

July 3, 2025

The Honorable Debbie-Anne A. Reese  
Secretary  
Federal Energy Regulatory Commission  
888 First Street, NE  
Washington, DC 20426

**Re: California Independent System Operator  
Corporation Filing of CAISO Rate Schedule  
No. 8843  
Docket No. ER25-\_\_\_\_-000**

Dear Secretary Reese:

The California Independent System Operator Corporation (“CAISO”) submits for filing and acceptance an agreement dated May 22, 2025, between the CAISO and the Imperial Irrigation District (“IID”) (“WEIM Implementation Agreement”).<sup>1</sup> The WEIM Implementation Agreement sets forth the terms under which the CAISO will extend its existing real-time energy market systems to provide imbalance energy service to IID, pursuant to the CAISO’s Western Energy Imbalance Market (“WEIM”) tariff.

The CAISO and IID are separately entering into a *pro forma* EDAM Entity Implementation Agreement under which the CAISO will incorporate IID into the CAISO’s Extended Day Ahead Market (“EDAM”).<sup>2</sup> The parties intend to concurrently implement WEIM and EDAM, which may result in some efficiency across both implementations that will be accounted for separately through the EDAM Entity Implementation Agreement.

Under the WEIM Implementation Agreement, IID will compensate the CAISO for its share of the costs of system changes, software costs, and other configuration activities. The CAISO requests that the Commission accept the WEIM Implementation Agreement effective September 2, 2025, 61 days after the date of this filing, so that the extension of the real-time energy market to include

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<sup>1</sup> The CAISO submits the WEIM Implementation Agreement pursuant to Section 205 of the Federal Power Act, 16 U.S.C. § 824d.

<sup>2</sup> See CAISO Tariff section 33.2.1 and Appendix B.31. The Commission previously accepted the CAISO’s *pro forma* EDAM Entity Implementation Agreement when the CAISO filed its EDAM tariff.

IID may proceed towards implementation by October 1, 2028.<sup>3</sup> To permit this effective date, the CAISO requests limited waiver of its tariff requirement that the implementation date not be more than twenty-four months after the effective date of the WEIM Implementation Agreement.<sup>4</sup>

## I. Background

The WEIM provides other Balancing Authority Areas (BAAs) the opportunity to participate in the real-time market for imbalance energy that the CAISO operates in its own BAA. PacifiCorp's BAAs (PacifiCorp East and PacifiCorp West) were the first two to join the Western Energy Imbalance Market.<sup>5</sup> The CAISO's market rules went into effect on October 24, 2014, for the first trading day November 1, 2014.<sup>6</sup>

The WEIM has continued to develop and attract the interest of a diverse array of participants throughout the Western Interconnection. With the addition of IID in 2028, the WEIM will include 25 balancing authorities, including CAISO, representing more than 80% of the demand for electricity in the Western Interconnection. The WEIM area includes portions of Arizona, California, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, Wyoming, Texas and extends to the border with Canada.<sup>7</sup> Also, with Black Hills Service Company, the WEIM will extend into portions of South Dakota in 2026.

## II. The WEIM Implementation Agreement

The WEIM Implementation Agreement details the contractual terms, including the scope of work and the agreed-upon fee, under which the CAISO will take the steps necessary to incorporate IID into the WEIM consistent with the identified key milestones and associated payment provisions.<sup>8</sup> The WEIM Implementation Agreement is modeled after implementation agreements previously accepted by the Commission and, therefore, adopts substantially similar provisions to those which have been filed and accepted

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<sup>3</sup> See WEIM Implementation Agreement, Section 1; see also CAISO Tariff section 29.2(b).

<sup>4</sup> CAISO Tariff section 29.2(b)(2).

<sup>5</sup> See *Cal. Indep. Sys. Operator Corp.*, 143 FERC ¶ 61,298 (2013).

<sup>6</sup> See *Cal. Indep. Sys. Operator Corp.*, 149 FERC ¶ 61,005 (2014).

<sup>7</sup> WEIM participation materials are at <https://www.westerneim.com/Pages/About/default.aspx>.

<sup>8</sup> See WEIM Implementation Agreement, Sections 3-4 and Exhibit A.

by the Commission.<sup>9</sup>

Under the WEIM Implementation Agreement, the CAISO and IID must complete a variety of project tasks necessary for implementation by October 1, 2028. The parties chose this date to provide sufficient time for completion of all expected activities for both WEIM and EDAM implementation based on the size, complexity, and compatibility of IID, including filing a certification of readiness with the Commission. The specific tasks may be modified by mutual agreement of the parties.<sup>10</sup>

The WEIM Implementation Agreement specifies that IID will pay the CAISO a fixed implementation fee of \$120,000, subject to completion of six specific milestones for recovery of the portion of the costs attributable to the CAISO's effort to configure its real-time market systems and incorporate IID into the WEIM. Because the CAISO will be implementing IID into its WEIM and EDAM concurrently, each milestone is listed as a combined WEIM/EDAM milestone in the WEIM Implementation Agreement for the sake of efficiency. If the charges for any specific milestone exceed the limits in Section 4(c) of the WEIM Implementation Agreement, any excess amounts will be reimbursed to the CAISO from IID's implementation fee paid to the CAISO under its *pro forma* EDAM Entity Implementation Agreement.

The methodology that the CAISO used to determine the implementation fee for IID is the same methodology that the CAISO used to determine all of the previously accepted implementation fees. The implementation fee represents the incremental costs necessary to incorporate IID into the WEIM and is based on the CAISO's estimate of the costs it will incur to configure its real-time energy market to function as the WEIM available to all balancing authority areas in the Western Electricity Coordinating Council ("WECC").<sup>11</sup> The components of that estimate are summarized below.

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<sup>9</sup> See, e.g., Commission Letter Order, Docket No. ER24-1628 (May 17, 2024) (accepting the implementation agreement with BHE Montana). The IID WEIM Implementation Agreement also includes provisions specific to publicly owned utilities that were accepted by the Commission in previous orders.

<sup>10</sup> WEIM Implementation Agreement, Section 3.

<sup>11</sup> The total estimated cost is a projection assuming the total work effort remains stable. Implementations either completed or underway are not considered in this estimate.

<b>Implementation Costs (in thousands of dollars)</b>	
Licenses	12,150
EMS system improvements	1,000
Data storage	2,000
Necessary hardware upgrades	500
Production software modifications	1,000
Network configuration and mapping	500
Integration	500
Testing	1,500
System performance tuning	250
Training and operations readiness	150
Project management	100
<b>Total</b>	<b>\$19,650</b>

Using this estimate, the CAISO derived a rate that allocates the \$19.65 million to potential entrants into the WEIM according to their proportionate share of the total WECC load (excluding the CAISO’s load), using data reported to WECC. The CAISO then applied this fee to IID’s share of the WECC load (exclusive of the CAISO’s load) to account for the IID implementation fee.

