

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

County of Yolo, California)	
)	
v.)	Docket No. EL26-28-000
)	
California Independent System)	
Operator Corporation)	

**ANSWER OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR
CORPORATION TO COMPLAINT**

The California Independent System Operator Corporation (CAISO) submits its answer to the complaint filed in this proceeding by the County of Yolo, California (Yolo) on November 21, 2025.¹ The complaint appeals a tariff-required sanction of \$96,000 related to Yolo's failure to maintain telemetry on two generating units it owns. The CAISO disagrees with many aspects of Yolo's November 21 filing. Based on one factor raised in Yolo's filing, however, the CAISO agrees there is a reasonable basis for the Commission to conclude the penalties are excessive in this specific case. For this reason, the CAISO takes no position on the ultimate question of whether Yolo has met the Commission's traditional four-part waiver standard.

I. Background

A. CAISO Rules of Conduct

Section 37 of the CAISO tariff, referred to as the CAISO's rules of conduct, establishes a variety of rules for market participant behavior and defines

¹ The CAISO files this answer pursuant to Rule 213 of the Federal Energy Regulatory Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.213.

consequences when market participants do not adhere to those rules.² One of those rules is in section 37.6.1, which establishes that “all information that is required to be submitted to the CAISO under the CAISO Tariff must be submitted by the specified deadline.” The consequence for a violation is a sanction of “\$500 for each day that the required information is late.”

When the CAISO has reason to believe a rules of conduct violation may have occurred, it issues the scheduling coordinator and relevant market participant a notice of review. The notice of review provides a “description of the potential violation and provides an opportunity to respond to the CAISO with any issues of fact or other information relevant to the potential Rules of Conduct violation being investigated.”³ After reviewing any response to the notice of review, the CAISO issues a results of review notice. This second notice provides the outcome of the investigation and, if there is a violation, states the applicable sanctions.⁴

If the CAISO determines that a sanction applies, then it must impose that penalty. The CAISO does not have discretion to deviate from the tariff-defined sanctions based on extenuating circumstances. Under tariff section 37.8.10 penalized parties “may appeal the CAISO’s conclusion to FERC by submitting a waiver request.” That provides them with an opportunity to seek additional review of the CAISO’s conclusions or to explain why the sanctions are unreasonable based on the specific circumstances.

² See CAISO tariff section 37.1.2.

³ CAISO tariff section 37.8.4.

⁴ CAISO tariff section 37.8.5.

B. CAISO Telemetry Requirements

Section 7.6.1(d) of the CAISO tariff requires generators to provide telemetry to the CAISO of resource operating data to ensure “the CAISO will have the ability, consistent with this CAISO Tariff, to direct the operations of the Generator as necessary to maintain the reliability of the CAISO Controlled Grid.” Additionally, Appendix Q of the CAISO tariff requires eligible intermittent resources (*i.e.*, wind and solar) to telemeter meteorological data to the CAISO to assist in resource production forecasts.

Generators telemeter their data to the CAISO’s energy management system (EMS) using a piece of equipment called a remote intelligent gateway (RIG). Adjacent resources are permitted to share a single RIG but the requirement for telemetry applies independently to each of the resources sharing the single RIG. Ensuring that RIGs are functioning properly so that EMS has timely, accurate, and complete data from generators is crucial to maintaining grid reliability.

Temporary issues with a resource’s RIG can interrupt the flow of data to the CAISO. Section 8.4 of the CAISO’s Business Practice Manual for Direct Telemetry (Direct Telemetry BPM) outlines procedures a generator can follow to request a temporary exemption from the tariff’s telemetry requirements. The Direct Telemetry BPM is clear that the CAISO’s grant of “an exemption is not guaranteed.”⁵

⁵ Direct Telemetry BPM, section 8.4.

The Direct Telemetry BPM also explains “[f]ailure to resolve the telemetry issue by the end of an accepted telemetry exemption period, or to submit a telemetry exemption request or telemetry data as per the guidelines documented in this BPM section will result in a Rules of Conduct violation”⁶ The Direct Telemetry BPM establishes processes for invoking penalties under section 37.6.1 for telemetry failures. When the CAISO becomes aware of either unavailable or poor-quality data, the CAISO contacts the resource owner and its scheduling coordinator and provides either a five-day deadline (for resources above 45 MW) or a 14-day deadline (for resources below 45 MW) to restore telemetry or request an exemption. The per-day penalties under section 37.6.1 begin accruing if that deadline is not met.

C. Underlying Facts

1. Initial Outage – June 2024

The CAISO received notice in its outage management system (OMS) on June 19, 2024, of outages to both the Grasslands 3 and Grasslands 4 generating units.⁷ Both outages reported the issue as “grassfires onsite.” These units are both 1 MW solar resources owned by Yolo, with Pacific Gas & Electric Company (PG&E) serving as the resources’ scheduling coordinator in the CAISO markets. The two resources have not yet returned to service. The CAISO did not

⁶ *Id.*

⁷ The outage on Grasslands 3 (resource ID=DAVIS_1_SOLAR1) was reported as OMS outage ID 16065255. The outage on Grasslands 4 (resource ID=DAVIS_1_SOLAR2) was reported as OMS outage ID 16065271.

immediately observe telemetry problems with the units at the time of the grassfires.

