

June 12, 2026

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

**Re: California Independent System Operator Corporation
Filing of Ironwood Pseudo-Tie Export Agreement
Docket No. ER26-____-000**

Dear Secretary Reese:

The California Independent System Operator Corporation (CAISO) submits for filing and acceptance a contract, the Ironwood Pseudo-Tie Export Agreement (Agreement), dated May 27, 2026, among the CAISO as the Native Balancing Authority Area (Native BAA), Arizona Public Service Company (APS) as the Attaining Balancing Area (Attaining BAA) and Arizona Public Service Company as Generator Owner for the Ironwood project (collectively, the “Parties”).¹ Located in Yuma County, the Ironwood project will delivery approximately 170 MW to APS’ customers.² The Agreement sets forth the terms under which the CAISO will support the pseudo-tie export of the full output of APS’ Ironwood resource from the CAISO BAA into the Attaining BAA.³ When implemented, the Agreement will support the CAISO and APS in operationalizing the pseudo-tie export of generation in a safe and reliable manner, consistent with existing

¹ The CAISO submits the Agreement pursuant to Section 205 of the Federal Power Act, 16 U.S.C. § 824d. The Agreement is included as an attachment to this filing and is designated as CAISO service agreement number 9241. Capitalized terms not otherwise defined herein have the meanings set forth in the CAISO tariff.

² See Transmittal Letter, Docket No. ER23-1080 (Feb. 9, 2023) (describing the Ironwood project); see also “APS Secures its Largest-Ever Energy Supply to Reliably Serve Customers,” (Nov. 2024), available at: https://www.aps.com/en/About/Our-Company/Newsroom/Articles/APS_Secures_its_Largest-Ever_Energy_Supply_to_Reliably_Serve_Customers

³ The Ironwood Pseudo-Tie Export Agreement is consistent with the CAISO Tariff. See Appendix N, Section 2 (providing for Pseudo-Ties of Generating Units out of the CAISO BAA). The *pro forma* Pseudo-Tie Participating Generator Agreement, however, only addresses a pseudo-tie import into the CAISO BAA. See CAISO Tariff, Appendix B.16 (Pseudo-Tie Participating Generator Agreement). Accordingly, the CAISO is submitting the Agreement to address the specific requirements for a generator interconnected to the CAISO BAA and into the Attaining BAA. See Attachment A hereto (providing as an attachment a copy of the executed agreement (hereinafter “Agreement”).

tariffs and agreements.⁴

The CAISO requests that the Commission issue an order sixty days after filing that accepts the agreement. The CAISO respectfully requests the Commission waive the sixty-day prior notice filing requirement and make this agreement effective one business day after filing, or June 15, 2026.⁵ The Pseudo-Tie Export Agreement will facilitate APS' modeling of the generating resource as if it was within the APS BAA and will allow APS to utilize the output from the generating facility in the coming summer months. The Agreement supplements the CAISO tariff and the *pro forma* WEIM participation agreements to address the specifics necessary to facilitate the pseudo-tie export of generation from the CAISO BAA into the APS BAA.

I. Background

The CAISO facilitated a dynamic transfer stakeholder process in 2010-2011 that established the rules for pseudo-ties into the CAISO BAA.⁶ Separately and subsequently, the CAISO developed the WEIM rules that went into effect in 2014 and Extended Day Ahead Market (EDAM) rules that went into effect in 2026.⁷ Together these rules support pseudo-tied resources within the WEIM and EDAM areas and market participation by the associated generating units.⁸ Historically, the CAISO has

⁴ The CAISO and APS are also parties to the Dynamic Transfer Balancing Authority Operating Agreement (DTBAOA) and the Adjacent Balancing Authority Operating Agreement (ABAOA). See, e.g., *Letter Order*, Docket No. ER23-2851 (Nov. 2023) (accepting the DTBAOA Service Agreement No.7925), *Letter Order*, Docket No. ER18-1098 (May 2018) (accepting the second amendment to the ABAOA Service Agreement No. 78). The Agreement is constructed to harmonize with the CAISO tariff, the DTBAOA, the ABAOA, and the generator's Large Generator Interconnection Agreement (LGIA). See *Letter Order*, Docket No. ER23-1080 (April 5, 2023) (accepting the LGIA, designated as APS Service Agreement No. 408)

⁵ The Commission has previously accepted rules applicable and tailored to a specific resource for purposes of gaining experience with a unique, new, and innovative construct prior to initiating a stakeholder process to develop generally applicable rules through a tariff amendment. See, e.g., *Cal. Indep. Sys. Operator Corp.*, 177 FERC ¶ 61,214 (2021) (accepting a jointly-owned unit pilot agreement). *Cal. Indep. Sys. Operator Corp.*, 171 FERC ¶ 61,262 (2020) (accepting a split resource participation agreement between the CAISO and the Calpine Sutter Energy Center).

⁶ CAISO Tariff, Appendix N (containing the rules applicable to pseudo-ties into and out of to the CAISO BAA); CAISO Tariff, Appendix M (containing the dynamic scheduling protocol) *Cal. Indep. Sys. Operator Corp.*, 136 FERC ¶ 61,239 (2011); see also, *Cal. Indep. Sys. Operator Corp.*, 174 FERC ¶ 61,059 (2021) (accepting the rules applicable to pseudo-ties of shared resources to the CAISO BAA).

⁷ CAISO Tariff, Section 29 (establishing the rules applicable to participation in the EIM); see also, *Cal. Indep. Sys. Operator Corp.*, 149 FERC ¶ 61,005 (2014). See CAISO Tariff, Section 33 (establishing the rules applicable to participation in the EDAM)

⁸ See CAISO Tariff, Appendix N, Section 2.2.1.2 (providing that "[t]he owner of a generating unit that will be a Pseudo-Tie out of the CAISO Balancing Authority Area must (a) transfer dynamically its entire output of its real time generation production and (b) submit Bids, including Self-Schedules, into the CAISO Markets . . .").

facilitated pseudo-tie imports of generation into its BAA.⁹ In this Agreement, the CAISO is supporting a pseudo-tie export of a physical generation asset connected to the CAISO BAA into a neighboring WEIM BAA (*i.e.*, the Attaining BAA).¹⁰ In this case, the CAISO is facilitating the pseudo-tie export of the resource's full capacity.¹¹

In 2017, Ironwood made a request to connect 250 MW of solar PV at the HooDoo Wash 500kV Switchyard, with a maximum output of 250 MW at the point of interconnection. The HooDoo Wash 500kV Switchyard is associated with the Joint Participation Project, specifically the Hassayampa-North Gila 500 kV transmission line which runs between the Hassayampa substation, near the Palo Verde Nuclear Power Plant in Arizona, and the North Gila substation, near the Arizona-California border. The line is known as the Arizona Transmission System and is a portion of the Southwest Power Link which extends from Arizona into California. The Hassayampa-North Gila line is jointly owned by APS, San Diego Gas & Electric Company (SDG&E) and the Imperial Irrigation District (IID) and governed by the Arizona Transmission System Participation Agreement (ATSPA), dated June 24, 1981, as amended.¹² Pursuant to the ATSPA, APS acts as the Operating Agent of the Joint Participation Project and SDG&E is designated as the Scheduling Agent. SDG&E transferred operational control over its transmission facilities to the CAISO, including SDG&E's portion of the Joint Participation Project, through the CAISO Transmission Control Agreement.¹³

As a result of SDG&E's role as scheduling agent under the ATSPA and execution of the CAISO Transmission Control Agreement, the Joint Participation Project is deemed to be within the CAISO BAA. The ATSPA is listed as an encumbrance in an appendix to the Transmission Control Agreement.¹⁴ This Agreement does not alter the existing arrangement between APS and SDG&E or the existing arrangement between SDG&E and CAISO.¹⁵

To complete interconnection to the HooDoo Wash 500kV Switchyard, a facility governed by the ATSPA and the CAISO Transmission Control Agreement, a generator

⁹ See, *e.g.*, CAISO Tariff, Appendix N, Section 3 (providing the framework for a pseudo-tie import of a shared resource).