The \$120,000 implementation fee is just and reasonable because it allocates a portion of the overall CAISO WEIM costs to IID in an amount proportionate to IID’s share of the benefits that will ensue from the WEIM, as measured by usage. In addition, the CAISO confirmed the reasonableness of the resulting allocation by comparing it to an estimate of the costs the CAISO projects it will incur to configure its real-time energy market to function as the WEIM that serves both the CAISO and IID. This comparison confirmed that the fee reasonably represents those costs even though only project management costs are triggered by the IID implementation, while other costs may be incurred by the CAISO to incorporate other entrants. In future implementations, the CAISO will similarly confirm that the rate is reasonable by conducting a similar comparison test of the total implementation costs to the individual entity costs.

The WEIM Implementation Agreement also provides for adjustment of the fixed implementation fee by mutual agreement of the parties in the event that the CAISO’s actual or expected costs exceed the estimate that form the basis of the implementation fee.<sup>12</sup> This provision allows for appropriate consideration of the allocation of costs associated with incorporation of IID into the WEIM. At the same time, the requirement for IID to agree to any

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<sup>12</sup> See Letter Order dated April 8, 2014, Docket No. ER14-1350-000 (accepting an amendment to increase the PacifiCorp implementation fee to cover additional scope identified in the stakeholder process). PacifiCorp’s request for additional scope is the only instance thus far where an amendment of the implementation fee has been necessary.

increase in the implementation fee ensures that IID's share of those costs remains reasonable. The WEIM Implementation Agreement therefore reflects a reasonable balance of the parties' interest in preserving a level of cost certainty for IID, while appropriately allocating the costs of implementing the WEIM.

The WEIM Implementation Agreement represents a binding commitment of the parties. As such, it must provide a workable framework for the parties to resolve any differences and make course corrections along the way. On the other hand, the WEIM Implementation Agreement recognizes that the parties are entering into the agreement on a voluntary basis and circumstances may arise that interfere with the incorporation of IID into the WEIM through the process. Accordingly, the WEIM Implementation Agreement allows either party to terminate the agreement for any or no reason, provided it has first entered into good faith discussions for 30 days in an effort to resolve any differences.<sup>13</sup> This and other related provisions mean that the parties must work closely together to achieve the goal of implementing IID into the WEIM in a timely manner.

The WEIM Implementation Agreement also includes general provisions that round out the parties' commitments. These are confidentiality (Section 5), limitations of liability (Section 6), representations and warranties (Section 7), general provisions such as notices, amendments, etc. (Section 8), venue (Section 9), communication (Section 10), and dispute resolution (Section 11).

### **III. Next Steps**

Following the Commission's acceptance of this filing, the CAISO will begin incorporating IID into the WEIM. IID's WEIM implementation will proceed concurrently with its EDAM implementation so that IID will be incorporated into the WEIM and EDAM on the same date. Concurrent implementation will result in efficiencies because the project tasks are similar and duplication can be minimized. The CAISO will account for any associated project cost efficiency gains through the EDAM implementation agreement with IID. The EDAM implementation agreement provides for the recovery of the CAISO costs based on the cost incurred to onboard IID.<sup>14</sup> Accordingly, if there is a reduction in effort associated with EDAM implementation because some of the tasks are completed along with WEIM implementation tasks, these tasks would be accounted for using a combination of the fixed WEIM implementation fee and the variable EDAM implementation fee. This is a reasonable approach to account for any

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<sup>13</sup> WEIM Implementation Agreement, Section 2.

<sup>14</sup> CAISO Tariff section 33.11.5.

efficiencies between the two projects and ensure that the CAISO recovers its reasonable costs for both projects according to the WEIM Implementation Agreement, the EDAM Implementation Agreement and the EDAM implementation fee rate structure in the CAISO tariff.

IID's implementation will be subject to the CAISO tariff readiness requirements and the filing of a certificate of readiness with the Commission.<sup>15</sup> The CAISO will also take into consideration lessons learned from the prior implementations, as the readiness criteria represent the baseline for measuring the readiness of each new WEIM entity's processes and systems for WEIM participation.

The CAISO expects that IID will modify its Open Access Transmission Tariff in advance of implementation, to the extent necessary to account for the WEIM. The CAISO also recognizes that IID will be working with interested parties to facilitate implementation of the WEIM, and the CAISO will engage in that effort as IID considers it appropriate.

#### **IV. Effective Date**

The CAISO requests that the WEIM Implementation Agreement be made effective on September 2, 2025, 61 days after the date of this filing.

#### **V. Waivers**

The CAISO submits that the filing substantially complies with the requirements of section 35.13 of the Commission's regulations,<sup>16</sup> applicable to filings of this type. The CAISO respectfully requests waiver of any such requirement to the extent this filing does not satisfy that requirement. In particular, the CAISO requests waiver of the requirement to submit Period 1 and Period 2 schedules, because the implementation fee is a one-time fee that is not based on historical data in Period 1 schedules or on the projections in Period 2 schedules. In either event, there is good cause to waive filing requirements that are not material to the Commission's consideration of the WEIM Implementation Agreement.

In addition, the CAISO respectfully requests a limited waiver of section 29.2(b)(2) of the CAISO tariff to accommodate the effective date of September 2, 2025 for the WEIM Implementation Agreement. This section of the CAISO tariff provides in relevant part that a WEIM Implementation Date must be not less than six months and not more than 24 months after the date that the WEIM Implementation Agreement between the CAISO and the balancing authority becomes effective. This limited tariff waiver is necessary for the

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<sup>15</sup> See CAISO Tariff, section 29.2(b).

<sup>16</sup> 18 C.F.R. § 35.13.

CAISO and IID to begin collaborating on implementation activities to support IID's concurrent participation in the WEIM and EDAM beginning in the fall of 2028, i.e., more than 24 months after the effective date of the WEIM Implementation Agreement and thus exceeding the 24-month limit set forth in tariff section 29.2(b)(2). Granting the limited waiver will provide additional time to allow the CAISO and IID to efficiently synchronize and coordinate their onboarding and readiness activities with other implementation projects, and to schedule and manage the associated vendor engagement activities.

Good cause exists for the Commission to grant a limited waiver of tariff section 29.2(b)(2) to allow the WEIM Implementation Date for IID to be more than 24 months after the requested effective date. The Commission previously granted requests for tariff waivers where: (1) the applicant acted in good faith; (2) the waiver was of limited scope; (3) the waiver addressed a concrete problem; and (4) the waiver did not have undesirable consequences, such as harming third parties.<sup>17</sup> This waiver petition meets all four conditions. The CAISO has acted in good faith because it filed this petition for limited tariff waiver prior to the requested effective date of the WEIM Implementation Agreement. The waiver is of limited scope in that it only concerns the applicability to IID of the 24-month limit set forth in tariff section 29.2(b)(2). The waiver will remedy the concrete problem that more than 24 months from the requested effective date of the WEIM Implementation Agreement is required for the CAISO and IID to undertake the implementation steps needed to allow IID to proceed towards concurrent participation in WEIM and EDAM. Finally, the waiver will not have undesirable consequences because the petition for limited tariff waiver will not cause any harm to a third party or otherwise cause any problems. For these reasons, good cause exists to grant the CAISO's request for limited waiver of the 24-month provision set forth in tariff section 28.2(b)(2) to permit the WEIM Implementation Agreement between the CAISO and IID to have a requested effective date of September 2, 2025, 61 days after the date of this filing.