2. Telemetry Exemption Request – September 2024

As Yolo describes in the November 21 filing, Yolo had designated PG&E as its scheduling coordinator, and NovaSource Power Services (NovaSource) and TotalEnergies Distributed Generation USA, LLC (TotalEnergies) as its designated vendors for communications regarding Yolo's telemetry. As such, on September 14, 2024, the CAISO notified PG&E, NovaSource, and TotalEnergies of a loss of telemetry for both units. Per the Direct Telemetry BPM, that notice provided a compliance date of October 3, 2024. On September 26, 2024, the CAISO received a telemetry exemption request from PG&E for only Grasslands 4. PG&E requested the exemption retroactive to June 19, 2024, running through November 30, 2024.⁸ The CAISO did not grant the exemption retroactively but approved it prospectively starting September 27, 2024. The CAISO received no exemption request for Grasslands 3. Nevertheless, the RIG resumed transmitting data shortly after the September 14 notice, which restored active telemetry for both units.

3. Telemetry Non-Compliance Notices – February 2025 and Ongoing through June

In February 2025, CAISO staff observed renewed telemetry failures at both Grasslands units. On February 7, 2025, the CAISO provided another notice

⁸ November 21 filing, at E6.

of telemetry failure to PG&E, NovaSource, and TotalEnergies. The notice provided a compliance deadline of February 28, 2025. The CAISO did not receive an exemption request or restored telemetry for either unit by the February 28 deadline. Unbeknownst to the CAISO at the time, Yolo had received notices of termination of services from NovaSource and TotalEnergies three months earlier, on November 7, 2024, that terminated their relationship with Yolo effective February 5, 2025. Yolo, PG&E, NovaSource, and TotalEnergies all failed to notify the CAISO of this termination.⁹

In addition to the standalone telemetry notices provided just for Grasslands 3 and Grasslands 4, the CAISO provides a weekly report to scheduling coordinators of telemetry issues for resources they represent. For the period that Grasslands 3 and Grasslands 4 had telemetry issues, they were included in that weekly report sent to PG&E.¹⁰ This report includes the compliance deadline, whether a resource is under a telemetry exemption, and, if so, when the exemption expires.

4. Rules of Conduct notices and Renewed Exemptions – March 2025 to August 2025

Because the February 28 telemetry compliance deadline for the Grasslands units passed without either working telemetry or a telemetry

⁹ November 21 filing, at E51.

¹⁰ See attachments A through D for examples. The CAISO requests confidential treatment of these attachments because they contain confidential operational information for resources not at issue in this proceeding. The CAISO has included a form protective agreement as attachment E it is prepared to execute with any entity on the official service list.

exemption, the CAISO began the rules of conduct process. On March 21, 2025, the CAISO sent separate notices of review for the telemetry issues with Grasslands 3 and Grasslands 4.¹¹ The CAISO sent these notices to both PG&E and Yolo. In its April 1, 2025 response to both notices of review, PG&E took the position there was no violation and attached telemetry exemption requests dated April 1, 2025 with a requested start date backdated to June 19, 2024. On April 21, 2025, the CAISO responded. The CAISO requested PG&E submit the form to the proper e-mail address and use the most current version of the request form. The exemption form prominently states it should be sent to a specific e-mail box used for telemetry issues. Having the requests submitted to a central location is important to ensure requests are processed in a standardized way and not overlooked. The CAISO also informed PG&E: "Please note the violation is valid as an exemption was not submitted by the respective deadline and the issue is still active."

On April 23, 2025, the CAISO sent a results of review notice for Grasslands 3 inadvertently stating that telemetry was restored on March 13, 2025, resulting in a \$6,500 sanction (13 days on non-compliance at \$500/day). The CAISO did not send a notice regarding Grasslands 4 at this time.

On May 15, 2025, PG&E submitted new telemetry exemption requests for Grasslands 3 and Grasslands 4. The next day, the CAISO requested PG&E resubmit the form using the most current version. Yolo, through PG&E, provided

¹¹ The Grasslands 3 matter was included under rules of conduct tracking code RIG-TNC_2200_PCG2. The Grasslands 4 matter was under code RIG-TNC_2201_PCG2.

the correct version of the form but used the wrong file format. The form states prominently the request should be submitted “in a word document format (.docx)” and that a “PDF document **will not** be accepted.”¹² The need for a .docx file format, as opposed to a .pdf, is driven by the internal tool the CAISO uses to track exemption requests. The CAISO responded on May 28, 2025 directing resubmission using the proper document format. PG&E submitted the proper forms on June 4, 2025 and the CAISO granted the exemptions effective June 5, 2025. Consistent with the CAISO’s practice, including for Yolo’s requests specifically, the CAISO granted the exemption prospectively but not retroactively.

Once a compliance date was established, the CAISO was able to send a results of review notice for Grasslands 4 on July 16, 2025. That notice informed PG&E and Yolo that the sanction for Grasslands 4 was \$48,000 (96 days on non-compliance at \$500/day).

