

**SETTLEMENT AND BILLING PROTOCOL (SABP)**

**SABP 1                    OBJECTIVES, DEFINITIONS AND SCOPE**

**SABP 1.1                Objectives**

The objective of this Protocol (and of Annex 1) is to inform Scheduling Coordinators, Participating TOs, Utility Distribution Companies, Metered Subsystems, and Operators of Reliability Must-Run Units of the manner in which the charges referred to in Section 11.1.6 of the ISO Tariff shall be calculated and settled and of the procedures regarding the billing, invoicing and payment of these charges.

**SABP 1.2                Definitions**

**SABP 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 is to a Section of the ISO Tariff. References to SABP are to this Protocol or to the stated paragraph of this Protocol. References to Annex 1 are to Annex 1 of this Protocol.

**SABP 1.2.2             Special Definitions for this Protocol**

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

**“Black Start Generator”** means 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.

**“Day 0”** means the Trading Day to which the Settlement Statement or settlement calculation refers. For example “Day 41” shall mean the 41st day after that Trading Day and similar expressions shall be construed accordingly.

**“Fed-Wire”** means the Federal Reserve Transfer System for electronic funds transfer.

**SABP 1.2.4**

**Time**

All references to time are references to prevailing Pacific Time.

**SABP 1.2.5**

**Financial Transaction Conventions**

In this Protocol and its Appendices and Annex 1, the following conventions have been adopted in defining sums of money to be remitted to or received by the ISO:

- (a) where the ISO is to receive a sum of money under this Protocol, this is defined as a "Charge";
- (b) where the ISO is to required to pay a sum of money under this Protocol, this is defined as a "Payment".

**SABP 1.2.6**

**Currency**

All financial transactions are denominated in US dollars and cents.

**SABP 1.3**

**Scope**

**SABP 1.3.1**

**Scope of Application to Parties**

This Protocol (excluding Annex 1) applies to the ISO and to the following entities:

- (a) Scheduling Coordinators;
- (b) Participating TOs;
- (c) Black Start Generators;
- (d) Utility Distribution Companies, and
- (e) Metered Subsystems.

The settlement, billing and payment process between the ISO, Scheduling Coordinators, Participating TOs, Black Start Generators, Utility Distribution Companies, and Metered Subsystems shall be in accordance with Sections 11.3 to 11.24 inclusive of the ISO Tariff. References in those Sections to Scheduling Coordinators shall also apply to Participating TOs which receive Settlement Statements from the ISO in relation to the transactions referred to in those Settlement Statements but excluding the transactions referred to in Annex 1. Notwithstanding SABP 1.2.3(a), references in Sections 11.3 to 11.24 inclusive of the ISO Tariff to Scheduling Coordinators, ISO Debtors and ISO Creditors shall also apply to Black Start Generators which receive Settlement Statements from the ISO in relation to transactions under their Interim Black Start Agreements.

