

California Independent System Operator Corporation

May 30, 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 Rate Schedule No. 8855 Docket No. ER25-____-000

Dear Secretary Reese:

The California Independent System Operator Corporation ("CAISO") submits to the Commission for filing and acceptance a Dynamic Transfer Balancing Authority Operating Agreement ("DTBAOA") between the CAISO and Salt River Project Agricultural Improvement and Power District ("SRP").¹ The CAISO submits the instant filing to replace the dynamic transfer arrangements included in the existing Interconnected Control Area Operating Agreement ("ICAOA") between the CAISO and SRP, which it has separately noticed to be terminated.² Replacement of these arrangements is necessary to continue dynamic transfers between the CAISO and SRP consistent with the dynamic transfer provisions of the CAISO tariff. The CAISO proposes that the DTBAOA be made effective on August 1, 2025, concurrent with the requested termination of the ICAOA in Docket No. ER25-2384.

I. DTBAOA

The DTBAOA addresses both dynamically scheduled resources and pseudo-tie resources, collectively referred to as dynamic transfers. Both forms of dynamic transfer are made available either to or from the CAISO and SRP balancing authority areas. At this time there are no dynamic schedules from SRP into the CAISO balancing authority area. There will be one pseudo-tie

¹ The CAISO submits the DTBAOA pursuant to Section 205 of the Federal Power Act, 16 U.S.C. § 824d and Part 35 of the Commission's regulations, 18 C.F.R. Part 35, and in compliance with Order No. 714, Electronic Tariff Filings, FERC Stats. & Regs. ¶ 31,276 (2009).

² The most recent version of the ICAOA was accepted by Commission letter order dated December 27, 2011 in FERC Docket No. ER12-381-001. Concurrently with this filing, the CAISO submitted a notice of termination of the ICAOA in Docket No. ER25-2384. The DTBAOA is necessary to replace the dynamic transfer arrangements provided in the ICAOA.

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resource from SRP into the CAISO balancing authority area concerning the Arlington Valley Solar Energy II Project. Additional pseudo-tie resources or dynamically scheduled resources would be supported with agreement of the parties under the DTBAOA.³

The DTBAOA is consistent with the requirements of the CAISO tariff. In the DTBAOA, the CAISO and SRP have built upon a similar form of agreement between the CAISO and other balancing authorities to provide for both dynamically scheduled resources and pseudo-tie resources, consistent with the dynamic transfer provisions of the CAISO tariff.⁴ Specifically:

- Section 1 provides for the effective date and termination;
- Section 2 includes definitions referenced in the agreement;
- Section 3 describes the purpose of the agreement;
- Section 4 outlines the requirements for dynamic scheduling;
- Section 5 outlines the requirements for pseudo-ties;
- Section 6 establishes limitations on the parties' liability;
- Section 7 covers miscellaneous provisions of the agreement;
- Schedule 1 identifies dynamic scheduled resources;
- Schedule 2 identifies pseudo-tie resources; and
- Schedule 3 contains notice provisions.

II. Effective Date

The CAISO requests that the Commission accept the Agreement effective as of August 1, 2025. Granting the requested effective date will ensure uninterrupted service and is, therefore, appropriate.

³ The CAISO would administer additional requests consistent with the dynamic transfer provisions of the CAISO tariff. However, implementation of any additional dynamic scheduling arrangements in Schedule 1, or the addition of any pseudo-tie resources in Schedule 2, would require agreement of both balancing authorities through an appropriate amendment of the DTBAOA and a subsequent filing of that revised DTBAOA with the Commission pursuant to Section 205 of the Federal Power Act.

⁴ See Letter Order dated June 14, 2012 in FERC Docket No. ER12-1636-000 (accepting a dynamic transfer agreement as filed by the CAISO), and Letter Order dated February 21, 2013 in FERC Docket No. ER13-711-000 (accepting a dynamic transfer agreement as filed by the CAISO).

III. Service

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

IV. Correspondence

Under Rule 203(b)(3),⁵ the CAISO requests that all correspondence, pleadings, and other communications concerning this filing be served upon the following:

John C. Anders Deputy General Counsel California Independent System Operator Corporation 250 Outcropping Way Folsom, CA 95630 Tel: (916) 802-4367 E-mail: janders@caiso.com

V. Materials Provided In this Filing

The following attachments, in addition to this transmission letter, support the instant filing:

Attachment A Dynamic Transfer Balancing Authority Operating Agreement.