With both resources coming back into compliance on June 5, the CAISO realized it inadvertently processed the initial results of review notice for Grasslands 3 with an erroneous compliance date of March 13. By the time that issue was identified, the initial \$6,500 penalty already had been assessed and paid. Rather than try to unwind the earlier payment, the CAISO began a separate rules of conduct case to assess the remainder of the correct total penalty amount required under the tariff.¹³ That new notice of review was sent on June 25, 2025, with a results of review notice issued on August 4, 2025,

¹² See, e.g., November 21 filing, at E7 (emphasis in original).

¹³ Rules of conduct tracking code RIG-TNC_2268_PCG2.

noting an additional penalty of \$41,500 (bringing the total sanction for Grasslands 3 to the correct amount of \$48,000). As part of the discussions during this period, PG&E again sought a retroactive telemetry exemption for the Grasslands units, running from February 7, 2025, through June 4, 2025 (*i.e.*, the entire period of identified non-compliance).¹⁴ The CAISO stated in response that “exemptions are unable to be backdated” and the “request has been voided.”¹⁵

The total sanctions for the two units equaled \$96,000. This reflects 96 days of non-compliance for two resources at a penalty of \$500 per day ($96 * 2 * \500).

D. Yolo’s Waiver Request

Yolo’s November 21 filing seeks waiver of the \$96,000 in telemetry sanctions the CAISO imposed on PG&E, in its role as scheduling coordinator for the Grasslands 3 and Grasslands 4 units. The basis of Yolo’s filing is the claim that the CAISO failed to notify Yolo timely of the CAISO’s telemetry non-compliance concerns. According to Yolo:

- When the CAISO finally notified Yolo directly of the concerns, Yolo asserts that it acted promptly and in good faith to address this matter.
- That good faith response included detrimentally relying on the April 23, 2025, rules of conduct notice with an incorrect compliance date.
- The CAISO failed to address Yolo’s efforts in a timely fashion.

Yolo claims the combined effect of the CAISO’s failures to initially notify Yolo, the CAISO’s provision of inaccurate responses, and the CAISO’s delays in

¹⁴ November 21 filing, at E46.

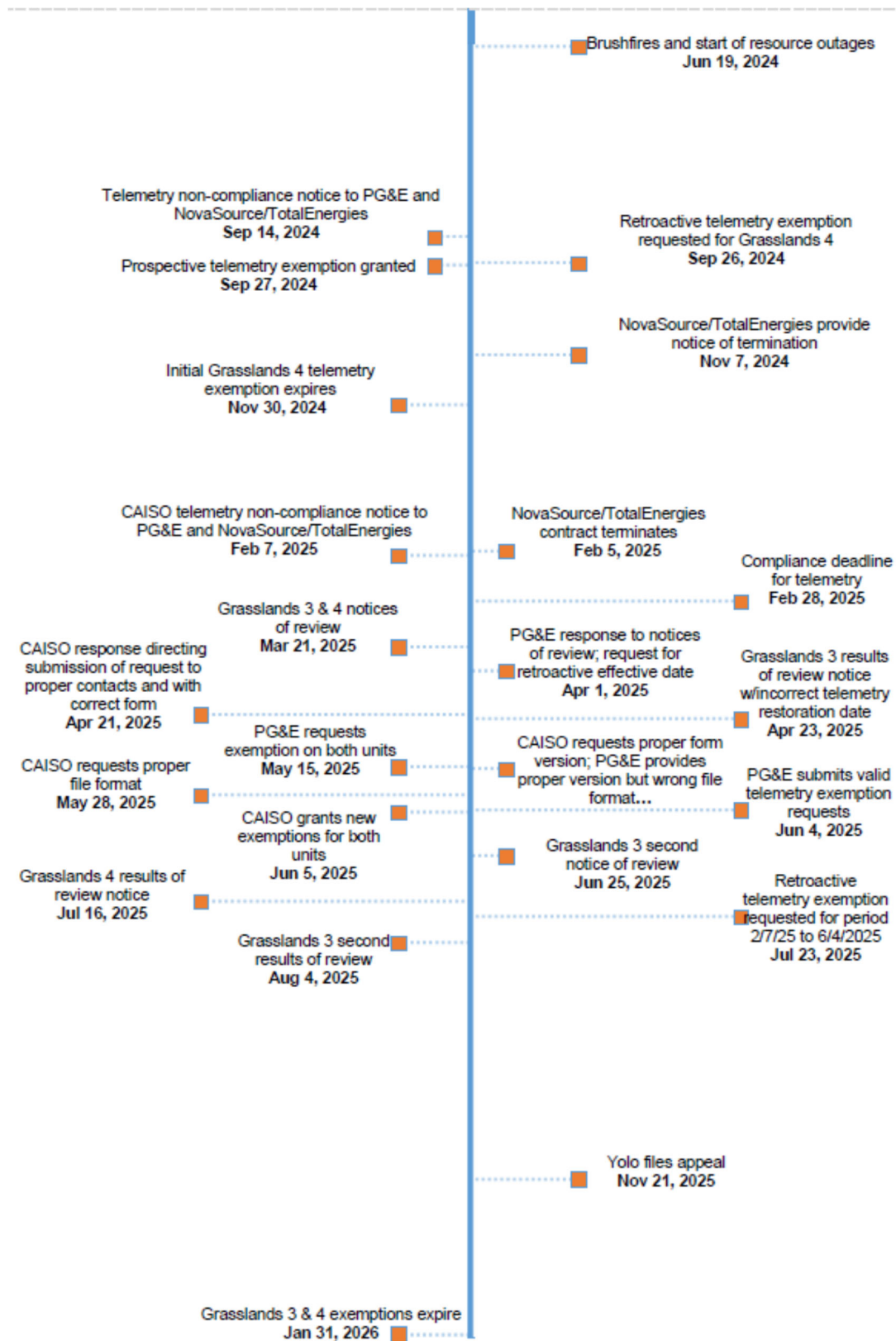
¹⁵ November 21 filing, at E45.

responding to Yolo's good faith attempts to bring itself into compliance created unjust and unreasonable sanctions the Commission should overturn.