¹⁰ See CAISO Tariff, Appendix N, Section 2 (establishing the framework for a pseudo-tie export).

¹¹ In contrast, in a recently filed service agreement, the CAISO will facilitate an export of only a portion of the generation associated with the resources physically interconnected in the CAISO BAA. Compare Transmittal Letter for Multilateral VER Agreement, Docket No. ER26-2595 (May 21, 2026).

¹² The ATSPA is designated as APS Rate Schedule No. 224. See, *e.g.*, Letter Order, Docket No. ER94-276 (Nov. 1994).

¹³ The CAISO's Transmission Control Agreement is available at: <https://www.caiso.com/library/transmission-control-agreement>.

¹⁴ See *id.* at SDG&E Appendix B.2 (listing the "APS-SDG&E Transmission System Participation Agreement" and designating APS' 11% operating capacity).

¹⁵ For avoidance of doubt, the Parties wish to be clear on this matter. See Agreement, Section 3.2.

must have a valid queue assignment from both APS and CAISO. The generator successfully secured CAISO queue number Q1435 and APS queue number Q252 on April 3, 2017, which resulted in a final interconnection agreement amongst the parties. The non-conforming Large Generator Interconnection Agreement was crafted to reconcile differences between the CAISO and APS *pro forma* documents, to address operationally unique factors, and to comprehensively and effectively interconnect the project.¹⁶ The Commission accepted the LGIA on April 5, 2023.¹⁷

In 2026, pursuant to its rights under the Dynamic Transfer Balancing Authority Operating Agreement (DTBAOA), APS requested that the CAISO document the means and manner by which the CAISO would facilitate a pseudo-tie export of the interconnected generator's output from the its BAA to the APS BAA consistent with APS' rights under the ATSPA and the resulting implementation of those rights through the CAISO's Transmission Control Agreement.¹⁸ The DTBAOA instructs the CAISO and APS to address the implementation of pseudo-ties by documenting "the terms of any Pseudo-Tie between the two Balancing Authority Areas,"¹⁹ a "framework among all parties for the operation of a Pseudo-Tie of the generating unit out of the CAISO Balancing Authority Area,"²⁰ and "[a]ll applicable communication and telemetry requirements."²¹ The Agreement accomplishes this task.

¹⁶ See Transmittal Letter, Docket No. ER23-1080 (Feb. 9, 2023) (explaining the specifics of the non-conforming LGIA).

¹⁷ See *Letter Order*, Docket No. ER23-1080 (Apr. 5, 2023).

¹⁸ The DTBAOA sets forth the requirements that must be satisfied if the Parties elect to support a pseudo-tie. See, e.g., DTBAOA, Section 5 (designated as Service Agreement No. 7925 to the CAISO tariff).

¹⁹ DTBAPA, Section 5.2.

²⁰ DTBAOA, Section 5.5.

²¹ DTBAOA, Section 5.6.

II. The Pseudo-Tie Export Agreement's Terms and Conditions are Just and Reasonable

The Agreement is a negotiated agreement unique to the specific facts and circumstances of the resource interconnected pursuant to the non-conforming LGIA that will utilize the existing transmission rights to facilitate the pseudo-tie export of generation out of the CAISO BAA.²² The Agreement is consistent with Appendix N to the CAISO Tariff, which provides that the CAISO will, in conjunction with the Attaining BAA, “establish the terms of any Pseudo-Tie between the CAISO Balancing Authority Area and the Attaining Balancing Authority Area for a Pseudo-Tie of a generating unit out of the CAISO Balancing Authority Area,”²³ including a “coordinated operating procedure outlining the agreed upon framework among all parties.”²⁴

The Agreement is a three-party agreement between the CAISO, as Native BAA, APS, as Attaining BAA, and APS, as Generator Owner. The Generator Owner's rights and obligations associated with the interconnection and operation of the Ironwood resource continue to be governed by the LGIA, the APS Tariff, and the CAISO Tariff, and nothing in this Agreement is intended to modify, supersede, or limit those obligations.²⁵

The Agreement will become effective upon acceptance by the Commission.²⁶ The Parties request that the Commission make this agreement effective as of June 15, 2026, one business day after filing. The Agreement will remain in effect until terminated.²⁷ All parties, including the CAISO, the Generator Owner and the Attaining BAA retain the right to terminate the agreement at will, conditioned on the requirement

²² The CAISO Tariff definition of “Pseudo-Tie Generating Unit” is limited to encompass only those units that pseudo-tie into the CAISO BAA. In this instance, the resource is being pseudo-tied out of the CAISO and is not a “Pseudo-Tie Generating Unit” as that term is used in the CAISO Tariff. Compare CAISO Tariff, Appendix A, “Pseudo-Tie” (including both pseudo-tie in and out of the CAISO) with CAISO Tariff, Appendix B.16 (providing a *pro forma* Pseudo-Tie Participating Generator Agreement for those units that are being pseudo-tied into the CAISO BAA).

²³ CAISO Tariff, Appendix N, Section 2.2.1.1. The CAISO is also revising Schedule 2 of the DTBAOA to include the pseudo-tie point for the generating unit and to ensure that the location is registered as a point of delivery to the Attaining BAA as required by Section 2.2.1.1 of Appendix N. Per the terms of the Agreement, APS will register the Pseudo-Tie in the NAESB WebRegistry. See Agreement, Section 4.3.2.

²⁴ CAISO Tariff, Appendix N, Section 2.2.1.9.

²⁵ See Agreement, Recitals.

²⁶ See Agreement, Section 2.1.

²⁷ If the Agreement is terminated, the CAISO will make the appropriate notification. See Agreement, Section 2.2.6.

to provide twelve (12) months advance notice.²⁸ The Parties have also documented their intention to renegotiate the Agreement if, at any time during the term, the Attaining BAA ceases to be an EIM Entity under the CAISO Tariff.²⁹

The majority of the Agreement includes standard terms and conditions associated with participation in the CAISO Markets³⁰ or in support of other services the CAISO provides, similar to those previously accepted by the Commission.³¹ These provisions address the applicability of the CAISO tariff, costs, dispute resolution, liability, uncontrollable forces, and other miscellaneous terms.³² The majority of the specific terms and conditions in these provisions are substantially unchanged from other CAISO *pro forma* participation agreements or are substantially similar to provisions in other CAISO agreements previously accepted by the Commission.