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¹⁸ C.F.R. § 385.203(b)(3).

VI. Conclusion

For the reasons provided above, the CAISO respectfully requests that the Commission accept the DTBAOA effective as of August 1, 2025. If there are any questions concerning this filing, please contact the undersigned.

Respectfully submitted,

By: /s/ John C. Anders

John C. Anders Deputy General Counsel California Independent System Operator Corporation 250 Outcropping Way Folsom, CA 95630 Tel: (916) 802-4367 Email: janders@caiso.com

Attorney for the California Independent System Operator Corporation

Attachment A – Executed Agreement

Dynamic Transfer Balancing Authority Operating Agreement

Between

Salt River Project

and the

California Independent System Operator Corporation

May 30, 2025

CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION

AND

SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT

DYNAMIC TRANSFER BALANCING AUTHORITY OPERATING AGREEMENT

DYNAMIC TRANSFER BALANCING AUTHORITY OPERATING AGREEMENT

Executed by

SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT

and

CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION

This Dynamic Transfer Balancing Authority Operating Agreement ("Agreement"), dated as of <u>May 27th</u>, 2025, is between Salt River Project Agricultural Improvement and Power District ("SRP"), an agricultural improvement district organized and existing under the laws of the State of Arizona, having its registered and principal executive office at 1500 N. Mill Avenue, Tempe, Arizona 85288. SRP has responsibilities as a Balancing Authority and operates the LADWP Balancing Authority Area; and

The CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION ("CAISO"), a California nonprofit public benefit corporation having a principal executive office located at 250 Outcropping Way, Folsom, California 95630. The CAISO has responsibilities as a Balancing Authority and operates the CAISO Balancing Authority Area.

SRP and CAISO are referred to herein individually as a "Party" and collectively as the "Parties".

Recitals

WHEREAS CAISO has responsibilities as a Balancing Authority and operates the CAISO Balancing Authority Area. SRP has responsibilities as a Balancing Authority and operates the SRP Balancing Authority Area; and

WHEREAS the Parties wish to coordinate operation of dynamic transfers to satisfy North American Electric Reliability Corporation ("NERC") and Western Electricity Coordinating Council ("WECC") reliability standards and criteria and Good Utility Practice; and

WHEREAS the Parties desire to implement an agreement to facilitate dynamic transfers from resources in their respective Balancing Authority Area; and

WHEREAS the Parties wish to enter into this Agreement to establish the terms and conditions for the operation of the dynamic transfer functionality to include dynamic schedules and Pseudo-Tie arrangements between the Parties' Balancing Authority Areas; and

WHEREAS the Parties have certain statutory obligations under NERC and WECC standards and criteria to maintain power system reliability; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the Parties mutually agree as follows:

1. Term and Termination

1.1 Effective Date

This Agreement shall be effective upon the later of: (1) the date of execution of this Agreement, or (2) the date of acceptance for filing by the Federal Energy Regulatory Commission ("FERC") pursuant to a filing by the CAISO (the "Effective Date") without material modification or condition and shall continue in effect until terminated. The CAISO filing with FERC will request that if the Agreement is not accepted for filing without material modification or condition, it should be deemed withdrawn pursuant to 18 CFR § 35.17. If any material modification or condition is ordered by FERC that is unacceptable to a Party, such Party shall communicate its lack of consent to such modification or condition to the other Party within ten (10) business days after the date on which FERC issues its order, and the Parties shall use best efforts to negotiate mutually acceptable revisions to this Agreement to address the modification or condition.

1.2 Term and Termination

This Agreement may be terminated by either Party upon ninety (90) calendar days advance written notice to the other Party, or upon mutual consent of both Parties for a longer termination notice period for mitigating impacts to the dynamic transfers listed in Schedule 1 or Schedule 2. For entities subject to FERC jurisdiction, termination will be effective upon acceptance by FERC of notice of termination. The CAISO shall file any required notice of termination with FERC within sixty (60) calendar days after issuance of the notice of termination by a Party where the preconditions for termination have been met.