Yolo also highlights the fact the units have been on outage since June 2024 in support of the notion that the missing telemetry did not impact reliability, other market participants, or the market settlements process.¹⁶

¹⁶ November 21 filing, at 11-12.

Timeline of Relevant Events



II. Answer

The CAISO does not oppose Yolo's requested relief because, under these specific circumstances, the Commission reasonably could find that a combined penalty of \$96,000 is excessive. The CAISO tariff and business processes largely treat the outage reporting and telemetry exemption process separately. The CAISO does not support a general rule that having a generation outage automatically relieves a generator of its obligation to maintain accurate telemetry. Even with a unit in a non-operating status, having accurate and functional telemetry can be important. For example, intermittent generators provide meteorological data used for CAISO generation and load forecasting. A unit on outage also potentially can send inaccurate telemetry data suggesting the unit is operating even if it is not. Administering a blanket exemption rule also would not be feasible given the transitory nature of many outages. However, in the specific case of an extended outage of this duration and for resources with a capacity of 1 MW, the CAISO agrees that it is reasonable to question if this level of sanction is the appropriate outcome.

Although the CAISO does not necessarily oppose Yolo's requested relief, the CAISO has concerns about Yolo's filing. The account provided in Yolo's request omits important context and background. That additional information paints a far different picture of events from that drawn in Yolo's filing. Yolo and its designated agents had every opportunity to avoid incurring penalties. Once penalties began accruing, Yolo and its designated agents had every opportunity to minimize the extent of the penalties. It appears that Yolo and its designated

agents frequently failed to communicate with each other and with the CAISO to ensure information was conveyed to the correct party. The CAISO takes this opportunity to correct the record to ensure the Commission has a full account of the facts. The CAISO, however, does not take a position on whether Yolo's particular circumstances meet the Commission's four-part waiver test.

A. The CAISO Provided Appropriate Notice Regarding the Telemetry Issues at the Grasslands Units

Yolo's primary contention is the CAISO failed to notify Yolo in a timely fashion of the telemetry concerns. The CAISO cannot agree this is a legitimate basis for excusing the telemetry penalties.

Throughout the process, the CAISO sent all relevant communications to PG&E, the scheduling coordinator for the two units. By design, a resource's scheduling coordinator (rather than the generator owner or operator) is the primary interface with the CAISO. The CAISO included Yolo employees on many of these communications. That is, the CAISO provided Yolo actual notice for most of the relevant communications.

The CAISO sent some communications, such as the February 7 notice of telemetry failure, to PG&E and NovaSource/TotalEnergies but not to Yolo employees. This fact is hardly exculpatory for Yolo. The individuals at NovaSource/TotalEnergies were the designated contacts Yolo registered for real-time operations matters, including issues with RIGs.¹⁷ The CAISO contacted exactly the people Yolo told the CAISO to contact for problems with the RIGs.

¹⁷ November 21 filing, at E55.

The CAISO has not identified any record of being informed that Yolo's contract with NovaSource/TotalEnergies terminated two days before the February 7 notice. Despite receiving notice of termination three months earlier (*i.e.*, November 2024), Yolo did not update its designated real-time contacts until October 2025. Additionally, PG&E received weekly notices of the telemetry non-compliance at the Grasslands units. So even where the CAISO did not contact Yolo directly, Yolo nevertheless had constructive notice given the CAISO communicated with Yolo's designated agents.

Further, the course of communications also shows Yolo employees were fully aware of the CAISO's telemetry concerns throughout 2025 and either communicated directly with the CAISO or sent responses to PG&E for further transmission to the CAISO. Not only does the record show the CAISO provided appropriate notice but it also demonstrates Yolo received that notice and responded to it.

B. Some Factors Undermine Yolo's Claims of Good Faith Conduct

To meet the Commission's traditional waiver criteria, Yolo claims any errors it made were committed in good faith. Specifically, Yolo argues the key CAISO defect was its failure to include Yolo personnel on the February 7 notice. Yolo claims it believed in good faith that its real-time contact information was current and that it was receiving all relevant communications.¹⁸ Yolo further

¹⁸ November 21 filing, at 7 ("Although the County is required to update its contact information as necessary with CAISO, it was reasonable for the County to assume that its contact information was up to date").

claims it acted in good faith by attempting to address issues promptly as they arose.¹⁹

As discussed below in section II.D., the CAISO does not agree that Yolo and its agents consistently acted with urgency in responding to CAISO feedback. More importantly, to the extent the CAISO's failure to send the February 7 notice directly to Yolo is relevant, Yolo had three-months' notice of its contract expiring with its vendors. Regardless of the specific telemetry matters involved in this proceeding, Yolo reports that NovaSource/TotalEnergies was fully involved in operating the units. With expiration of such a seemingly critical contract, it is entirely reasonable to expect Yolo to make the necessary updates in the resources' registration with the CAISO. Such due diligence would include, among other things, updating the real-time operations contacts. It is relevant to evaluate what role Yolo played in the failure to receive the February 7 notice. Here, the only parties that bear fault for that are Yolo and potentially PG&E, to the extent it knew the contract with NovaSource/TotalEnergies had expired.