## **VI. Service**

The CAISO has served copies of this filing upon all parties with scheduling coordinator agreements under the CAISO tariff, IID, the California Public Utilities Commission, and the California Energy Commission. In addition, the CAISO has posted the filing on the CAISO website.

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<sup>17</sup> See, e.g., *Cal. Indep. Sys. Operator Corp.*, 188 FERC ¶ 61,215 (2024); *Cal. Indep. Sys. Operator Corp.*, 178 FERC ¶ 61,185, at PP 5-8 (2020); and *Cal. Indep. Sys. Operator Corp.*, 155 FERC ¶ 61,039, at P 31 (2016).

## VII. Contents of Filing

In addition to this transmittal letter, enclosed for filing is the following:

Attachment A                      Executed WEIM Implementation Agreement

## VIII. Correspondence

Under Rule 203(b)(3),<sup>18</sup> the CAISO respectfully requests that all correspondence and other communications about this filing be served upon:

John E. Spomer  
Lead Counsel  
California Independent System  
Operator Corporation  
250 Outcropping Way  
Folsom, CA 95630  
Tel: (916) 608-7257  
Fax: (916) 608-7222  
E-mail: [jspomer@caiso.com](mailto:jspomer@caiso.com)

## IX. Conclusion

The CAISO respectfully requests that the Commission accept this filing and permit the WEIM Implementation Agreement, CAISO Rate Schedule No. 8843, to be effective September 2, 2025, as requested. If there are any questions concerning this filing, please contact the undersigned.

Respectfully submitted,

**/s/ John Spomer**  
Roger E. Collanton  
General Counsel  
John C. Anders  
Deputy General Counsel  
John E. Spomer  
Lead Counsel

*Counsel for the California Independent  
System Operator Corporation*

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<sup>18</sup> 18 C.F.R. § 385.203(b)(3).

**Attachment A – Executed WEIM Implementation Agreement**

**Between**

**Imperial Irrigation District**

**And the**

**California Independent System Operator Corporation**

**July 3, 2025**

**CALIFORNIA INDEPENDENT SYSTEM  
OPERATOR CORPORATION**

**AND**

**IMPERIAL IRRIGATION DISTRICT**

**WESTERN ENERGY IMBALANCE  
MARKET IMPLEMENTATION  
AGREEMENT**

## WESTERN ENERGY IMBALANCE MARKET IMPLEMENTATION AGREEMENT

**THIS ENERGY IMBALANCE MARKET ENTITY AGREEMENT (“AGREEMENT”)** is established this 22nd day of May, 2025, and is accepted by and between:

(1) **Imperial Irrigation District** (“EIM Entity”), having its registered and principal executive office at 333 E. Barioni Boulevard, Imperial, CA, 92251 and

(2) **California Independent System Operator Corporation** (“CAISO”), a California nonprofit public benefit corporation having a principal executive office located at such place in the State of California as the CAISO Governing Board may from time to time designate.

The EIM Entity and the CAISO are hereinafter referred to as the “Parties.”

### RECITALS

A. WHEREAS, IID has determined there is an opportunity to secure benefits for IID’s customers through improved dispatch and operation of IID’s generation fleet and through the efficient use and continued reliable operation of existing and future transmission facilities and desires to participate in the Western Energy Imbalance Market (“WEIM”) and Extended Day-Ahead Market (“EDAM”) operated by the CAISO;

B. WHEREAS, the CAISO has determined there are benefits to CAISO market participants through greater access to energy imbalance resources in real-time and through the efficient use and reliable operation of the transmission facilities and markets operated by the CAISO, and desires to expand operation of the WEIM to include IID;

C. WHEREAS, IID acknowledges that the rules and procedures governing the WEIM are set forth in the provisions of the CAISO tariff as filed with the Federal Energy Regulatory Commission (“FERC”) and that participation in the WEIM may require corresponding revisions to IID’s Open Access Transmission Tariff and the execution of associated service agreements;

D. WHEREAS, the CAISO acknowledges that IID is a non-jurisdictional entity described in section 201(f) of the Federal Power Act, 16 U.S.C. 824(f) and respects IID’s interest in remaining so;

E. WHEREAS, the Parties are entering into this Agreement to set forth the terms upon which the CAISO will timely configure its systems to incorporate IID into the WEIM

("Project") on or before October 1, 2028 ("Implementation Date"), or a different date mutually agreed to by the Parties;

F. WHEREAS, the Parties are separately entering into an EDAM Implementation Agreement to set forth the terms upon which the CAISO will timely configure its systems to incorporate IID into the EDAM through the Project on the Implementation Date, or a different date mutually agreed to by the Parties;

G. WHEREAS, the Parties' administration of the Project to concurrently implement WEIM and EDAM may produce some efficiency that will be accounted for separately through the EDAM Implementation Agreement; and

H. WHEREAS, IID's decision whether or not to participate voluntarily in the WEIM and EDAM is within IID's sole discretion, and IID will only participate in the WEIM and EDAM so long as such participation is on a voluntary basis and on terms and conditions acceptable to IID, including IID's unilateral right to terminate this Agreement as set forth below and the EDAM Implementation Agreement in accordance with its terms.

NOW THEREFORE, in consideration of the mutual covenants contained herein, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

## **AGREEMENT**

### 1. Effective Date, Term and Authority.

(a) The Parties acknowledge that as an entity subject to FERC jurisdiction, the CAISO may be required to file this Agreement with FERC. This Agreement shall become effective upon the date the executed Agreement is accepted, approved or otherwise permitted to take effect by FERC after its filing with FERC by the CAISO, without condition or modification unsatisfactory to either Party in its sole discretion as more specifically provided in Section 1(b) ("Effective Date").

(b) In the event FERC requires the CAISO to make any modification to the Agreement or imposes any other modification or condition upon its acceptance or approval of the Agreement, each Party shall have ten (10) business days from the date the Party is notified of such modifications or conditions to notify the other Party that any such modification or condition is unacceptable to that Party as determined in that Party's sole discretion. If no Party provides such notice, then the Agreement, as modified or conditioned by FERC, shall take effect as of the date determined under Section 1(a). If either Party provides such notice to the other Party, the Parties may take any one or more of the following actions: (i) meet and confer and agree to accept any modifications or conditions imposed by such FERC order; (ii) jointly seek further administrative or legal remedies with respect to such FERC order, including a request for rehearing or clarification in which case all further FERC orders on rehearing, clarification or similar orders will be subject to the same rights of the Parties under this Section as the original

FERC order; or (iii) enter into negotiations with respect to accommodation of such FERC order, provided however, if the Parties have not agreed to accept or accommodate any modifications or conditions imposed by such FERC order under clauses (i)-(iii) of this Section 1(b) within thirty (30) days after the date on which such FERC order becomes a final and non-appealable order, such order shall be deemed an adverse order and this Agreement will immediately terminate without further action of the Parties and the Parties shall have no further rights and obligations under the Agreement. Notwithstanding the foregoing, either Party may at its sole discretion terminate this Agreement in the event FERC requires any modification to the Agreement or imposes any other condition upon its acceptance or approval of the Agreement, by notifying the other Party in writing ten (10) days prior to said termination.

