or market impact. The ISO Control Center shall immediately notify the relevant Operator of its intention to withhold the Final Approval. The ISO Controlled Grid facility Maintenance Outage will then be rescheduled in accordance with this Protocol.

OCP 6 MANAGEMENT OF FORCED OUTAGES OR IMMEDIATE NATURE MAINTENANCE

OCP 6.1 Immediate Forced Outage

Any Operator, upon identification of a situation likely to result in a Forced Outage within the next twenty-four (24) hours unless immediate corrective action is taken, where such action requires the removing from service or restricting an operating Generating Unit or removing a transmission facility from service, shall communicate directly with the ISO Control Center as set forth in the emergency procedures of the Dispatch Protocol.

OCP 6.2 Imminent Forced Outage

Any Operator, upon identification of a situation likely to result in a Forced Outage but of a nature not requiring a removal from service until some time more than twenty-four (24) hours in the future will be subject to the provisions of OCP 4 and OCP 5 with respect to any necessary Outage except the requirements imposing time limits for notification will be waived and the request will be expedited by the ISO provided notice is given as soon as possible.

OCP 7 Communication of Scheduled Maintenance Requests

OCP 7.1 Single Point of Contact

All communications concerning a Maintenance Outage request or a request to confirm or change an Approved Maintenance Outage shall be between the ISO and the designated single point of contact for each Operator. The Operator shall provide in its initial request the identification of the single point of contact along with primary and alternate means of communication. This identification will be confirmed in all communications with the ISO in relation to Outage requests, including any request to the ISO for confirmation, change or Final Approval of an Outage.

OCP 7.2 Method of Communications

The primary method of communication from an Operator to the ISO will be as described in the Operating Procedure on the ISO Home Page. Emergency capabilities, to be used only as a back-up if the primary communication method is unavailable, will include:

- (a) voice;
- (b) fax; and
- (c) electronic (E-mail, FTP file, etc.).

OCP 7.3 Confirmation

When fax or electronic communication is utilized, confirmation from the ISO must be received by the Operator to validate the receipt of the request pursuant to OCP 7.2.

OCP 7.4 Communication of Approval or Rejection

The ISO shall use the same methods in communicating the approval or rejection of an Outage request or approval of a request to change an Approved Maintenance Outage to the relevant Operator.

OCP 8 OUTAGE COORDINATION FOR NEW FACILITIES

OCP 8.1 Coordination by ISO

The procedure to energize and place in service any new or relocated piece of equipment, connected to the ISO Controlled Grid, must be set out by the Operator or Connected Entity in a written procedure and coordinated by the ISO Outage Coordination Office.

OCP 8.2 Types of Work Requiring Coordination

The types of work which the ISO will coordinate under OCP 8 includes any new addition, replacement or modification to the ISO Controlled Grid, including:

- (a) transmission lines forming part of the ISO Controlled Grid;
- (b) equipment including circuit breakers, transformers, disconnects, reactive devices, wave traps, forming part of the ISO Controlled Grid;
- (c) Generating Unit interconnections; and
- (d) protection and control schemes, including RAS, SCADA, EMS, or AGC.

OCP 8.3 Uncomplicated Work

When line rearrangements and/or station equipment work is uncomplicated and easily understood, the ISO Outage Coordination Office may determine that the work can be accomplished using Outages approved in accordance with OCP 5. The ISO Outage Coordination Office will make this determination in coordination with the respective requesting Operator or Connected Entity.

OCP 8.4 Special Procedures for More Complex Work

OCP 8.4.1 Responsibility for Preparation

In cases to which OCP 8.3 does not apply, it is the responsibility of the requesting Operator or Connected Entity to prepare a written procedure to enable the ISO to approve Outages in a manner that enables the necessary work to proceed. The ISO Outage Coordination Office must approve the procedure.

OCP 8.4.2 Information to be Provided to the ISO

The written procedure must be received by the ISO Outage Coordination Office a minimum of four (4) weeks prior to the start of procedure. Adequate drawings will be attached to the procedure to help clarify the work being performed and the Outages that will be required to complete the work must be specified. The procedure shall include all of the information referred to on the ISO Home Page.

OCP 8.4.3 Approval of the Procedure

Upon receipt of the procedure and drawings referred to in OCP 8.4.2, the ISO Outage Coordination Office will review the procedure and notify the Operator or Connected Entity of any required modifications. The ISO Outage Coordination Office may, at its discretion, require changes to and more detail to be inserted in the procedure. The requesting Operator or Connected Entity will consult with other entities likely to be affected and will revise the procedure, following any necessary or appropriate discussions with the ISO to reflect the requirements of the ISO. Following the ISO approval, an approved copy of the procedure will then be transmitted to the Operator or Connected Entity and the other entities likely to be affected.

OCP 8.4.4 Changes to Procedure

Once the procedure is approved by the ISO Outage Coordination Office any modifications to the procedure will require the requesting Operator or Connected Entity to notify the ISO Outage Coordination Office with as much lead time as possible

of the recommended changes. The modified procedure will then have to be approved by the ISO Outage Coordination Office in accordance with OCP 8.4.2 and 8.4.3.

OCP 8.4.5 Approval of Work Requiring Coordination

No work can begin pursuant to any approved procedure unless approved by the ISO Outage Coordination Office and only in accordance with OCP 4 and OCP 5.

OCP 9 RECORDS AND REPORTS

OCP 9.1 Records of Approved Maintenance Outages

The ISO Outage Coordination Office will maintain a record of each Approved Maintenance Outage as it is implemented. Such records are available for inspection by Operators and Connected Entities at the ISO Outage Coordination Office. Only those records pertaining to the equipment or facilities owned by the relevant Operator or Connected Entity will be made available for inspection at the ISO Outage Coordination Office, and such records will only be made available provided notice is given in writing to the ISO fifteen (15) days in advance of the requested inspection date.

OCP 10 AMENDMENTS TO THE PROTOCOL

If the ISO determines a need for an amendment to this Protocol, the ISO will follow the requirements as set forth in Section 16 of the ISO Tariff.

OUTAGE COORDINATION PROTOCOL

APPENDIX A

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