The CAISO also objects to the three separate requests from Yolo's agent, PG&E, to secure *backdated* exemptions. Especially problematic is the request made during the rules of conduct process²⁰ to grant an exemption retroactive to the February 7 notice.²¹ Such an exemption would have removed all basis for the sanctions and would have the effect of an *ultra vires* tariff waiver. The

¹⁹ November 21 filing, at 8 ("the County attempted to promptly address every issue that arose at each step of the way").

²⁰ November 21 filing, at E46.

²¹ November 21 filing, at E46.

CAISO cannot unilaterally waive rules of conduct sanctions. Yolo's framing the CAISO's unwillingness to engage in unauthorized actions as an unjustified voided exemption request does not suggest a good faith belief in the importance of tariff compliance and the CAISO's need to administer its tariff per the filed rate.

C. Yolo's Claim of Detrimental Reliance is not Justified

Yolo also argues it detrimentally relied on the incorrect compliance date in the April 23, 2025 results of review notice for Grasslands 3 to suggest that the telemetry issues were resolved and that no further action was needed.²² The CAISO acknowledges the April 23 notice contained an error, but it is questionable how that error supports Yolo's case that it meets the Commission's waiver standards.

The two Grasslands units share a RIG. For that reason, telemetry would either be present or absent for both units. It is not possible for one Grasslands unit to provide telemetry and the other not to. Although the CAISO could have identified this inconsistency, that applies equally to Yolo. Yet there is no indication PG&E or Yolo inquired with the CAISO about how telemetry could have been restored for Grasslands 3 but not Grasslands 4.

The course of conduct by PG&E and Yolo after April 23 also belies any claim that Yolo was lulled into a false view of its compliance. On May 15, PG&E submitted a new exemption request for both units. If there were a genuine belief

²² November 21 filing, at 3 ("Based on the notice's statement that CAISO deemed the County in compliance with Telemetry BPM section 8.4 as of March, the County understood CAISO's notice as an acknowledgment and acceptance of its exemption request submitted in March. No sanction was assessed at that time as to Grasslands 4.").

based on the April 23 notice that Grasslands 3 was in compliance, then there would have been no reason for that exemption request.

D. Yolo Did Not Respond with Urgency to All CAISO Communications and Has Not Identified Unreasonable CAISO Communications Delays

Yolo also argues that it responded promptly to all CAISO inquiries whereas the CAISO did not, with the ultimate impact of extending the period of non-compliance and increasing the magnitude of penalties.²³

The CAISO agrees that in some instances Yolo and PG&E replied promptly to CAISO communications. In other instances, however, the CAISO observed meaningful gaps in time between communications. For example, on April 21 the CAISO directed PG&E to submit any exemption requests to the proper e-mail address and using the correct form. The CAISO received no further communication until May 15, a gap of 24 days. Similarly, on May 28 the CAISO requested resubmission of the exemption form using the file format clearly identified in the instructions. A simple change in file format could have been made the same day. Yet PG&E did not respond with the proper forms until June 4, a delay of seven days that increased the penalty exposure by \$7,000.

Throughout this process, the CAISO responded to PG&E and Yolo within reasonable timeframes. Given the scope of metering and telemetry issues CAISO staff has to manage, immediate responses are not always feasible. But the CAISO does not view any of its responses as being delayed unreasonably,

²³ November 21 filing, at 8 (“unlike CAISO, the County attempted to promptly address every issue that arose at each step of the way”) & 9 (“It is hard to deny CAISO’s contribution to the cause for, and extent of, the sanctions here”).

and Yolo has not identified any way in which the CAISO responses failed to comport with the Direct Telemetry BPM. To the contrary, the CAISO held PG&E/Yolo accountable to the same rules and procedures as all other parties.

To the extent the CAISO sometimes took longer to respond to PG&E/Yolo than they took to respond to the CAISO, that does not support Yolo's waiver. Maintaining telemetry is a clear tariff requirement imposed on the resource that exists independent of the rules of conduct process and even independent of CAISO telemetry non-compliance notices. These communications were occurring because the Grasslands units already were out of compliance with the tariff. A resource owner and its representatives that take compliance obligations seriously should be expected to respond as least as quickly to the CAISO's communications as the CAISO is able to respond back to them.

III. Communications

Under Rule 203(b)(3) of the Commission's Rules of Practice and Procedure, the CAISO respectfully requests that service of all pleadings, documents, and all communications regarding this proceeding be addressed to:

David S. Zlotlow
Lead Counsel
California Independent System
Operator Corporation
250 Outcropping Way
Folsom, CA 95630
Tel: (916) 351-4400
Fax: (916) 608-7222
Email: dzlotlow@caiso.com

IV. Conclusion

The CAISO disagrees with significant aspects of Yolo's request to excuse the \$96,000 sanction in this proceeding. The CAISO nevertheless agrees the Commission reasonably could find the penalties are disproportionate to the specific conduct at issue in this proceeding.