The specific coordinated operating procedure and terms for the pseudo-tie export is set forth in Articles V–VII of the Agreement. As the Agreement specifies, the generating unit:

shall be modeled in the CAISO Systems to facilitate its participation as an EIM Participating Resource in the Western Energy Imbalance Market (WEIM), consistent with the CAISO Tariff, including Appendix N, and the DTBAOA between the CAISO and APS and not inconsistent with the ATSPA. to accurately represent the Pseudo-Tie Export from the Native BAA to the Attaining BAA, ensuring proper accounting of energy flows, congestion management, and reliability obligations.³³

The modeling supports a pseudo-tie export of 168 MW from the CAISO BAA and into the APS BAA when the generation and transmission rights are scheduled and tagged.³⁴ This ensures firm transmission service is utilized for delivery to the boundary of the

²⁸ See Agreement, Section 2.2.1-2.2.3. Termination may be accomplished with thirty (30) days advance notice of the DTBAOA is simultaneously terminated. *Id.*

²⁹ See Agreement, Section 2.2.4.

³⁰ For avoidance of doubt, the defined term CAISO Markets includes both the CAISO's operation its day-ahead and real-time markets as well as the WEIM, in which APS participates. See CAISO Tariff, Appendix A (defining "CAISO Markets").

³¹ See, e.g., *Cal. Indep. Sys. Operator Corp*, 171 FERC ¶ 61,262 (2020) (accepting a split resource participation agreement between the CAISO and the Calpine Sutter Energy Center); and *Cal. Indep. Sys. Operator Corp*, 170 FERC ¶ 61,169 (2020) (letter order accepting a nodal pricing model agreement between the CAISO and PacifiCorp).

³² Agreement, Articles III, IV, VIII-XIII.

³³ Agreement, Section 5.1.

³⁴ Agreement, Section 5.1.1-5.1.2. The legacy transmission rights, provided pursuant to the TCA and the ATSPA, support the pseudo-tie export. See Agreement, Article III.

CAISO BAA.³⁵ After-the-fact tagging adjustments will reflect the EIM Participating Resource output to support accurate interchanging accounting and tracking of inadvertent energy.³⁶

The Parties have agreed to maintain real-time, redundant, and diversely routed communications links.³⁷ The Parties elected to utilize existing remote terminal units as the primary link and established communications paths, but as an alternative, the Parties may mutually agree to utilize Inter-Control Center Communications protocol links.³⁸ The parties have also documented contingency plans for communications, which are set forth in Article VII.³⁹ These contingency plans specify that, if the signal is lost or determined to be unacceptable, the parties will be notified and will utilize manual adjustments within specified parameters to address the immediate signal loss.⁴⁰ The CAISO BAA retains the right to suspend the pseudo-tie immediately if continuation of the pseudo-tie would jeopardize reliability.⁴¹ Established communication paths, such as the CAISO's Balancing Authority Area Operations Portal (BAAOP), allow the CAISO BAA and the Attaining BAA to facilitate the sharing of required information including for example, operational or market data.⁴² In the event APS ceases to be an EIM Entity, the parties may be required to update the communication paths and primary links to ensure they support the pseudo-tie export if the Ironwood resource is no longer an EIM Participating Resource.

With respect to daily operations, the generator owner must submit any applicable outages through the CAISO systems and its scheduling coordinator will facilitate any coordination of outage and availability reporting with APS as the Attaining BAA.⁴³ The resource will comply with the frequency response obligations of APS.⁴⁴ This includes APS' frequency response standards, settings, performance criteria, and procedures, BA-level compliance, measurement, attribution, and coordination of the frequency response contribution.⁴⁵ As the Attaining BAA, APS retains the regulation obligation.⁴⁶

³⁵ Agreement, Section 5.1.1.

³⁶ Agreement, Section 5.1.4.

³⁷ Agreement, Section 5.3.

³⁸ Agreement, Section 5.3.

³⁹ Agreement, Section 7.1.

⁴⁰ Agreement, Section 7.1.

⁴¹ Agreement, Section 7.2.

⁴² Agreement, Section 5.4-5.5.

⁴³ Agreement, Section 6.1.

⁴⁴ Agreement, Section 5.6.

⁴⁵ Agreement, Section 5.6.

⁴⁶ Agreement, Section 5.8 (providing that the CAISO retains the obligation only if there are portions of the resource that are not pseudo-tied out of the CAISO BAA).

The CAISO respectfully requests the Commission accept this Agreement. The Parties, each a sophisticated counterparty, engaged in detailed negotiations to craft the terms and conditions of the Agreement that reflect the unique facts and circumstances of the pseudo-tie export consistent with the CAISO tariff, the APS tariff, and existing agreements. This Agreement sets forth a just and reasonable allocation of responsibilities that are consistent with existing frameworks and clearly defines the roles and responsibilities of the three parties that will work together to facilitate a successful pseudo-tie export from the CAISO BAA into the APS BAA. By clearly specifying the data exchange requirements and pathways and the ancillary service and balancing obligations, among other things, the Agreement fulfills the CAISO tariff's instruction to document "coordinated operating procedure outlining the agreed upon framework among all parties."⁴⁷ This just and reasonable bilateral agreement will enable the Parties to integrate additional generation into the Western Interconnection to support reliable summer operations. The CAISO is presenting a just and reasonable agreement consistent with its own tariff and existing agreements as well as the tariff and existing agreements of the Attaining BAA. Accepting the Agreement without modification, suspension or hearing is consistent with Commission practice and precedent.

III. Requested Waiver of Prior Notice and Effective Date

The CAISO respectfully requests that the Commissions issue an order sixty-days following filing and, granting waiver of the sixty-day prior notice requirement, establish an effective date of June 15, 2026, one business day after filing.

Because the CAISO is requesting tariff revisions become effective fewer than sixty days after this filing, the CAISO respectfully requests the Commission grant the necessary waiver to permit an effective date of June 15, 2026.⁴⁸ Good cause exists to grant this waiver because granting such a request will support APS in accessing the output from the pseudo-tied generator during the needed summer months. Granting waiver will support access to additional generation in the needed timeframe, yielding benefit to the reliability of the APS BAA and, in turn, all BAAs in the WEIM area. To the extent necessary, the CAISO respectfully requests that the Commission grant any other waivers of Part 35 of its regulations that may be required in connection with the requested effective date.

IV. Contents of this Filing

In addition to this transmittal letter, this filing includes the following attachment:

⁴⁷ Compare CAISO tariff, Appendix N, Section 2.2.1.9.

⁴⁸ Specifically, under Section 35.11 of the Commission's regulations, 18 C.F.R. § 35.11, the CAISO respectfully requests waiver of the notice requirement in section 35.3(a)(1) of the Commission's regulations, 18 C.F.R. § 35.3(a)(1), to permit the effective date requested above.

Attachment A

Executed Agreement (Public)

V. Service

The CAISO has served copies of this filing upon all scheduling coordinators, the California Public Utilities Commission, and the California Energy Commission. In addition, the CAISO has posted the filing on the CAISO website.

VI. Correspondence

Pursuant to Rule 203(b)(3) of the Commission's Rules of Practice and Procedure,⁴⁹ the CAISO requests that all correspondence, pleadings, and other communications concerning this filing be served upon the following:

Heather Curlee
Senior Counsel
California Independent System
Operator Corporation
250 Outcropping Way
Folsom, CA 95630
Tel: (916) 963-0654
E-mail: hcurlee@caiso.com

⁴⁹ 18 C.F.R. § 385.203(b)(3).

VII. Conclusion

The CAISO respectfully requests that the Commission issue an order sixty days after filing that accepts this Agreement and makes the Agreement effective one business day after filing, June 15, 2026. If there are any questions concerning this filing, please contact the undersigned.