(c) The term of the Agreement (“Term”) shall commence on the Effective Date and shall terminate upon the earliest to occur of (1) the date FERC permits all revisions to the CAISO tariff necessary for the commencement of IID’s participation in the WEIM have taken effect; (2) termination in accordance with Section 2 of this Agreement; or (3) such other date as mutually agreed to by the Parties (“Termination Date”).

(d) This Agreement shall automatically terminate on the Termination Date and shall have no further force or effect, provided that the rights and obligations set forth in Sections 5 and 6 shall survive the termination of this Agreement and remain in full force and effect as provided therein.

(e) The CAISO acknowledges that IID is a non-jurisdictional entity described in section 201(f) of the Federal Power Act, (16 U.S.C. 824(f)) and respects IID's interest in remaining so. Nothing in this Agreement is intended to make IID FERC jurisdictional, nor shall this Agreement be construed or interpreted in a manner that makes IID FERC jurisdictional. The CAISO will at all times make commercially reasonable efforts to avoid actions that would cause IID to become subject to FERC jurisdiction that does not already exist with respect to IID's non-jurisdictional status or its operations or assets. Nothing in this Agreement waives or will be deemed to waive, limit or impair to any extent the exemption of IID from FERC's jurisdiction under the Federal Power Act or to subject IID to the jurisdiction of FERC.

## 2. Termination.

(a) The Parties may mutually agree to terminate this Agreement in writing at any time. In addition, either Party may terminate this Agreement in its sole discretion after conclusion of the negotiation period in Section 2(b) or as provided in Section 2(d) or 2(e) as applicable.

(b) Except as provided for under Section 1(b), if either the CAISO or IID seeks to unilaterally terminate this Agreement, it must first notify the other Party in writing of its intent to do so (“Notice of Intent to Terminate”) and engage in thirty (30) days of good faith negotiations in an effort to resolve its concerns. If the Parties successfully resolve the concerns of the Party issuing the Notice of Intent to Terminate, the Party that issued

such notice shall notify the other Party in writing of the withdrawal of such Notice (“Notice of Resolution”).

(c) At the time the Notice of Intent to Terminate is provided, or any time thereafter unless a Notice of Resolution is issued, IID may provide written notice directing the CAISO to suspend performance on any or all work on the Project for a specified period of time (“Notice to Suspend Work”). Upon receipt of a Notice to Suspend Work, the CAISO shall: (1) discontinue work on the Project; (2) place no further orders with subcontractors related to the Project; (3) take commercially reasonable actions to suspend all orders and subcontracts; (4) protect and maintain the work on the Project; and (5) otherwise mitigate IID’s costs and liabilities for the areas of work suspended. The CAISO will not invoice IID pursuant to Section 4(c) of this Agreement for any milestone payment following the issuance of a Notice to Suspend Work. To the extent a Notice of Resolution is issued pursuant to Section 2(b), the Notice to Suspend Work in effect at the time shall be deemed withdrawn and the CAISO shall be entitled to invoice IID for any milestone completed as specified in Section 4(c) of this Agreement and IID shall pay such invoice pursuant to Section 4.

(d) Any time after thirty (30) days from the date of a Notice of Intent to Terminate under Section 2(b), issued by either Party, and prior to the date of a Notice of Resolution, the CAISO may terminate this Agreement by providing written notice to IID that it is terminating this Agreement (“Termination Notice”) effective immediately. The CAISO may terminate this Agreement under the terms of this Section 2(d) at its sole discretion for any reason.

(e) Any time after thirty (30) days from the date of the Notice of Intent to Terminate under Section 2(b), issued by either Party, and prior to the date of a Notice of Resolution, IID may terminate this Agreement by providing written notice to the CAISO that it is terminating this Agreement (“Termination Notice”) effective immediately. IID may terminate this Agreement under the terms of this Section 2(e) at its sole discretion for any reason.

(f) In the event this Agreement is terminated by either or both of the Parties pursuant to its terms, this Agreement will become wholly void and of no further force and effect, without further action by either Party, and the liabilities and obligations of the Parties hereunder will terminate, and each Party shall be fully released and discharged from any liability or obligation under or resulting from this Agreement as of the date of the Termination Notice provided in Section 2(d) or 2(e), as applicable, notwithstanding the requirement for the CAISO to submit the filing specified in Section 2(g). Notwithstanding the foregoing, the rights and obligations set forth in Sections 5 and 6 shall survive the termination of this Agreement and remain in full force and effect as specified in Sections 5 and 6, and any milestone payment obligation pursuant to Section 4(c) that arose prior to the Termination Notice in accordance with Section 2(d) or 2(e) shall survive until satisfied or resolved in accordance with Section 11.

(g) Although IID is exempt from the FERC's jurisdiction, IID acknowledges that the CAISO may be required to file a timely notice of termination with FERC. The Parties agree that IID's acknowledgement does not constitute a waiver of said exemption.

### 3. Implementation Scope and Schedule.

(a) The Parties shall complete the Project as described in Exhibit A, subject to modification only as described in Section 4(e) below.

(b) The Parties shall undertake the activities described in Exhibit A with the objective of completing the Project and implementing the WEIM no later than the Implementation Date, including all milestones listed under Exhibit A for the Implementation Date, subject to modification only as described in Section 3(c) below.

(c) Either Party may propose a change in Exhibit A or the Implementation Date to the other Party. If a Party proposes a change in Exhibit A or the Implementation Date, the Parties shall negotiate in good faith to attempt to reach agreement on the proposal and any necessary changes in Exhibit A and any other affected provision of this Agreement, provided that any change in Exhibit A, or any change to the Implementation Date, must be mutually agreed to by the Parties. The agreement of the Parties to a change in Exhibit A, or a change to the Implementation Date, shall be memorialized in a revision to Exhibit A, which will then be binding on the Parties and shall be posted on the internet web sites of the CAISO and IID, without the need for execution of an amendment to this Agreement. Changes that require revision of any provision of this Agreement other than Exhibit A shall be reflected in an executed amendment to this Agreement and may be filed by the CAISO with FERC for acceptance with respect to the CAISO.

(d) At least once per calendar month during the Term, the Parties' Designated Executives, or their designees, will meet telephonically or in person (at a mutually agreed to location) to discuss the status of the performance of the tasks necessary to achieve the milestones in Exhibit A and the continued appropriateness of Exhibit A to ensure that the Project can meet the Implementation Date. For purposes of this section, "Designated Executive" shall mean the individual identified in Section 8(g), or her or his designee or successor.

### 4. Implementation Charges, Invoicing and Milestone Payments.

(a) As itemized in Section 4(c) below, IID shall pay the CAISO a fixed fee of \$120,000 for costs incurred by the CAISO to implement the Project ("Implementation Fee"), subject to completion of the milestones specified in Section 4(c) and subject to adjustment only as described in Section 4(b).