/s/ David S. Zlotlow

Roger E. Collanton

General Counsel

Anthony Ivancovich

Deputy General Counsel

Andrew Ulmer

Assistant General Counsel

William H. Weaver

Assistant General Counsel

David S. Zlotlow

Lead Counsel

California Independent System

Operator Corporation

250 Outcropping Way

Folsom, CA 95630

Counsel for the California Independent
System Operator

Dated: December 11, 2025

CERTIFICATE OF SERVICE

I certify that I have served the foregoing document upon the parties listed on the official service list in the captioned proceedings, in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.2010).

Dated at Folsom, California this 11th day of December, 2025.

/s/ Ariana Rebancos

Ariana Rebancos

An employee of the California ISO

Attachment A

Answer of the California Independent System Operator Corporation to Complaint

County of Yolo v. CAISO

EL26-28

December 11, 2025

**[ATTACHMENT CONSISTS OF PRIVILEGED MATERIAL REDACTED
PURSUANT TO 18 C.F.R. § 388.112]**

Attachment B

Answer of the California Independent System Operator Corporation to Complaint

County of Yolo v. CAISO

EL26-28

December 11, 2025

[ATTACHMENT CONSISTS OF PRIVILEGED MATERIAL REDACTED

PURSUANT TO 18 C.F.R. § 388.112]

Attachment C

Answer of the California Independent System Operator Corporation to Complaint

County of Yolo v. CAISO

EL26-28

December 11, 2025

[ATTACHMENT CONSISTS OF PRIVILEGED MATERIAL REDACTED

PURSUANT TO 18 C.F.R. § 388.112]

Attachment D

Answer of the California Independent System Operator Corporation to Complaint

County of Yolo v. CAISO

EL26-28

December 11, 2025

**[ATTACHMENT CONSISTS OF PRIVILEGED MATERIAL REDACTED
PURSUANT TO 18 C.F.R. § 388.112]**

Attachment E

Answer of the California Independent System Operator Corporation to Complaint

County of Yolo v. CAISO

EL26-28

December 11, 2025

Form Protective Agreement

PROTECTIVE AGREEMENT

This Protective Agreement (“Agreement”) is entered into this ____ day of _____, 2025 by and between the California Independent System Operator Corporation (“CAISO”) and _____ (“Intervenor”), or *vice versa*, in connection with the proceeding before the Federal Energy Regulatory Commission (the “Commission”) in Docket No. _____. The CAISO and Intervenor are sometimes referred to as herein individually as a “Party” or jointly as the “Parties.”

1. The CAISO filed Protected Materials in the above-referenced Commission proceeding and Intervenor is a Participant in such proceeding, as the term Participant is defined in 18 C.F.R. Section 385.102(b), or has filed a motion to intervene or a notice of intervention in such proceeding. The CAISO and Intervenor enter into this Agreement in accordance with their respective rights and obligations set forth in 18 C.F.R. Section 388.112(b)(2). Notwithstanding any order terminating such proceeding, this Agreement shall remain in effect until specifically modified or terminated by the Commission or court of competent jurisdiction.

2. This Agreement applies to the following two categories of Protected Materials: (A) a Party may designate as protected those materials which customarily are treated by that Party as sensitive or proprietary, which are not available to the public, and which, if disclosed freely, would subject that Party or its customers to risk of competitive disadvantage or other business injury; and (B) a Party shall designate as protected those materials which contain privileged trade secret, commercial and financial information, as defined in 18 C.F.R. Section 388.107.

3. Definitions – For purposes of this Agreement:

(a) (1) The term “Protected Materials” means (A) materials provided by a Party in association with this proceeding and designated by such Party as protected; (B) any information contained in or obtained from such designated materials; (C) notes of Protected Materials; and (D) copies of Protected Materials. The Party producing the Protected Materials shall physically mark them on each page as “PROTECTED MATERIALS” or with words of similar import as long as the term “Protected Materials” is included in that designation to indicate that they are Protected Materials. If the Protected Materials contain Critical Energy Infrastructure Information, the Party producing such information shall additionally mark on each page containing such information the words “Contains Critical Energy Infrastructure Information – Do Not Release.”

(2) The term “Notes of Protected Materials” means memoranda, handwritten notes, or any other form of information (including electronic form) which copies or discloses materials described in Paragraph 3(a)(1). Notes of Protected Materials are subject to the same restrictions provided in this Agreement for Protected Materials except as specifically provided in this Agreement.

(3) Protected Materials shall not include (A) any information or document contained in the publicly-available files of the Commission or of any other federal or state agency, or any federal or state court, unless the information or document has been determined to be protected by such agency or court, or (B) information that is public knowledge, or which

becomes public knowledge, other than through disclosure in violation of this Agreement, or (C) any information or document labeled as “Non-Internet Public” by a Party, in accordance with Paragraph 30 of FERC Order No. 630, FERC Stats. & Regs. ¶ 31,140 (2003). Protected Materials do include any information or documents contained in the files of the Commission that has been designated as Critical Energy Infrastructure Information.