Respectfully submitted,

By: /s/ Heather Curlee

Roger Collanton

General Counsel

Andrew Ulmer

Assistant General Counsel

Heather Curlee

Senior Counsel

California Independent System
Operator Corporation

*Attorneys for the California Independent
System Operator Corporation*

Attachment A – Clean Tariff

Ironwood Pseudo-Tie Export Agreement

Service Agreement No. 9241

California Independent System Operator Corporation

June 12, 2026

**CALIFORNIA INDEPENDENT SYSTEM
OPERATOR CORPORATION**
(as “Native BA”)

AND

ARIZONA PUBLIC SERVICE COMPANY
(as “Attaining BA”)

AND

ARIZONA PUBLIC SERVICE COMPANY
(as “Generator Owner”)

**PSEUDO-TIE EXPORT
AGREEMENT**

THIS Pseudo-Tie Agreement (“AGREEMENT”) is established this 27th day of May, 2026, and is between Arizona Public Service Company, (“APS” or “Attaining BA”), a corporation organized and existing under the laws of the State of Arizona, Arizona Public Service Company, (“Generator Owner”), a corporation organized and existing under the laws of the State of Arizona, and the California Independent System Operator Corporation (“CAISO” or “Native BA”), 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. APS, the Generator Owner, and the CAISO are hereinafter referred to collectively as the “Parties”.

Recitals

WHEREAS, the CAISO and APS are each a Balancing Authority (“BA”) with respective Balancing Authority Areas (“BAA”); and

WHEREAS, the CAISO and APS BAAs are adjacent to one another at a number of locations; and

WHEREAS, the Generator Owner owns and operates the Ironwood Solar project (the “Project”) that is interconnected to transmission facilities that have been turned over to the CAISO’s operation control and is physically located within the CAISO BAA; and

WHEREAS, the Generator Owner has executed a Large Generator Interconnection Agreement (“LGIA”) jointly with the CAISO and APS, Service Agreement number 408; and

WHEREAS, the Generator Owner’s rights and obligations associated with the interconnection and operation of the Project continue to be governed by the LGIA, the APS Tariff, and the CAISO Tariff, and nothing in this Agreement is intended to modify, supersede, or limit those obligations;

WHEREAS, the Generator Owner desires to Pseudo-Tie Export the output of the Pseudo-Tie Generating Unit out of the Native BAA into the Attaining BAA for purposes of scheduling energy and ancillary service in the Attaining BAA; and

WHEREAS, the Generator Owner shall designate and maintain a certified Scheduling Coordinator (“SC”), consistent with the CAISO Tariff, to represent the Pseudo-Tie Generating Unit for purposes of market registration, scheduling, settlements, outage coordination, and other operational and market participation requirements associated with this Agreement;

WHEREAS, a separate Dynamic Transfer Balancing Authority Operation Agreement (“DTBAOA”) exists between the CAISO and APS to facilitate pseudo-tie exports from the CAISO BAA; and

WHEREAS, the Parties desire to enter into this Agreement to supplement the DTBAOA by establishing specific terms for market registration, scheduling, EMS/telemetry, and the operational responsibilities of the Pseudo-Tie Generating Unit, and to establish the governing terms and conditions for the pseudo-tie export of such unit in accordance with the CAISO Tariff; and

NOW THEREFORE, in consideration of the mutual covenants set forth herein, the Parties agree as follows:

Article I Definitions

All terms and expressions used in this Agreement shall have the same meaning as those contained in the Master Definitions Supplement to the CAISO Tariff, unless defined otherwise in this Article 1.

- 1.1. Area Control Error (“ACE”).** The instantaneous difference between actual and scheduled interchange, taking into account the effects of frequency bias (and time error or unilateral inadvertent interchange if automatic correction for either is part of the system’s AGC).
- 1.2. Arizona Transmission System Participation Agreement (“ATSPA”).** The rate schedule currently on-file with the Federal Energy Regulatory Commission designated as Rate Schedule 224 under the Arizona Public Service Company tariff between Arizona Public Service Company, Imperial Irrigation District, and San Diego Gas & Electric Company (SDG&E). Generator Owner’s legacy rights (Legacy Rights) allowing access to the capacity of the HA-NG 1 Line, provided under the ATSPA will support the Pseudo-Tie Export. The ATSPA predates the formation of CAISO and designated SDG&E as Scheduling Agent for these legacy rights. The Parties acknowledge that the ATSPA must be amended to reflect a different scheduling process if the relationship between SDG&E and APS changes such that SDG&E is no longer responsible for maintaining the legacy rights in the CAISO Systems and scheduling the legacy rights in the CAISO Markets. These Legacy Rights have been recognized as an Encumbrance in the Transmission Control Agreement executed by CAISO and SDG&E, which allows for treatment of these Legacy Rights as Transmission Operating Rights (TORs) since the Legacy Rights and underlying transmission facilities remain under CAISO Operational Control.
- 1.3. Automatic Generation Control (“AGC”).** Generation equipment that automatically responds to signals from the Balancing Authority Areas’ energy management system control in real time to control the power output of electric generators within a prescribed area in response to a change in system frequency, tie-line loading, or the relation of these to each other, so as to maintain the target system frequency and/or the established interchange with other areas within the predetermined limits.
- 1.4. Attaining Balancing Authority Area.** The APS BAA, which is the NERC defined BAA where the Pseudo-Tie Generating Unit output is fully included for purposes of calculation of ACE and meeting BAA load responsibilities.
- 1.5. Base Market Model.** As defined in Appendix A of the CAISO Tariff.
- 1.6. CAISO Controlled Grid.** As defined in Appendix A of the CAISO Tariff.
- 1.7. CAISO Markets.** As defined in Appendix A of the CAISO Tariff.
- 1.8. CAISO Systems.** All platforms, databases, portals, interfaces, applications, software tools, and related communication or data-exchange systems that the CAISO utilizes, maintains, or designates for purposes of resource registration, forecasting, outage coordination, scheduling, bidding, telemetry, market participation, settlement, or compliance under the CAISO Tariff. The CAISO Systems include any successor, supplemental, or replacement systems designated by the CAISO from time to time.
- 1.9. EIM Mirror System Resource (MSR).** As defined in Appendix A of the CAISO Tariff.
- 1.10. Generating Unit.** As defined in Appendix A of the CAISO Tariff.
- 1.11. Grid Management Charge.** As defined in Appendix A of the CAISO Tariff
- 1.12. Native Balancing Authority Area.** The CAISO BAA, which is the NERC defined BAA where the Pseudo-Tie Generating Unit is physically interconnected to the electric grid.