2. Definitions

2.1 NERC Definitions

Except as defined below, terms and expressions used in this Agreement shall have the same meanings as those contained in the NERC Glossary of Terms Used in NERC Reliability Standards.

2.2 WECC Definitions

Except as defined below, terms and expressions used in this Agreement shall have the same meanings as those contained in the WECC Glossary of WECC Terms and Acronyms.

2.3 Specific Definitions

- 2.3.1 <u>Attaining Balancing Authority Area</u>: A Balancing Authority bringing a Pseudo-Tie Generating Unit or an SRP Pseudo-Tied Unit into its effective control boundaries through a Dynamic Transfer from the Native Balancing Authority for purposes of calculation of Area Control Error and meeting Balancing Authority Area load responsibilities.
- **2.3.2** <u>CAISO Dynamic Transfer Protocols</u>: The protocols, which are set forth in Appendix M (Dynamic Scheduling Protocol) and Appendix N (Pseudo-Tie Protocol) of the CAISO Tariff.
- **2.3.3** <u>**CAISO Tariff**</u>: The California Independent System Operator Corporation Operating Agreement and Tariff, dated March 31, 1997, as it may be modified from time to time.
- **2.3.4** <u>Congestion</u>: A characteristic of the transmission system produced by a binding transmission constraint to the optimum economic dispatch to meet demand such that the locational marginal price, exclusive of marginal cost of losses, at different Locations of the transmission system is not equal.
- 2.3.4 <u>Generating Unit</u>: An individual electric generator and its associated plant and apparatus whose electrical output is capable of being separately identified and metered or a physical scheduling plant that, in either case, is: (a) located within the CAISO Balancing Authority Area (which includes a Pseudo-Tie of a generating unit to the Party's Balancing Authority Area) or, for purposes of scheduling and operating the real-time market only, an Energy Imbalance Market (EIM) entity Balancing Authority Area; (b) connected to the CAISO controlled grid, either directly or via interconnected transmission, or distribution facilities or via a Pseudo-Tie; and (c) capable of producing and delivering net energy (energy in excess of a generating station's internal power requirements).
- **2.3.5** <u>Good Utility Practice</u>: Any of the practices, methods, and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods, and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety, and expedition. Good Utility Practice is not intended to be limited to any one of a number of the optimum practices, methods, or acts to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region,

including those practices required by Federal Power Act section 215(a)(4).

- **2.3.6** <u>Native Balancing Authority Area</u>: A Balancing Authority Area where a Pseudo-Tied Generating Unit or an SRP Pseudo-Tied Unit from which a portion of its physically interconnected generation is transferred from its effective control boundaries to the Attaining Balancing Authority through a Dynamic Transfer.
- **2.3.7 Pseudo-Tie**: A functionality by which the output of a generating unit physically interconnected to the electric grid in a Native Balancing Authority Area is telemetered to and deemed to be produced in an Attaining Balancing Authority Area that provides Balancing Authority services for and exercises Balancing Authority jurisdiction over the Pseudo-Tie generating unit.
- **2.3.8** <u>Scheduling Coordinator</u>: An entity certified by the CAISO for the purposes of undertaking the functions of: submitting bids or schedules for energy, generation, transmission losses, and ancillary services; coordinating generation; tracking, billing, and settling trades with other Scheduling Coordinators; submitting forecast information; paying the CAISO's charges; and ensuring compliance with CAISO protocols.
- **2.3.9** <u>CAISO System Resource</u>: Shall mean "System Resource" as defined in the CAISO Tariff and, in the context of this Agreement, may include combinations of resources as described in the CAISO Dynamic Transfer Protocols.
- 2.3.10 <u>SRP Pseudo-Tied Unit</u>: An individual electric generator and its associated plant and apparatus whose electrical output is capable of being separately identified and metered or a physical scheduling plant that, in accordance with this agreement, is pseudo-tied from CAISO's Native Balancing Authority Area to the SRP Attaining Balancing Authority Area.
- 2.3.11 <u>SRP System Resource</u>: A resource located outside of SRP's Balancing Authority Area that is owned by SRP or voluntarily contracted for by SRP to provide services in the SRP Balancing Authority Area.
- 2.3.12 <u>System Emergency</u>: Conditions beyond the normal control of the CAISO that affect the ability of the CAISO Balancing Authority Area to function normally, including any abnormal system condition which requires immediate manual or automatic action to prevent loss of load, equipment damage, or tripping of system elements

which might result in cascading outages or to restore system operation to meet the applicable reliability criteria.