(b) The term “Non-Disclosure Certificate” shall mean the certificate annexed hereto by which Reviewing Representatives who have been granted access to Protected Materials shall certify their understanding that such access to Protected Materials is provided pursuant to the terms and restrictions of this Agreement, and that they have read the Agreement and agree to be bound by it. Each Party shall provide a copy of the Non-Disclosure Certificate(s) executed by its Reviewing Representative(s) to the other Party prior to such Reviewing Representative(s) receiving access to any Protected Materials.

(c) The term “Reviewing Representative” shall mean a person who has signed a Non-Disclosure Certificate and who is:

- (1) an attorney retained by a Party for purposes of this proceeding;
- (2) attorneys, paralegals, and other employees associated for purposes of this proceeding with an attorney described in Paragraph (3)(c)(1);
- (3) an expert or employee of an expert retained by a Party for the purpose of advising, preparing or testifying in this proceeding;
- (4) a person designated as a Reviewing Representative by order of the Commission; or
- (5) employees or other representatives of a Party with significant responsibility for matters involving this proceeding.

4. Protected Materials shall be made available under the terms of this Agreement only to Parties and only through their Reviewing Representative(s) as provided in Paragraphs 7-9.

5. Protected Materials shall remain available to a Party until the later of the date that an order terminating this proceeding becomes no longer subject to judicial review, or the date that any other Commission proceeding relating to the Protected Material is concluded and no longer subject to judicial review. If requested to do so in writing after that date, the Party shall, within fifteen days of such request, return the Protected Materials (excluding Notes of Protected Materials) to the Party that produced them, or shall destroy the materials, except that copies of filings, official transcripts and exhibits in this proceeding that contain Protected Materials, and Notes of Protected Materials may be retained, if they are maintained in accordance with Paragraph 6, below. Within such time period the Party, if requested to do so, shall also submit to the producing Party an affidavit stating that, to the best of its knowledge, all Protected Materials and all Notes of Protected Materials have been returned or have been destroyed or will be

maintained in accordance with Paragraph 6. To the extent Protected Materials are not returned or destroyed, they shall remain subject to this Agreement.

6. All Protected Materials shall be maintained by the Party in a secure place. Access to those materials shall be limited to those Reviewing Representatives specifically authorized pursuant to Paragraphs 8-9.

7. Protected Materials shall be treated as confidential by the Party and its Reviewing Representative(s) in accordance with the certificate executed pursuant to Paragraph 9. Protected Materials shall not be used except as necessary for the conduct of this proceeding, nor shall they be disclosed in any manner to any person except a Reviewing Representative who is engaged in the conduct of this proceeding and who needs to know the information in order to carry out that person's responsibilities in this proceeding. Reviewing Representatives may make copies of Protected Materials, but such copies become Protected Materials. Reviewing Representatives may make notes of Protected Materials, which shall be treated as Notes of Protected Materials if they disclose the contents of Protected Materials.

8. (a) If a Reviewing Representative's scope of employment includes the marketing of energy or the buying or selling of generating assets, the direct supervision of any employee or employees whose duties include the foregoing, the provision of consulting services to any person whose duties include the foregoing, or the direct supervision of any employee or employees whose duties include the foregoing, such Reviewing Representative may not use information contained in any Protected Materials obtained through this proceeding to give any Party or any competitor of any Party a commercial advantage.

(b) In the event that a Party wishes to designate as a Reviewing Representative a person not described in Paragraph 3(c) above, the Party shall seek agreement from the Party providing the Protected Materials. If an agreement is reached that person shall be a Reviewing Representative pursuant to Paragraphs 3(c) above with respect to those materials. If no agreement is reached, the Party shall submit the disputed designation to the Commission for resolution.

9. (a) A Reviewing Representative shall not be permitted to inspect, participate in discussions regarding, or otherwise be permitted access to Protected Materials pursuant to this Agreement unless that Reviewing Representative has first executed a Non-Disclosure Certificate; provided, that if an attorney qualified as a Reviewing Representative has executed such a certificate, the paralegals, secretarial and clerical personnel under the attorney's instruction, supervision or control need not do so. A copy of each Non-Disclosure Certificate shall be provided to counsel for the Party asserting confidentiality prior to disclosure of any Protected Material to that Reviewing Representative.

(b) Attorneys qualified as Reviewing Representatives are responsible for ensuring that persons under their supervision or control comply with this Agreement.

10. Any Reviewing Representative may disclose Protected Materials to any other Reviewing Representative as long as the disclosing Reviewing Representative and the receiving Reviewing Representative both have executed a Non-Disclosure Certificate. In the event that any Reviewing

Representative to whom the Protected Materials are disclosed ceases to be engaged in these proceedings, or is employed or retained for a position whose occupant is not qualified to be a Reviewing Representative under Paragraph 3(c), access to Protected Materials by that person shall be terminated. Even if no longer engaged in this proceeding, every person who has executed a Non-Disclosure Certificate shall continue to be bound by the provisions of this Agreement and the certification.