- 1.13. NAESB.** Shall mean the North American Energy Standards Board.
- 1.14. Pseudo-Tie.** The point at which a Pseudo-Tie Generating Unit is deemed to be interconnected to its Attaining BAA as represented by a telemetered reading or value that is updated in real time and used as a “virtual” tie line flow in the ACE equation of both the Attaining and Native BAAs. The integrated value is used as a metered MWh value for the interchange accounting purposes
- 1.15. Pseudo-Tie Export.** A dynamic scheduling arrangement under which a Pseudo-Tie Generating Unit located within the CAISO BAA and owned by Generator Owner is electrically and physically interconnected to the CAISO Controlled Grid, but for operational and market purposes is dynamically scheduled or “pseudo-tied” into an external BAA. A Pseudo-Tie Export causes the real-time generation output of the Pseudo-Tie Generating Unit to be reflected as a reduction in the CAISO BAA generation and a corresponding increase in the receiving BAA’s generation, consistent with NERC Reliability Standards and NAESB requirements. Such arrangement must (i) utilize Generator Owner’s Legacy Rights provided through the ATSPA for delivery from the Pseudo-Tie Generating Unit to the boundary of the CAISO BAA, (ii) be implemented through telemetry and real-time data exchange consistent with the CAISO’s Telemetry and Dynamic Scheduling requirements set forth in the CAISO Tariff and applicable Business Practice Manuals, and (iii) be subject to approval by both the CAISO and the Attaining Balancing Authority to ensure reliability, accounting, and settlement integrity.
- 1.16. Pseudo-Tie Generating Unit.** Generator Owner’s Project, which is interconnected within the CAISO BAA, is authorized by this Agreement to provide and receive applicable Balancing Authority Area Services from the Attaining BAA and to operate under the jurisdiction of the Attaining Balancing Authority Area and the Native Balancing Authority Area.
- 1.17. Scheduling Coordinator (SC).** As defined in Appendix A of the CAISO Tariff.

Article II Term & Termination

- 2.1. Term.** This Agreement shall be effective as of the date it is accepted for filing and made effective by the FERC (“Effective Date”) and shall remain in full force and effect until terminated pursuant to Section 2.2 of this Agreement. In the event the FERC or another body with jurisdiction over this Agreement makes a modification to this Agreement that is unacceptable to any signatory to this Agreement, then that party shall notify the other parties in writing within thirty (30) days of the issuance of the unacceptable order and attempt in good faith to negotiate a resolution of the modification(s) set forth in the order. In the event the party engages in good faith negotiations and still is unable to resolve its concerns with the order, the party shall notify the other parties that this Agreement shall terminate thirty (30) days after service of that notice.
- 2.2. Termination**
- 2.2.1. Termination by the CAISO.** The CAISO may terminate this Agreement without cause by giving the Parties twelve (12) months advance written notice or on thirty (30) days written notice in the event the DTBAOA is terminated. Additionally, the CAISO may terminate this Agreement on thirty (30) days written notice in the event of default by giving written notice of termination in the event any Party commits any material default under this Agreement and/or the CAISO Tariff which, if capable of being remedied, is not remedied within thirty (30) days after the CAISO has given written notice of the default, unless excused by reason of Uncontrollable Forces in accordance with Article XII of this Agreement.

2.2.2. Termination by APS. In the event that APS no longer wishes the Pseudo-Tie Generating Unit to be considered part of the APS BAA, it may terminate this Agreement, on giving the CAISO twelve (12) months advance written notice. APS also may terminate this agreement with thirty (30) days notice if the DTBAOA is terminated or amended in a manner unacceptable to APS.

2.2.3. Termination by Generator Owner. In the event that Generator Owner no longer wishes the Pseudo-Tie Generating Unit to be considered part of the Attaining BAA it may terminate this Agreement, on giving the CAISO twelve (12) months advance written notice.

2.2.4. Termination Due to Regulatory or Market Participation Changes

2.2.4.1. If, at any time during the Term, the Attaining BAA of the Pseudo-Tie Export ceases to be a WEIM-Participating BAA under the CAISO Tariff, or otherwise withdraws from participation in the Western Energy Imbalance Market (WEIM), the Parties may agree to terminate this Agreement.

2.2.4.2. If a regulatory, market design, or tariff change materially alters the rights or obligations of any Party under this Agreement, the affected Party may request that the Parties negotiate in good faith an amendment or replacement to this Agreement to ensure continued compliance with the CAISO Tariff and applicable law.

2.2.5. Termination of this Agreement shall not relieve the Parties of obligations accrued prior to the effective termination date, including settlement true-ups and inadvertent energy accounting.

2.2.6. Filing. With respect to any notice of termination given pursuant to this Section 2, the CAISO must file a timely notice of termination with FERC. The filing of the notice of termination by the CAISO will be considered timely if: (1) the filing of the notice of termination is made after the preconditions for termination have been met, and (2) the CAISO files the notice of termination within thirty (30) days after receipt of a notice of termination from APS or the Generator Owner. This Agreement shall terminate in accordance with Section 2.2, upon acceptance by FERC of such a notice of termination.

Article III

CAISO Tariff and the ATSPA

3.1. Agreement Subject to the CAISO Tariff. This Agreement is subject to, and shall be governed by, the CAISO Tariff, which is hereby incorporated by reference, as amended from time to time. The Parties shall comply with all applicable provisions of the CAISO Tariff, including, without limitation, Sections 4.16 (Relationship between the CAISO and Pseudo-Ties Out), 7.7 (Management of System Emergencies), 8.4.5 (Communication Equipment), and Appendix N, as well as any applicable Dynamic Transfer Balancing Authority Operating Agreements. Nothing in this Agreement is intended to, or shall be construed to, conflict with the CAISO Tariff or any other agreement governing participation in the CAISO Markets. Notwithstanding the above, the Parties understand and acknowledge that Generator Owner has legacy transmission rights under the ATSPA and SDG&E maintains the Legacy Rights in the CAISO Systems and schedules the Legacy Rights in the CAISO Markets pursuant to the terms of the ATSPA and the CAISO Tariff. APS does not itself schedule TORs as they are defined under the CAISO Tariff. APS's Legacy Rights on the HA-NG 1 Line are treated as TORs for CAISO purposes and are scheduled by APS's Scheduling Coordinator, and shall be recognized and made available as necessary to support the Pseudo-Tie consistent with the CAISO Tariff and applicable Dynamic Transfer Balancing Authority Operating Agreements.

- 3.2. This Agreement does not alter the existing arrangement between APS and SDG&E or the existing arrangement between SDG&E and CAISO.

Article IV

Balancing Authority

- 4.1. The Parties acknowledge that the CAISO and APS are responsible for the reliable operation of their respective BAAs, consistent with achievement of planning and operating reserve criteria no less stringent than those established by the Western Electricity Coordinating Council (“WECC”) and the North American Electric Reliability Corporation (“NERC”).
- 4.2. **Native BAA (CAISO).** The Native BAA shall implement the Pseudo-Tie such that it is consistent with the provisions of the CAISO Tariff, or any successor OATT, including Appendix N.
- 4.3. **Attaining BAA (APS)**
- 4.3.1. The Attaining BAA shall implement the Pseudo-Tie such that it is consistent with the provisions of the Attaining BAA OATT, or any successor OATT.
- 4.3.2. The Attaining BAA is responsible for registering the Pseudo-Tie in the NAESB WebRegistry.

Article V

Market Modeling & Scheduling

- 5.1. **Market Modeling.** The Pseudo-Tie Generating Unit shall be modeled in the CAISO Systems to facilitate its participation as an EIM Participating Resource in the Western Energy Imbalance Market (WEIM), consistent with the CAISO Tariff, including Appendix N, and the DTBAOA between the CAISO and APS and not inconsistent with the ATSPA. to accurately represent the Pseudo-Tie Export from the Native BAA to the Attaining BAA, ensuring proper accounting of energy flows, congestion management, and reliability obligations.

5.1.1. Modeling Parameters

The Generator Owner’s legacy rights provided under the ATSPA (currently modeled as a TOR) from Hoodoo Wash (HDW) to North Gila (NG) = 168 MW or, in the alternative, HDW to Hassayampa (HAAX) = 168MW.