2.3.13 <u>System Resources</u>: CAISO System Resources and SRP System Resources listed in Schedule 1.

3. General

3.1 Purpose

This Agreement sets forth the requirements that must be satisfied by the Parties to support requests for implementation of dynamic transfer functionality and delivery of energy and energy associated with ancillary services to their respective Balancing Authority Areas. The requirements encompass technical (energy management system ("EMS"), automatic generation control ("AGC"), and communications, interchange scheduling, telemetry, and aspects of Balancing Authority Area operations. Nothing in this Agreement is intended to interfere with the rights of an affected transmission owner or transmission operator in the SRP Balancing Authority Area to determine its own terms of service associated with the facilitation of dynamic transfer by SRP.

3.2 NERC/WECC Operating Standards Observed

Nothing in this Agreement is intended to change, supersede, or alter either Party's obligations to abide by NERC and WECC reliability standards and policies and WECC criteria.

3.3 Applicable Standards

This Agreement incorporates, by reference, the CAISO Dynamic Transfer Protocols and Standards for Imports of Regulation. Where there is an inconsistency between the CAISO's Dynamic Transfer Protocols and Standards for Imports of Regulation, the Dynamic Transfer Protocols will prevail to the extent of the inconsistency. Where there is an inconsistency between either the CAISO's Dynamic Transfer Protocols or Standards for Imports of Regulation and this Agreement, this Agreement will prevail to the extent of the inconsistency.

For SRP System Resources and SRP Pseudo-Tied Units the Applicable Standards will be contractually established between SRP and the SRP System Resource or SRP Pseudo-Tied Unit.

3.4 Coordination and Communication

Each Party operates and maintains or provides for operation and maintenance of a 24-hour, 7-day control center with real-time scheduling and control functions. The appropriate control center staff shall be responsible for operational communications and shall have sufficient authority to commit and bind that Party on decisions relating to emergency operations. The Parties agree to exchange operational contact information for ensuring reliable communication in a format to be agreed to by the Parties and completed as of the Effective Date of this Agreement. Each Party shall provide the other Party ten (10) calendar days advance notice of updates to its operational contact information for known changes, and as soon as practical, for unplanned changes.

4. Dynamic Schedules of Imports and Exports

Should the Parties elect to support a Scheduling Coordinators' request to implement dynamic scheduling functionality, all applicable operating, technical and business requirements set forth in Appendix M of the CAISO Tariff shall be satisfied, as applicable, by mutual agreement of the Parties, including the following:

4.1 **Telecommunications Requirements**

The Parties shall establish and maintain real-time, redundant, diversely routed, communications links between the CAISO EMS and the SRP EMS, with the primary link utilizing the standard inter-control center communications protocol ("ICCP") in accordance with the Applicable Standards for the dynamically scheduled resources listed in Schedule 1.

4.2 Telemetry

For each operating hour for which a dynamically scheduled resource is delivering energy, and/or energy associated with ancillary services to the Attaining Balancing Authority Area, the Native Balancing Authority shall provide, via the ICCP communication links to the Attaining Balancing Authority EMS, the data for each dynamically scheduled resource, as set forth in the Applicable Standards.

4.3 Interchange Scheduling Requirements

4.3.1 Dynamic Schedules

The Parties shall coordinate the arrangements for dynamic interchange schedules for the delivery of energy to the respective Balancing Authority Area reflecting the dynamically scheduled resource's instantaneous energy production or allocation level and taking into account available transmission capacity and, in the case of SRP, the impact of dynamic interchange schedules on transmission owner(s) and transmission operator(s) within the SRP Balancing Authority Area.

4.3.2 Treatment of Area Control Error ("ACE")

For Dynamic Scheduling, the Native Balancing Authority shall instantaneously compensate its AGC for the dynamically scheduled resource's energy output that is generated or allocated for establishing the dynamic schedule to the Attaining Balancing Authority such that the dynamically scheduled resource energy production or allocation changes have an equal in magnitude and opposite in sign effect on the Native Balancing Authority's ACE.