(b) The CAISO will provide prompt written notice to IID when the sum of its actual costs through the date of such notice and its projected costs to accomplish the balance of the Project exceed the Implementation Fee. The Implementation Fee shall

be subject to adjustment only by mutual agreement of the Parties if the Parties agree to a change in Exhibit A, or a change to the Implementation Date, in accordance with Section 3(c) and the Parties agree that an adjustment to the Implementation Fee is warranted in light of such change.

(c) Upon completion of the milestones identified in Exhibit A, the CAISO shall invoice IID for the Implementation Fee as follows:

- i. \$20,000 upon the Effective Date as further described in Section 1 of this Agreement and Exhibit A as Milestone 1;
- ii. \$20,000 upon deployment into the CAISO test environment of the full network model database that includes the topology of the IID system as further described in Exhibit A as Milestone 2;
- iii. \$20,000 upon CAISO promotion of market network model including IID area to non-production system with IID connection and data exchange data in advance of market simulation as further described in Exhibit A as Milestone 3;
- iv. \$20,000 upon commencement of WEIM market simulation as further described in Exhibit A as Milestone 4;
- v. \$20,000 upon start of parallel operations as further described in Exhibit A as Milestone 5; and
- vi. \$20,000 upon the Implementation Date as further described in Exhibit A as Milestone 6.

(d) Following the completion of each milestone identified in Section 4(c)(i) through (vi), the CAISO will deliver to IID an invoice which will show the amount due, together with reasonable documentation supporting the completion of the milestone being invoiced. IID shall pay the invoice no later than forty-five (45) days after the date of receipt. Any milestone payment past due will accrue interest, per annum, calculated in accordance with the methodology specified for interest in the FERC regulations at 18 C.F.R. § 35.19a(a)(2)(iii) (the "FERC Methodology").

(e) If a milestone has not been completed as described in Section 4(c)(i), (ii), (iii), (iv), or (v) and in Exhibit A by the date specified therein, as Exhibit A may have been modified in accordance with Section 3(c), the Parties shall negotiate in good faith an agreed upon change to the Project Delivery Dates (as defined in Exhibit A) consistent with Section 3(c) such that the timing of milestone payments in Section 4(c) can be adjusted to correspond to the updated Exhibit A.

(f) If IID disputes any portion of any amount specified in an invoice delivered by the CAISO in accordance with Section 4(c), IID shall pay its total amount of the invoice when due, and identify the disputed amount and state that the disputed amount is being paid under protest. Any disputed amount shall be resolved pursuant to the

provisions of Section 11. If it is determined pursuant to Section 11 that an overpayment or underpayment has been made by IID or any amount on an invoice is incorrect, then (i) in the case of any overpayment, the CAISO shall promptly return the amount of the overpayment (or credit the amount of the overpayment on the next invoice) to IID; and (ii) in the case of an underpayment, IID shall promptly pay the amount of the underpayment to the CAISO. Any overpayment or underpayment shall include interest for the period from the date of overpayment, underpayment, or incorrect allocation, until such amount has been paid or credited against a future invoice calculated in the manner prescribed for calculating interest in Section 4(d).

(g) All costs necessary to implement the Project not provided for in this Agreement shall be borne separately by each Party, which in the case of the CAISO will be recovered through rates as may be authorized by its regulatory authorities.

(h) All milestone payments required to be made under the terms of this Agreement shall be made to the account or accounts designated by the Party which the milestone payment is owed, by wire transfer (in immediately available funds in the lawful currency of the United States).

## 5. Confidentiality.

(a) All written or oral information received from the other Party in connection with this Agreement (but not in this Agreement after the CAISO files it with FERC) necessary to complete the Project and marked or otherwise identified at the time of communication by such Party as containing information that Party considers commercially sensitive or confidential shall constitute "Confidential Information" subject to the terms and conditions herein.

(b) If IID publicly releases IID's Confidential Information in connection with a public process or a regulatory filing, or if the CAISO publicly releases the CAISO's Confidential Information in connection with a public process or a regulatory filing, then the information released shall no longer constitute Confidential Information; provided, however, that Confidential Information disclosed under seal (or in such other manner as to be treated confidentially) in connection with a regulatory filing shall retain its status as Confidential Information under this Agreement. In addition, Confidential Information does not include information that (i) is or becomes generally available to the public other than as a result of disclosure by either Party, its officers, directors, employees, agents, or representatives; (ii) is or becomes available to such Party on a non-confidential basis from other sources or their agents or representatives when such sources are not known by such Party to be prohibited from making the disclosure; (iii) is already known to such Party or has been independently acquired or developed by such Party without violating any of such Party's obligations under this Section 5; (iv) is the subject of a mutual written agreement between the Parties, including an agreement evidenced through an exchange of electronic or other communications, with regard to information for discussion at any stakeholder meetings or during the stakeholder process or with any regulatory authority; or (v) is the subject of a mutual written agreement between the Parties, including an agreement evidenced through an exchange of electronic or other

communications, to allow for such disclosure and designation as non-confidential or public information on a case-by-case basis in accordance with Section 10 of this Agreement.

(c) The Confidential Information will be kept confidential by each Party and each Party agrees to protect the Confidential Information using the same degree of care, but no less than a reasonable degree of care, as a Party uses to protect its own confidential information of a like nature. Notwithstanding the preceding sentence, a Party may disclose the Confidential Information or portions thereof to those of such Party's officers, employees, partners, representatives, attorneys, contractors, advisors, or agents who need to know such information for the purpose of analyzing or performing an obligation related to the Project. Notwithstanding the foregoing, a Party is not authorized to disclose such Confidential Information to any officers, employees, partners, representatives, attorneys, contractors, advisors, or agents without (i) informing such officer, employee, partner, representative, attorney, contractor, advisor, or agent of the confidential nature of the Confidential Information and (ii) ensuring that such officer, employee, partner, representative, attorney, contractor, advisor, or agent is subject to confidentiality duties or obligations to the applicable Party that are no less restrictive than the terms and conditions of this Agreement. Each Party agrees to be responsible for any breach of this Section 5 by such Party or a Party's officers, employees, partners, representatives, attorneys, contractors, advisors or agents, subject to the limitations set forth in Section 6 below.

(d) In the event that a Party is required by a court of competent jurisdiction or governmental regulatory authority (by law, rule, regulation, order, deposition, interrogatory, request for documents, data request issued as part of a governmental regulatory process, subpoena, civil investigative demand or similar request or process) to disclose any of the Confidential Information, such Party shall (to the extent legally permitted) provide the other Party with prompt written notice of such requirement. The Party subject to the requirement shall allow the other Party a reasonable amount of time prior to making the required disclosure so that the other Party may seek a protective order or other appropriate remedy and/or waive compliance with the terms of this Section 5. In the event that such protective order or other remedy is not obtained, the disclosing Party hereby waives compliance with the provisions hereof with respect to such Confidential Information. In such event, the Party compelled to disclose shall (i) furnish only that portion of the Confidential Information which, in accordance with the advice of its own counsel (which may include internal counsel), is legally required to be furnished, and (ii) exercise reasonable efforts to obtain assurances that confidential treatment will be accorded the Confidential Information so furnished.