For APS: modeled as a MSR export at HDW = 168 MW. MSR import at NG = 168 MW.

For CAISO: modeled as a system import at HDW and system export at NG = 168 MW.

The Generator Owner’s legacy rights provided under the ATSPA must be scheduled via e-tag and SBIR to effectuate the underlying transmission reservation, ensuring firm transmission service is utilized for delivery from the Pseudo-Tie Generating Unit to the boundary of the CAISO BAA.

- 5.1.2. **No Transmission Service.** Nothing in this Agreement confers any rights or obligations regarding the provision or use of transmission service by or from any Party, which shall remain subject to separate agreements or the CAISO Tariff as appropriate.

- 5.1.3. **Real-Time Market (RTM).** In the RTM, including the Real-Time Dispatch (RTD) and Fifteen-Minute Market (FMM), the EIM Participating Resource award shall reflect the Pseudo-Tie Generating Unit’s dispatch. For illustrative purposes, an EIM Participating Resource award may be 168 MW. The MSR import and export schedules shall be set equal to this award (e.g., 168 MW), and the Generator Owner’s legacy rights provided under the ATSPA schedule shall be updated by the Scheduling Coordinator accordingly to match (e.g., 168 MW).

5.1.4. Consistency Obligations. ATF adjustments shall reflect actual production MWh to account for deviations, such as forecast changes. For illustrative purposes, if the EIM Participating Resource's actual generation is 150 MW, the MSR import and export schedule e-tags shall be updated to 150 MW, and the Scheduling Coordinator for the Generator Owner will update e-tags to 150 MW. These adjustments ensure accurate interchange accounting and compliance with NERC and WECC standards for inadvertent energy.

5.2. Interchange Scheduling Requirements. The Parties shall coordinate and implement all arrangements necessary to schedule interchange associated with the Pseudo-Tie Generating Unit in a manner that reflects its energy production and is consistent with applicable transmission capability, operating constraints, and reliability requirements of affected balancing authorities and transmission owners/operators. All interchange transactions shall be scheduled, electronically tagged, and submitted in compliance with all applicable reliability standards, business practices, and market rules adopted by NERC, WECC, NAESB, and any applicable market operator or balancing authority, as such requirements may be amended from time to time. The SC for the Pseudo-Tie Generating Unit shall submit all schedules in accordance with CAISO Tariff Sections 29 and 30 and applicable Business Practice Manuals (BPMs).

5.3. Telecommunications Obligations. The Parties shall maintain real-time, redundant, and diversely routed communications links sufficient to support implementation of this Agreement and applicable BA obligations, with the primary link utilizing existing RTUs and established communications paths. As an alternative to RTUs, the Parties may mutually agree to utilize ICCP links.

5.4. Telemetry. The Pseudo-Tie Generating Unit shall provide real-time telemetry for each operating hour as required to implement this Agreement and applicable CAISO and BA requirements. In the event of a loss of communication between any of the Parties, the contingency procedures in Article VII (Contingency Requirements) shall apply.

5.5. Data Exchange and Interfaces

5.5.1. The Parties, or the applicable SC, shall maintain secure and reliable communication interfaces for the exchange of telemetry, forecasting, settlement, and other operational or market data required under this Agreement consistent with requirements of both the CAISO Tariff and APS Tariff.

5.5.2. Each Party, or the applicable SC, shall promptly notify the other Party of any data-communication failure or material discrepancy that could affect the integrity of market, operational, or reliability data.

5.6. Frequency Response. While the Pseudo-Tie is effective, the frequency response obligations and performance requirements applicable to the Generating Unit, including primary frequency response under FERC Order 842 and NERC BAL-003 (or successor standards), shall be those set forth in the Attaining Balancing Authority's Tariff, procedures, and any specific requirements of the Attaining Balancing Authority, as well as all applicable NERC and WECC reliability standards.

The Interconnection Customer shall comply with the Attaining Balancing Authority's frequency response standards, settings, performance criteria, and procedures. BA-level compliance, measurement, attribution, and coordination of the frequency response contribution shall be governed by the Attaining Balancing Authority.

- 5.7. Treatment of ACE.** The Native BAA shall compensate its AGC such that changes in the Pseudo-Tie Generating Unit's output is measured in the BAAs actual tie flow.
- 5.8. Regulation Obligation.** The Native BAA shall be responsible for regulation for any portion of the Pseudo-Tie Generating Unit not pseudo-tied to the Attaining BAA, in accordance with WECC and NERC standards.
- 5.9. Access to Information.** The Parties agree to exchange information related to telemetry and energy delivery (i) at the request of the other Party for after-the-fact accounting or (ii) on demand for other purposes necessary to implement this Agreement or ensure reliability.
- 5.10. EMS and Telemetry Setup.** The Pseudo-Tie Generating Unit's EMS and telemetry shall be configured to support real-time operations and market participation, consistent with CAISO Tariff Appendix N and Appendix Q (Meteorological Data Requirements for Intermittent Resources).
- 5.10.1. Tie Line Mapping and Modeling.** A tie line shall be mapped between the CAISO and APS BAAs, with APS modeling the Pseudo-Tie Generating Unit as an internal generator within its BAA. Balancing shall occur through tie line modeling. Both the CAISO and APS EMS shall refer to flows on the tie lines, with generation from the Pseudo-Tie Generating Unit counted as part of the interchange between the CAISO and APS, rather than as internal CAISO generation.
- 5.10.2. Telemetry Exchange.** The CAISO shall receive telemetry from the Attaining BA via ICCP, inclusive of dynamic auxiliary load. Standard information required under CAISO Tariff Appendix N, including meteorological data per Appendix Q, may be provided via ICCP. The Attaining BA shall continue to provide forecasts for solar output. If a Battery Energy Storage System (BESS) is added to the Pseudo-Tie Generating Unit, the State of Charge (SOC) shall be provided by the Attaining BA. This setup shall be detailed in a scope document developed by the Parties, outlining implementation steps, testing protocols, and ongoing maintenance responsibilities.
- 5.11. Compliance.** All telemetry, metering, and data exchanges performed under this Article shall comply with the CAISO Tariff and Agreements, applicable BPMs, and relevant reliability standards.

Article VI Outage Management

6.1. Outage Management & Coordination.

- 6.1.1. Outage Data Submission.** The Generator Owner shall cause its SC to submit, all planned, forced, and derate outages for the Pseudo-Tie Generating Unity into the CAISO Systems in accordance with the CAISO Tariff and the BPM for Outage Management. Outage entries shall include all information required by the CAISO for outage coordination and reliability assessment.
- 6.1.2. Cross-BAA Outage Coordination.** The Generator Owner shall cause its SC to coordinate outage and availability reporting with the Attaining BAA and ensure consistency with the CAISO's outage entries.