11. Subject to Paragraph 17, the Commission shall resolve any disputes arising under this Agreement. Prior to presenting any dispute under this Agreement to the Commission, the Parties shall use their best efforts to resolve it. If a Party contests the designation of materials as protected, it shall notify the Party that provided the Protected Materials by specifying in writing the materials whose designation is contested. This Agreement shall automatically cease to apply to such materials five (5) business days after the notification is made unless the Party, within said 5-day period, files a motion with the Commission, with supporting affidavits, demonstrating that the materials should continue to be protected. In any challenge to the designation of materials as protected, the burden of proof shall be on the Party seeking protection. If the Commission finds that the materials at issue are not entitled to protection, the procedures of Paragraph 17 shall apply. The procedures described above shall not apply to Protected Materials designated by a Party as Critical Energy Infrastructure Information. Materials so designated shall remain protected and subject to the provisions of this Agreement unless a Party requests and obtains a determination from the Commission's Critical Energy Infrastructure Information Coordinator that such materials need not remain protected.

12. All copies of all documents reflecting Protected Materials, including the portion of any hearing testimony, exhibits, transcripts, briefs and other documents which refer to Protected Materials, shall be filed and served in sealed envelopes or by other appropriate means endorsed to the effect that they are protected pursuant to this Agreement. Such documents shall be marked "PROTECTED MATERIALS" and shall be filed under seal and served under seal upon the Commission and all Reviewing Representatives who are on the service list. Such documents containing Critical Energy Infrastructure Information shall be additionally marked "Contains Critical Energy Infrastructure Information – Do Not Release." For anything filed under seal, redacted versions or, where an entire document is protected, a letter indicating such, will also be filed with the Commission and served on all parties on the service list. Counsel for the producing Party shall, upon the request of a Party, provide a list of Reviewing Representatives who are entitled to receive such material. Counsel shall take all reasonable precautions necessary to assure that Protected Materials are not distributed to unauthorized persons. If any Party desires to include, utilize or refer to any Protected Materials or information derived therefrom in pleadings, testimony or exhibits to these proceedings in such a manner that might require disclosure of such material to persons other than Reviewing Representatives, such Party shall first notify both counsel for the disclosing Party and the Commission of such desire, identifying with particularity each of the Protected Materials. Thereafter, use of such Protected Materials will be governed by procedures determined by the Commission.

13. Nothing in this Agreement shall be construed as precluding any Party from objecting to the use of Protected Materials on any legal grounds.

14. Nothing in this Agreement shall preclude any Party from requesting the Commission or any other body having appropriate authority to find that this Agreement should not apply to all or any materials previously designated as Protected Materials pursuant to this Agreement. The Commission may alter or amend this Agreement as circumstances warrant at any time during the course of this proceeding.

15. The Parties may amend this Agreement only by mutual consent and in writing, provided, however, that a Party has the right to seek changes to this Agreement as appropriate from the Commission.

16. All Protected Materials filed with the Commission, or any other judicial or administrative body, in support of, or as a part of, a motion, other pleading, brief, or other document, shall be filed and served in sealed envelopes or by other appropriate means bearing prominent markings indicating that the contents include Protected Materials subject to this Agreement. Such documents containing Critical Energy Infrastructure Information shall be additionally marked "Contains Critical Energy Infrastructure Information – Do Not Release."

17. If the Commission finds at any time in the course of this proceeding that all or part of the Protected Materials need not be protected, those materials shall, nevertheless, be subject to the protection afforded by this Agreement for three (3) business days from the date of issuance of the Commission's decision, and if the Party seeking protection files an interlocutory appeal or requests that the issue be certified to the Commission, for an additional seven (7) business days. No Party waives its rights to seek additional administrative or judicial remedies after the Commission's decision respecting Protected Materials or Reviewing Representatives, or the Commission's denial of any appeal thereof. The provisions of 18 C.F.R. Sections 388.112 and 388.113 shall apply to any requests for Protected Materials in the files of the Commission under the Freedom of Information Act (5 U.S.C. § 552).

18. Nothing in this Agreement shall be deemed to preclude either Party from independently seeking through discovery in any other administrative or judicial proceeding information or materials produced in this proceeding under this Agreement.

19. Neither Party waives the right to pursue any other legal or equitable remedies that may be available in the event of actual anticipated disclosure of Protected Materials.

20. The contents of Protected Materials or any other form of information that copies or discloses Protected Materials shall not be disclosed to anyone other than in accordance with this Agreement and shall be used only in connection with this proceeding. Any violation of this Agreement and of any Non-Disclosure Certificate executed hereunder shall constitute a violation of an order of the Commission.

IN WITNESS WHEREOF, the Parties each have caused this Protective Agreement to be signed by their respective duly authorized representatives as of the date first set forth above.

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Representing CAISO

Representing Intervenor

NON-DISCLOSURE CERTIFICATE

I hereby certify my understanding that access to Protected Materials is provided to me pursuant to the terms and restrictions of the Protective Agreement dated _____, 2018 by and between the CAISO and _____ concerning materials in Federal Energy Regulatory Commission Docket No. _____, that I have been given a copy of and have read the Protective Agreement, and that I agree to be bound by it. I understand that the contents of the Protected Materials, any notes or other memoranda, or any other form of information that copies or discloses Protected Materials shall not be disclosed to anyone other than in accordance with the Protective Agreement. I acknowledge that a violation of this certificate constitutes a violation of an order of the Federal Energy Regulatory Commission.

By: _____

Name: _____

Title: _____

Representing: _____