(e) Notwithstanding the foregoing, the Parties acknowledge that they are required by law or regulation to report certain information that could embody Confidential Information from time to time, and may do so from time to time without providing prior notice to the other Party. Such reports may include models, filings, and reports of costs, general rate case filings, cost adjustment mechanisms, any applicable FERC-required reporting, investigations, annual state reports that include resources and loads, integrated resource planning reports, reports to entities such as FERC, the North

American Electric Reliability Council (“NERC”), Western Electricity Coordinating Council (“WECC”), or similar or successor organizations, or similar or successor forms, filings, or reports, the specific names of which may vary by jurisdiction, along with supporting documentation. Additionally, in regulatory proceedings or investigations in all state and federal jurisdictions in which they may do business, the Parties will from time to time be required to produce Confidential Information, and may do so without prior notice using its business judgment in compliance with all of the foregoing and including the appropriate level of confidentiality for such disclosures in the normal course of business.

(f) Each Party is entitled to seek equitable relief, by injunction or otherwise, to enforce its rights under this Section 5 to prevent the release of Confidential Information without bond or proof of damages, and may seek other remedies available at law or in equity for breach of this provision, subject to the limitations set forth in Section 6 below.

(g) Unless otherwise prevented by law, upon written request by a Party, the other Party shall promptly return to the requesting Party or destroy all Confidential Information it received, including all copies of its analyses, compilations, studies or other documents prepared by or for it, that contain the Confidential Information in a manner that would allow its extraction or that would allow the identification of the requesting Party as the source of the Confidential Information or inputs to the analysis. Notwithstanding the foregoing, neither Party shall be required to destroy or alter any computer archival and backup tapes or archival and backup files (collectively, “Computer Tapes”), provided that such Computer Tapes shall be kept confidential in accordance with the terms of this Agreement.

(h) Nothing in this Agreement shall be deemed to restrict either Party from engaging with third parties with respect to any matter and for any reason, specifically including the WEIM, provided Confidential Information is treated in accordance with this Section 5.

(i) This Section 5, Confidentiality, applies for two years (24 months) after the Termination Date or the date of any expiration or termination of this Agreement.

(j) The CAISO acknowledges that IID is subject to the California Public Records Act, Cal. Gov. Code §§ 7920 et seq. and the Ralph M. Brown Act, Cal. Gov. Code §§ 54950 et seq. (“Brown Act”). In the event IID in its sole discretion concludes that a conflict exists between a confidentiality obligation in this Section 5 of the Agreement and an obligation of IID under the California Public Records Act or the Brown Act, the California Public Records Act or the Brown Act shall prevail. IID will promptly notify the CAISO if IID concludes that such a conflict arises.

## 6. Limitation of Liability; Indemnity.

(a) The Parties acknowledge and agree that, except as otherwise specified in Section 4(f) of this Agreement, neither Party shall be liable to the other Party for any claim, loss, cost, liability, damage or expense, including any direct damage or any special, indirect, exemplary, punitive, incidental or consequential loss or damage

(including any loss of revenue, income, profits or investment opportunities or claims of third party customers), arising out of or directly or indirectly related to such other Party's decision to enter into this Agreement, such other Party's performance under this Agreement, or any other decision by such Party with respect to the Project.

(b) To the extent allowed by law, each Party shall indemnify, defend and hold harmless each of the other Party and its officers, directors, employees, agents, contractors and sub-contractors, from and against all third-party claims, judgments, losses, liabilities, costs, expenses (including reasonable attorneys' fees) and damages for personal injury, death or property damage, to the extent caused by the negligence, willful misconduct, or breach of this Agreement of the indemnifying Party, its officers, directors, agents, employees, contractors or sub-contractors related to this Agreement; provided, that this indemnification shall be only to the extent such personal injury, death or property damage is not attributable to the negligence or willful misconduct related to this Agreement or breach of this Agreement of the Party seeking indemnification, its officers, directors, agents, employees, contractors or sub-contractors. The indemnified Party shall give the other Party prompt notice of any such claim. The indemnifying Party, in consultation with the indemnified Party, shall have the right to choose competent counsel, control the conduct of any litigation or other proceeding, and settle any claim, upon the reasonable approval of the indemnified Party. The indemnified Party shall provide all documents and assistance reasonably requested by the indemnifying Party.

(c) The rights and obligations under this Section 6 shall survive the Termination Date and any expiration or termination of this Agreement.

## 7. Representation and Warranties.

(a) Representations and Warranties of IID. IID represents and warrants to the CAISO as of the Effective Date as follows:

(1) It is duly formed, validly existing and in good standing under the laws of the jurisdiction of its formation.

(2) It has all requisite corporate power necessary to own its assets and carry on its business as now being conducted or as proposed to be conducted under this Agreement.

(3) It has all necessary corporate power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement, and the execution and delivery of this Agreement and the performance by it of this Agreement have been duly authorized by all necessary corporate action on its part.

(4) The execution and delivery of this Agreement and the performance by it of this Agreement do not: (i) violate its organizational documents; (ii) violate any governmental requirements applicable to it; or (iii) result in a breach of or constitute a default of any material agreement to which it is a party.

(5) This Agreement has been duly and validly executed and delivered by it and constitutes its legal, valid and binding obligation enforceable against it in accordance with its terms, except as the same may be limited by bankruptcy, insolvency or other similar laws affecting creditors' rights generally and by principles of equity regardless of whether such principles are considered in a proceeding at law or in equity.

(6) All material governmental authorizations in connection with the due execution and delivery of this Agreement, have been duly obtained or made prior to the date hereof and are in full force and effect.

(b) Representations and Warranties of the CAISO. CAISO represents and warrants to IID as of the Effective Date as follows:

(1) It is duly formed, validly existing and in good standing under the laws of the jurisdiction of its formation.

(2) It has all requisite corporate power necessary to own its assets and carry on its business as now being conducted or as proposed to be conducted under this Agreement.

(3) It has all necessary corporate power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement, and the execution and delivery of this Agreement and the performance by it of this Agreement have been duly authorized by all necessary corporate action on its part.

(4) The execution and delivery of this Agreement and the performance by it of this Agreement do not: (i) violate its organizational documents; (ii) violate any governmental requirements applicable to it; or (iii) result in a breach of or constitute a default of any material agreement to which it is a party.

(5) This Agreement has been duly and validly executed and delivered by it and constitutes its legal, valid and binding obligation enforceable against it in accordance with its terms, except as the same may be limited by bankruptcy, insolvency, regulatory authority, or other similar laws affecting creditors' rights generally and by principles of equity regardless of whether such principles are considered in a proceeding at law or in equity.

(6) All material governmental authorizations in connection with the due execution and delivery of this Agreement, have been duly obtained or made prior to the date hereof and are in full force and effect.

## 8. General Provisions.

(a) This Agreement, including Exhibit A to this Agreement, constitutes the entire agreement between the Parties, and supersedes any prior written or oral agreements or understandings between the Parties, relating to the subject matter of this Agreement; provided, that nothing in this Agreement shall limit, repeal, or in any manner modify the existing legal rights, privileges, and duties of each of the Parties as provided

by any other agreement between the Parties, or by any statute or any other law or applicable court or regulatory decision by which such Party is bound.