Article VII

Contingency Requirements

- 7.1.** If the Pseudo-Tie Generating Unit signal is lost or determined to be unacceptable, or the telemetry from the Pseudo-Tie Generating Unit or Attaining BA to Native BA is lost or determined to be unacceptable, operation of the Pseudo-Tie will continue under the following procedure:
- 7.1.1.** Native BA will notify Attaining BA or Generator Owner of the failure.
 - 7.1.2.** Native BA will hold the last known accurate value on the Pseudo-Tie Generating Unit until it is determined to be inaccurate or a more accurate value is provided by the Generator Owner or Attaining BA.
 - 7.1.3.** Changes to the manually-updated Pseudo-Tie Generating Unit value cannot occur more frequently than once per hour unless otherwise mutually agreed upon by all Parties.
 - 7.1.4.** To the extent possible, the Party maintaining the failed telemetry will provide a reasonable estimate of anticipated time of restoration.
 - 7.1.5.** If the primary data source is not restored within 24 hours, all Parties must agree on a plan to restore an acceptable data source for the Pseudo-Tie to continue.
- 7.2.** The Native BA retains the right to suspend the Pseudo-Tie immediately if continuation of the Pseudo-Tie would, in the Native BA's reasonable judgment, jeopardize Bulk Electric System reliability or create an imminent risk of violating NERC or WECC reliability standards, provided, however, that the Native BA shall provide notice to the other Parties as soon as practicable (and, where feasible, prior to suspension) and shall work cooperatively with the Parties to remedy the issue and restore the Pseudo-Tie as soon as the reliability concern is resolved.
- 7.3.** If the Pseudo-Tie Generating Unit is re-dispatched for a local transmission system contingency, the Native BA reserves the right to direct the operation of the Project through the Attaining BA.
- 7.4.** The Native BA and Attaining BA shall retain WECC responsibilities and no liability or costs shall be shifted to other Balancing Authorities as a result of an outage.

Article VIII

Costs

- 8.1. Operating and Maintenance Costs.** The Generator Owner shall be responsible for all its costs incurred in connection with meeting its obligations under this Agreement. The CAISO shall bear any of its costs associated with implementation, testing, or data integration under this Agreement.
- 8.2. CAISO Charges.** The CAISO shall assess the Generator Owner or its designated SC, for the Pseudo-Tie Generating Unit, all applicable market charges and Grid Management Charges, in accordance with the CAISO Tariff.

Article IX

Dispute Resolution

- 9.1. Dispute Resolution.** The Parties shall make reasonable efforts to settle all disputes arising out of or in connection with this Agreement. In the event any dispute is not settled, the Parties shall adhere to the CAISO ADR Procedures set forth in Section 13 of the CAISO Tariff, which is incorporated by

reference, except that any reference in Section 13 of the CAISO Tariff to Market Participants shall be read as a reference to the Generator Owner and references to the CAISO Tariff shall be read as references to this Agreement.

Article X Liability

- 10.1. Liability.** The provisions of Section 14 of the CAISO Tariff will apply to liability arising under this Agreement, except that all references in Section 14 of the CAISO Tariff to Market Participants shall be read as references to the Generator Owner and references to the CAISO Tariff shall be read as references to this Agreement.

Article XI Representation and Warranties

- 11.1. Representation and Warranties.** Each Party represents and warrants that the execution, delivery and performance of this Agreement by it has been duly authorized by all necessary corporate and/or governmental actions, to the extent authorized by law.
- 11.2. Necessary Approvals.** The Generator Owner represent that all necessary rights, leases, approvals, permits, licenses, easements, access to operate in compliance with this Agreement have been or will be obtained by the Generator Owner prior to the Effective Date of this Agreement.

Article XII Uncontrollable Forces

- 12.1. Uncontrollable Forces Tariff Provisions.** Section 14.1 of the CAISO Tariff shall be incorporated by reference into this Agreement except that all references in Section 14.1 of the CAISO Tariff to Market Participants shall be read as a reference to the Generator Owner and references to the CAISO Tariff shall be read as references to this Agreement.

Article XIII Miscellaneous

- 13.1. Amendments.** This Agreement may be amended from time to time by the mutual agreement of the Parties in writing. Amendments that require FERC approval shall not take effect until FERC has accepted such amendments for filing and made them effective. Nothing contained herein shall be construed as affecting in any way the right of the CAISO to unilaterally make application to FERC for a change in the rates, terms and conditions of this Agreement under Section 205 of the FPA and pursuant to FERC's rules and regulations promulgated thereunder, and APS shall have the right to make a unilateral filing with FERC to modify this Agreement pursuant to Section 206 or any other applicable provision of the FPA and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by any other Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Agreement shall limit the rights of the Parties or of FERC under Sections 205 or 206 of the FPA and FERC's rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.
- 13.2. Assignments.** Either Party may assign or transfer any or all of its rights and/or obligations under this Agreement with the other Party's prior written consent in accordance with Section 22.2 of the CAISO Tariff. Such consent shall not be unreasonably withheld. Any such transfer or assignment shall be conditioned upon:

- 13.2.1. The concurrent assignment or transfer of the LGIA for the Project to the same successor in interest; and
- 13.2.2. The successor in interest accepting the rights and/or obligations under this Agreement and the LGIA as if said successor in interest was an original Party to both Agreements; and
- 13.2.3. The successor in interest being eligible and qualified under the CAISO Tariff, the LGIA, and all applicable laws, regulations, and reliability standards to exercise and utilize any legacy rights.

No assignment of this Agreement shall be effective unless and until LGIAs have been validity assigned to the same successor in interest and all conditions of this section have been satisfied.

- 13.3. **Authority.** Each individual signing this Agreement certifies that the Party represented has duly authorized such individual to sign, bind, and obligate such Party.
- 13.4. **Consistency with Federal Laws and Regulations.** This Agreement shall incorporate by reference Section 22.9 of the CAISO Tariff as if the references to the CAISO Tariff were referring to this Agreement.
- 13.5. **Counterparts.** This Agreement may be executed in one or more counterparts at different times, each of which shall be regarded as an original and all of which, taken together, shall constitute one and the same Agreement.
- 13.6. **Entire Agreement.** This Agreement sets forth the complete agreement between the Parties on the subject matter of this Agreement, and supersedes all prior agreements of the Parties with respect to its subject matter.
- 13.7. **Exchange of Information and Confidentiality.** When a Party (“Providing Party”) provides information to the other Party (“Receiving Party”) under this Agreement and marks such information as privileged or confidential commercial or financial information, critical energy infrastructure information, or trade secret information, the Receiving Party shall treat such information as confidential and protected from disclosure to the extent permitted by applicable laws, regulations and the Receiving Party’s Tariff. The Receiving Party shall promptly notify the Providing Party in writing of any request to release such information. The Parties agree to use such information only for purposes of performing each Party’s obligations under this Agreement. The provisions of this Section 13.7 shall survive the termination of this Agreement.
- 13.8. **Governing Law and Forum.** This Agreement shall be deemed to be a contract made under, and for all purposes shall be governed by and construed in accordance with, the laws of the State of California, except its conflict of law provisions. The Parties irrevocably consent that any legal action or proceeding arising under or relating to this Agreement to which the CAISO ADR Procedures do not apply shall be brought in any of the following forums, as appropriate: any court of the State of California, any federal court of the United States of America located in the State of California, or, where subject to its jurisdiction, before the Federal Energy Regulatory Commission.
- 13.9. **Notices.** Any notice, demand or request which may be given to or made upon either Party regarding this Agreement shall be made in accordance with Section 22.4 of the CAISO Tariff, except as provided for in Section 2.2 of this Agreement, and unless otherwise stated or agreed shall be made to the representative of the other Party indicated in Schedule 3. A Party must update the information

in Schedule 3 of this Agreement as information changes. Such changes shall not constitute an amendment to this Agreement.

13.10. Section Headings. Section headings provided in this Agreement are for ease of reading and are not meant to interpret the text in each Section.