(b) This Agreement may not be amended except in writing hereafter signed by both of the Parties; provided, however, the Parties may mutually agree to changes in Exhibit A in accordance with Section 4(e).

(c) Any waiver by a Party to this Agreement of any provision or condition of this Agreement must be in writing signed by the Party to be bound by such waiver, shall be effective only to the extent specifically set forth in such writing and shall not limit or affect any rights with respect to any other or future circumstance.

(d) This Agreement is for the sole and exclusive benefit of the Parties and shall not create a contractual relationship with, or cause of action in favor of, any third party.

(e) Neither Party shall have the right to voluntarily assign its interest in this Agreement, including its rights, duties, and obligations hereunder, without the prior written consent of the other Party, which consent may be withheld by the other Party in its sole and absolute discretion. Any assignment made in violation of the terms of this Section 8(e) shall be null and void and shall have no force and effect.

(f) In the event that any provision of this Agreement is determined to be invalid or unenforceable for any reason, in whole or part, the remaining provisions of this Agreement shall be unaffected thereby and shall remain in full force and effect to the fullest extent permitted by law, and such invalid or unenforceable provision shall be replaced by the Parties with a provision that is valid and enforceable and that comes closest to expressing the Parties' intention with respect to such invalid or unenforceable provision.

(g) Whenever this Agreement requires or provides that (i) a notice be given by a Party to the other Party or (ii) a Party's action requires the approval or consent of the other Party, such notice, consent or approval shall be given in writing and shall be given by personal delivery, by recognized overnight courier service, email or by certified mail (return receipt requested), postage prepaid, to the recipient thereof at the address given for such Party as set forth below, or to such other address as may be designated by notice given by any Party to the other Party in accordance with the provisions of this Section 8(g):

If to IID:

Imperial Irrigation District  
Attention: Matthew H. Smelser, Power Manager  
E-mail: [mhsmelser@iid.com](mailto:mhsmelser@iid.com)  
333 East Barioni Boulevard  
PO Box 937  
Imperial, CA 92251

With copies to:

Imperial Irrigation District  
Attention: Energy Manager  
333 East Barioni Boulevard  
PO Box 937  
Imperial, CA 92251  
Email: [TransPlan@iid.com](mailto:TransPlan@iid.com) and [EnergyContracts@iid.com](mailto:EnergyContracts@iid.com)

Imperial Irrigation District  
Attention: General Counsel  
333 East Barioni Boulevard  
PO Box 937  
Imperial, CA 92251

If to the CAISO:

California Independent System Operator Corporation  
250 Outcropping Way  
Folsom, CA 95630  
Attention: Khaled Abdul-Rahman, Vice President, Power System and Market  
Technology  
E-mail: [KAbdulRahman@caiso.com](mailto:KAbdulRahman@caiso.com)

Each notice, consent or approval shall be conclusively deemed to have been given (i) on the day of the actual delivery thereof, if given by personal delivery, email sent by 5:00 p.m. Pacific Time, or overnight delivery, or (ii) date of delivery shown on the receipt, if given by certified mail (return receipt requested). It is the responsibility of each Party to provide, in accordance with this Section, notice to the other Party of any necessary change in the contact or address information herein.

(h) This Agreement may be executed in one or more counterparts (including by facsimile or a scanned image), each of which when so executed shall be deemed to be an original, and all of which shall together constitute one and the same instrument.

(i) Nothing contained in this Agreement shall be construed as creating a corporation, company, partnership, association, joint venture or other entity with the other Party, nor shall anything contained in this Agreement be construed as creating or requiring any fiduciary relationship between the Parties. No Party shall be responsible hereunder for the acts or omissions of the other Party.

(j) The decision to execute an WEIM service agreement and participate in the WEIM remains within the sole discretion of IID and the decision whether to continue to offer WEIM services (subject to Sections 1(c) and 2) remains within the sole discretion of the CAISO.

(k) Nothing in this Agreement shall preclude a Party from exercising any rights or taking any action (or having its affiliates take any action) with respect to any other project.

(l) Unless otherwise expressly provided, for purposes of this Agreement, the following rules of interpretation shall apply: (i) any reference in this Agreement to gender includes all genders, and the meaning of defined terms applies to both the singular and the plural of those terms; (ii) the insertion of headings are for convenience of reference only and do not affect, and will not be utilized in construing or interpreting, this Agreement; (iii) all references in this Agreement to any "Section" are to the corresponding Section of this Agreement unless otherwise specified; (iv) words such as "herein," "hereinafter," "hereof," and "hereunder" refer to this Agreement (including Exhibit A to this Agreement) as a whole and not merely to a subdivision in which such words appear, unless the context otherwise requires; (v) the word "including" or any variation thereof means "including, without limitation" and does not limit any general statement that it follows to the specific or similar items or matters immediately following it; (vi) the Parties have participated jointly in the negotiation and drafting of this Agreement and, in the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as jointly drafted by the Parties and no presumption or burden of proof favoring or disfavoring any Party will exist or arise by virtue of the authorship of any provision of this Agreement; and (vii) the term "sole discretion" means with respect to any determination made by a Party, the sole and absolute discretion of that Party, for any reason or no reason, without regard to any standard of reasonableness or other standard which shall not be challenged by the other Party.

(m) Nothing contained in this Agreement grants or confers to either Party any license or right to any intellectual property and this Agreement does not limit the right of either Party to contest the scope, validity, or alleged infringement of any intellectual property.

(n) The above-stated recitals are incorporated into and made a part of this Agreement by this reference to the same extent as if these recitals were set forth in full at this point.

9. Governing Law; Venue. This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of California without regard to its principles of conflict of laws. Venue for any action hereunder shall be FERC, where subject to its jurisdiction, or otherwise any state or federal court with jurisdiction in Sacramento County in the State of California and for such actions irrevocably agree to submit to the exclusive venue of such courts in the State of California and waive any defense of *forum non conveniens*. No provision of this Agreement shall be deemed to waive the right of any Party to protest, or challenge in any manner, whether this Agreement, or any action or proceeding arising under or relating to this Agreement, is subject to the jurisdiction of FERC.

10. Communication. The Parties shall develop a communication protocol for the dissemination of material information associated with the Project, which shall be approved by IID and the CAISO. Pursuant to the communication protocol, the individual identified in Section 8(g), or their designee or successor, shall provide reasonable advance notice to the other Party of planned press releases, public statements, and meetings with the public or governmental authorities in which material information concerning the Project or IID's involvement will be shared. The Parties shall mutually consult with each other as provided in the communication protocol prior to making such public statements or disclosures; provided that nothing herein shall prevent, limit, or delay either Party from making any disclosure required by applicable law or regulation, subject to the provisions of Section 5 hereof. In the event either Party engages in material unplanned communications about the Project that otherwise should have been subject to this Section and the communication protocol, such Party shall provide notice to the other Party as promptly as possible of the nature and content of such communication.