13.11. Severability. If any term, covenant, or condition of this Agreement or the application or effect of any such term, covenant, or condition is held invalid as to any person, entity, or circumstance, or is determined to be unjust, unreasonable, unlawful, imprudent, or otherwise not in the public interest by any court or government agency of competent jurisdiction, then such term, covenant, or condition shall remain in force and effect to the maximum extent permitted by law, and all other terms, covenants, and conditions of this Agreement and their application shall not be affected thereby, but shall remain in force and effect and the Parties shall be relieved of their obligations only to the extent necessary to eliminate such regulatory or other determination unless a court or governmental agency of competent jurisdiction holds that such provisions are not separable from all other provisions of this Agreement.

13.12. Waivers. Any waiver at any time by either Party of its rights with respect to any default under this Agreement, or with respect to any other matter arising in connection with this Agreement, shall not constitute or be deemed a waiver with respect to any subsequent default or other matter arising in connection with this Agreement. Any delay, short of the statutory period of limitations, in asserting or enforcing any right under this Agreement shall not constitute or be deemed a waiver of such right.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed on behalf of each by and through their authorized representatives as of the date hereinabove written.

California Independent System Operator Corporation (as Native BA)

Signed by:
By: Neil Millar
9236FA183EA64FB...

Name: Neil Millar

Title: Vice President, Tx Planning & Infrastructure Dev

Date: 5/27/2026

Arizona Public Service Company (as Attaining BA)

Signed by:
By: Twyana Blair
0F47F0244BA5409...

Name: Twyana Blair

Title: Manager Transmission Ops Support, Real Time Ops Support

Date: 5/26/2026

Arizona Public Service Company (as Generator Owner)

Signed by:
By: Ben Cluff
67A4E331E840444...

Name: Ben Cluff

Title: Director, Renewable Generation

Date: 5/22/2026

Schedule 1
Pseudo-Tie Generating Unit Technical Information

Pseudo-Tie Location	North Gila 500 kV Substation NRTHGILA500
Generator Resource ID	HODOW_5_IRNWD
Attaining BAA	Arizona Public Service Company
Native BAA	CAISO

Schedule 2 Responsibility Matrix

1. Resource Registration & Configuration (Article IV & V)

Function	CAISO (Native BA)	APS (Attaining BA)	Generator Owner	Scheduling Coordinator
Register Resource in CAISO systems	Approves, maintains system record	N/A	Provides technical data	Coordinates Submission
Register Pseudo-Tie per Appendix N	Configures & Validates	Registers pseudo-tie in NAESB WebRegistry	Supports Registration	Assists as needed
Configure market model (MSR, TOR, tie mapping)	Implements & Validates	Reviews impacts to APS BAA	Provides technical data	Supports configuration
Approve and implement configuration changes	Final approval	Notifies of changes	Requests Changes	Coordinates Changes
Tie-line mapping (EMS/market)	Implements CAISO EMS & market mapping	Implements APS EMS & market mapping	N/A	N/A

2. APS HA-NG 1 Rights / the TOR submitted by SDG&E & Interchange Scheduling

Function	CAISO (Native BA)	APS (Attaining BA)	Generator Owner	Scheduling Coordinator
Transmission modeling	Implements & Validates	Reviews	N/A	Supports
Transmission scheduling (IFM/RTM)	Validates & clears bids	Monitors	N/A	Submits Schedules
e-Tag submission	Validates	Receives	N/A	Submits & Updates
ATF adjustments	Applies for sett	Reviews	N/A	Coordinates Updates

3. Telemetry & EMS

Function	CAISO (Native BA)	APS (Attaining BA)	Generator Owner	Scheduling Coordinator
Real-time telemetry	Receives & validates	Receives via ICCP	Provides source telemetry	Supports testing
ICCP configuration	Implements & Maintains	Implements & Maintains	N/A	N/A
Meteorological Data	Receives	Receives	Provides weather station data	Submits via approved interface
Telemetry validation & Testing	Monitor data quality and alarms	Monitor data quality and alarms	Respond to discrepancies	Coordinate issue resolution
Telemetry failure response	Substitutes or estimates	Restores physical system	Supports logical telemetry restoration	Communicates outage status

4. Outage Management

Function	CAISO (Native BA)	APS (Attaining BA)	Generator Owner	Scheduling Coordinator
Planned outages	Receives & validates	Notified	Submits	Coordinates
Forced outages	Receives & validates	Notified	Submits	Coordinates
Derate Reporting	Validate changes	Receive notifications	Report derates	Updates OMS
Cross-BAA Outage Coordination	Coordinates with APS BA Desk	Coordinates with CAISO BA Desk	Supports Communications	Relay Information

5. Market Participation & Dispatch

Function	CAISO (Native BA)	APS (Attaining BA)	Generator Owner	Scheduling Coordinator
IFM/RTM dispatch	Issue dispatch instructions	Include output in APS schedules	Operate plant to dispatch	Submit bids and offers
AG-C control	Control via CAISO dispatch signals	Reflect in APS ACE	Maintain plant AGC response	Monitor compliance
ACE treatment	Offset CAISO ACE	Include pseudo-tie in APS ACE	N/A	N/A

6. Contingency Operations

Function	CAISO (Native BA)	APS (Attaining BA)	Generator Owner	Scheduling Coordinator
Pseudo-tie signal loss	Declare contingency; initiate fallback	Acknowledge and coordinate	Support restoration	Notify stakeholders
Hold-last-value	Implement in CAISO systems	Accept value for APS ACE	N/A	N/A
Manual value updates	Approve manual updates	Approve manual updates	Provide MW estimate	Submit update
Reliability suspension	Suspend pseudo-tie immediately	Acknowledge suspension	Comply with directive	Support execution
Return to service	Authorize re-activation	Authorize re-activation	Participate in testing	Coordinate testing

**Schedule 3
Notices****Arizona Public Service Company (Attaining BA)**

Name of Primary Representative: APS Balancing Authority Manager
Title: Manager
Company: Arizona Public Service Company
City/State/Zip: Phoenix, AZ 85021
Email: DL-ECC-BAOps@apsc.com
Phone: (602) 250-1085

Name of Alternate Representative: Twyana Blair
Title: Manager Transmission Ops Support, Real Time Ops Support
Company: Arizona Public Service Company
City/State/Zip: Phoenix, AZ 85021
Email: Twyana.Blair@aps.com
Phone: (623) 335-2481

Arizona Public Service Company (Generator Owner)

Name of Primary Representative: Arizona Public Service Company, Renewable Operating Center
Title: ROC
Company: Arizona Public Service Company
City/State/Zip: Phoenix, AZ 85004
Email: ROC@apsc.com
Phone: (602) 250-2170

Name of Alternate Representative: Ben Cluff
Title: Director, Renewable Generation
Company: Arizona Public Service Company
City/State/Zip: Phoenix, AZ 85004
Email: Ben.Cluff@aps.com
Phone: 602-371-6343

CAISO (Native BA)

Name of Primary Representative: Regulatory Contracts
Title:
Company: CAISO
City/State/Zip: Folsom, CA 95630
Email: regulatorycontracts@caiso.com
Phone: (916) 351-4400

Name of Alternate Representative: Riddhi Ray
Title: Manager, Regulatory Contracts
Company: CAISO
City/State/Zip: Folsom, CA 95630
Email: rray@caiso.com
Phone: (916) 586-9834