11. Dispute Resolution. Unless otherwise provided herein, each of the provisions of this Agreement shall be enforceable independently of any other provision of this Agreement and independent of any other claim or cause of action. In the event of any dispute arising under this Agreement, the Parties shall, to the extent practicable, first attempt to resolve the matter through direct good faith negotiation between the Parties, including a full opportunity for escalation to executive management within the Parties' respective organizations. If the Parties are unable to resolve the issue within thirty (30) days after such escalation of the dispute, then the Parties may thereafter exercise their right to enforce this Agreement. For matters subject to FERC jurisdiction either Party shall have the right to file a complaint under Section 206 of the Federal Power Act. For all other matters the Parties may bring an action before any court identified in Section 9.

12. Third Party Agreements. Subject to the requirements of Section 5, the Parties may engage in discussions with third parties, either jointly or unilaterally, to facilitate the Project. Each Party may adopt or modify tariffs or enter into or modify binding agreements between such Party and third parties to implement the approved terms and conditions of the Project or WEIM as necessary and appropriate.

13. Compliance. This Agreement is not intended to modify, change or otherwise amend the Parties' current functional responsibilities associated with compliance with WECC and NERC Reliability Standards; provided, however, the Parties may enter into separate mutually agreed to arrangements to clarify roles and responsibilities associated with compliance with WECC and NERC Reliability Standards in respect of this Agreement.

IN WITNESS WHEREOF, each of the Parties has caused its duly authorized officer to execute this Implementation Agreement as of the date first above written.

IMPERIAL IRRIGATION DISTRICT

Signed by: Matthew H. Smelser  
By: \_\_\_\_\_  
Name: Matthew H. Smelser  
Title: Power Manager  
Date Signed: 5/22/2025

CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION

DocuSigned by: Khaled Abdul-Rahman  
By: \_\_\_\_\_  
Name: Khaled Abdul-Rahman  
Title: Vice President, Power System and Market Technology  
Date Signed: 5/21/2025

## EXHIBIT A: PROJECT SCOPE AND SCHEDULE

The Project consists of the activities and delivery dates identified in this Exhibit A, implemented in accordance with the Agreement. The Parties have included a schedule for the Implementation Date to coordinate their efforts required for completion of the Project on a milestone track.

The Parties understand that input received from stakeholders during the course of implementing the Project, conditions imposed or questions raised in the regulatory approval process, and the activities of the Parties in implementing the Project may cause the Parties to determine that changes in the Project are necessary or desirable. Accordingly, this Exhibit A may be modified in accordance with Section 3(c) of the Agreement.

Each Party is responsible for performing a variety of tasks necessary to achieve the milestones on the scheduled dates specified in the table below (“Project Delivery Dates”) and shall plan accordingly. The Parties shall communicate and coordinate as provided in the Agreement to support the planning and execution to complete the Project.

<b>Project Scope and Milestones</b>	<b>Project Delivery Dates supporting October, 2028</b>
<b>Detailed Project Management Plan</b> – The Parties will develop and initiate a final project management plan that describes specific project tasks each Party must perform, delivery dates, project team members, meeting requirements, and a process for approving changes to support completion of the Project.	December 2026
<ul style="list-style-type: none"> <li>• <b>Milestone 1</b> – This milestone is completed when the Implementation Agreement has been made effective in accordance with Section 1 of the Agreement.</li> </ul>	June 2025
<b>Full Network Model Expansion</b> – Full Network Model expansion for IID, including, proof of concept of export/import of EMS data; complete model into the CAISO test environment; complete validation for all SCADA points from IID; testing of the new market model; and validation of the Outage and State Estimator applications.	March 2027

<ul style="list-style-type: none"> <li> <b>Milestone 2</b> - This milestone is completed upon modeling IID into the CAISO Full Network Model through the EMS which will be deployed into a non-production test environment using the CAISO's network and resource modeling process.                 </li> </ul>	March 2027
<b>System Implementation and Program Improvements</b> – System requirements and software design, the execution of necessary software vendor contracts, technical interface specifications and configuration guides, and other related activities.	October 2027
<ul style="list-style-type: none"> <li> <b>Milestone 3</b> - CAISO to promote market network model including IID area to non-production system, and allow IID to connect and exchange data in advance of Market Simulation. This triggers the start of joint integration testing and functional testing by IID and the CAISO.                 </li> </ul>	November 2027
<b>Construction, Testing and Training in Preparation for Market Simulation</b> - This task includes IT infrastructure upgrades, security testing, training simulators, and functional testing.	November 2027
<ul style="list-style-type: none"> <li> <b>Milestone 4</b> – The WEIM market simulation will allow IID and the CAISO to conduct specific market scenarios in a test environment prior to the production deployment to ensure that all system interfaces are functioning as expected and to produce simulated market results. To complete this milestone, the commencement of WEIM &amp; EDAM simulation will signal that the IID and the CAISO have independently completed WEIM system design, development and testing.                 </li> </ul>	February 2028
<b>Activate Parallel Operations</b> – The CAISO will activate a parallel operation environment to practice production grade systems integration as well as market processes and operating procedures in anticipation of the impending IID activation and to confirm compliance with the WEIM and EDAM readiness criteria set forth in the CAISO tariff.	May 2028
<ul style="list-style-type: none"> <li> <b>Milestone 5</b> – Start of parallel operations                 </li> </ul>	June 2028
<b>System Deployment and Go Live</b> – Implementing the Project and going live will include resource registration, operating procedures and updates, execution of service agreements, completion of the IID tariff process, applicable board approvals, the filing and acceptance of service agreements and tariff changes with FERC, and completion and filing of a WEIM readiness criteria certification	September 2028

and confirmation of EDAM readiness in accordance with the CAISO tariff.	
<ul style="list-style-type: none"><li>• <b>Milestone 6</b> – This milestone is complete upon the first production IID energy imbalance market trade date.</li></ul>	October 1, 2028

**SCHEDULE 1****NOTICES****[Section 10.2]****IMPERIAL IRRIGATION DISTRICT**

Name of Primary Representative: Matthew Smelser  
Title: Power Manager  
Company: Imperial Irrigation District  
Address: 333 E. Barioni Blvd.  
City/State/Zip Code: Imperial, CA, 92251  
Email Address: mhsmelser@iid.com  
Phone: 760-339-0517  
Fax No: N/A

Name of Alternative Representative: Paul Rodriguez  
Title: Deputy Manager  
Company: Imperial Irrigation District  
Address: 333 E. Barioni Blvd.  
City/State/Zip Code: Imperial, CA, 92251  
Email Address: prodriguez@iid.com  
Phone: 760-339-0558  
Fax No: N/A

**CAISO**

Name of Primary Representative: Regulatory Contracts  
Title: N/A  
Address: 250 Outcropping Way  
City/State/Zip Code: Folsom, CA 95630  
Email address: RegulatoryContracts@caiso.com  
Phone: (916) 351-4400  
Fax: (916) 608-5063

Name of Alternative Representative: Riddhi Ray  
Title: Manager, Regulatory Contracts  
Address: 250 Outcropping Way  
City/State/Zip Code: Folsom, CA 95630  
Email address: rray@caiso.com  
Phone: (916) 608-1056  
Fax: (916) 608-5063