4.3.3 Integration of Dynamic Schedules

For each operating hour during which energy was dynamically scheduled for delivery to the Attaining Balancing Authority Area, the Native Balancing Authority shall compute an integrated amount of interchange based on the dynamically scheduled resource's integrated energy production, by integrating the instantaneous dynamically scheduled resource production levels. Such integrated MWH value shall be agreed to hourly by the real-time schedulers.

4.3.4 Regulation Obligation

The Native Balancing Authority shall be responsible for regulation obligation for the portion of the dynamically scheduled resource's output not dynamically scheduled into the Attaining Balancing Authority Area in accordance with WECC and NERC reliability standards. Dynamic energy deliveries to the Attaining Balancing Authorities will be used to determine pro rata allocations of real time deviations applicable to each Balancing Authority that receives the dynamically scheduled generation.

4.3.5 Access to Information

The Parties agree to exchange information related to telemetry sent and received with respect to the delivery of energy (i) at the request of the other Party for purposes of after-the-fact interchange accounting or (ii) on demand for any other purpose.

4.3.6 Other Balancing Authority Responsibilities

4.3.6.1 Operational Jurisdiction

The Native Balancing Authority will have, at a minimum, the level of operational jurisdiction over the dynamically scheduled resource and the associated dynamic schedule that NERC and WECC vest in Native Balancing Authorities. Such level of operational jurisdiction shall not exceed that necessary to meet applicable reliability standards.

4.3.6.2 E-Tagging

The Parties must support associated e-tagging as described in the CAISO Dynamic Transfer Protocols and deemed to be consistent with NERC, NAESB, and/or WECC requirements.

4.3.6.3 Real-Time Adjustments

The Native Balancing Authority Area for a dynamically transferred resource must have a means to manually override and/or otherwise adjust the dynamic signal for a dynamic schedule in real-time, if needed.

4.3.6.4 Coordination with Other Balancing Authorities

The Balancing Authority Area hosting a dynamic resource must provide in real-time the instantaneous value of each dynamic schedule to every intermediary Balancing Authority Area through whose systems such dynamic schedule may be implemented to the Attaining Balancing Authority.

4.4 Other

4.4.1 Losses

The Parties shall not be responsible for transmission losses caused by transmitting energy dynamically within or across the other Parties Balancing Authority Area.

4.4.2 Certification

Only CAISO-certified CAISO System Resource/Native Balancing Authority arrangements will be allowed to bid or self-provide ancillary services in the CAISO's ancillary services market through a CAISO-certified Scheduling Coordinator.

4.4.3 No Guarantee of Award

Certification of a CAISO System Resource/Native Balancing Authority arrangement allows for bidding of energy and/or certain ancillary services into the CAISO market; it does not, however, guarantee selection of such bid.

4.4.4 Performance Assessment

The CAISO will monitor and measure dynamically imported ancillary services into its Balancing Authority Area, whether bid or self-provided, against the performance benchmarks described in the CAISO Dynamic Scheduling Protocol.

4.4.5 Description of System Resources

Each dynamically scheduled System Resource permitted pursuant to this Agreement is described in Schedule 1. Schedule 1 may be amended pursuant to Section 7.1 of this Agreement.

4.4.6 Notifications

The Parties shall jointly develop methods for coordinating the notification of all affected scheduling entities within their respective Balancing Authority Areas regarding schedule changes in emergency or curtailment conditions.

5. Pseudo-Ties

Should the Parties elect to support a Pseudo-Tie generator's request to implement a Pseudo-Tie arrangement, the Parties shall comply with the Pseudo-Tie Protocol in Appendix N of the CAISO Tariff, as applicable, by mutual agreement of the Parties including the following:

- 5.1 Operation of Pseudo-Tie functionalities must comply with all applicable NERC and WECC reliability standards, policies, requirements, and guidelines regarding inter-Balancing Authority Area scheduling. A Pseudo-Tie must be registered as a Point Of Delivery ("POD") on North American Energy Standards Board's (NAESB's Electric Industry Registry ("EIR")). All (off-system) static scheduling associated with Pseudo-Tie functionality must be consistent with NERC Reliability Standards for interchange scheduling and coordination.
- **5.2** The Parties will establish the terms of any Pseudo-Tie between the two Balancing Authority Areas, will specify the location of that Pseudo-Tie point, and will register that location as a POD to the Attaining Balancing Authority Area.
- **5.3** All energy transfers associated with a Pseudo-Tie Generating Unit must be electronically tagged (E-tagged) consistent with NERC, NAESB, and/or WECC requirements.
- **5.4** Unless a particular service is procured by the Pseudo-Tie Generating Unit or SRP Pseudo-Tied Unit from some other source, the Attaining Balancing Authority shall provide all Balancing Authority services available to other generating units in the Attaining Balancing Authority Area, which may include the auxiliary load equipment needs, provided firm transmission service is reserved across the transmission path.
- **5.5** The Parties, in conjunction with the affected Participating Transmission Owner, or, in the case of SRP, affected transmission owner(s) and transmission operator(s) within the SRP Balancing Authority Area and the owner of the Pseudo-Tie Generating Unit or SRP Pseudo-Tied Unit, will

develop a coordinated operating procedure outlining the agreed upon framework among all parties for the operation of the Pseudo-Tie, and to facilitate the continued delivery of Energy and Ancillary Services from a Pseudo-Tie Generating Unit or SRP Pseudo-Tied Unit into the Attaining Balancing Authority Area to the desired delivery points in the event the primary contract path is unavailable or curtailed.

- **5.6** All applicable communication and telemetry requirements of the WECC, and the Native and Attaining Balancing Authority Areas regarding generating units and inter-Balancing Authority Area Interties must be satisfied. These requirements include the requirements of Appendix M applicable to Dynamic Schedules of imports and the requirements of the CAISO Tariff applicable to Generating Units in the CAISO Balancing Authority Area. For SRP Pseudo-Tied Generating Units with SRP as Attaining Balancing Authority Area, these requirements include any contractual requirements negotiated between SRP and the applicable generating unit.
- **5.7** Proper incorporation of the dynamic signal into all involved Balancing Authority Areas' ACE equations will be required.
- **5.8** Should there be any need or requirement, whether operational or procedural, for the CAISO or the Balancing Authority for the Attaining Balancing Authority Area to make real-time adjustments to the CAISO's inter-Balancing Authority Area schedules at the pre-existing CAISO Intertie associated with the Pseudo-Tie Generating Unit (including curtailments), the dynamic transfer from the Pseudo-Tie Generating Unit shall be treated in the same manner as any CAISO Interchange Schedule at that pre-existing CAISO Intertie, and in accordance with any applicable operating instructions from any affected Participating Transmission Owner.
- **5.9** Each Pseudo-Tie Generating Unit and SRP Pseudo-Tied Unit permitted pursuant to this Agreement is described in Schedule 2. Schedule 2 may be amended pursuant to Section 7.1 of this Agreement.

6. Liability

6.1 Uncontrollable Forces

An Uncontrollable Force means any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm, flood, earthquake, explosion, any curtailment, order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities, or any other cause beyond the reasonable control of a Balancing Authority which could not be avoided through the exercise of Good Utility Practice. Neither Party will be considered in default of any obligation under this Agreement or liable to the other for direct, indirect, and consequential damages if prevented from fulfilling that obligation due to the occurrence of an Uncontrollable Force. Neither Party will be considered in default of any obligation under this Agreement to the extent caused by any act, or failure to act, of any intermediary Balancing Authority. In the event of the occurrence of an Uncontrollable Force, which prevents either Party from performing any obligations under this Agreement, the affected entity shall not be entitled to suspend performance of its obligations in any greater scope or for any longer duration than is required Uncontrollable Force. The Parties shall each use its best efforts to mitigate the effects of such Uncontrollable Force, remedy its inability to perform, and resume full performance of its obligations hereunder.

6.2 Liability To Third Parties

Except as otherwise expressly provided herein, nothing in this Agreement shall be construed or deemed to confer any right or benefit on, or to create any duty to, or standard of care with reference to any third party, or any liability or obligation, contractual or otherwise, on the part of either Party.

6.3 Liability Between the Parties

The Parties' duties and standard of care with respect to each other, and the benefits and rights conferred on each other, shall be no greater than as explicitly stated herein. Neither Party, its directors, officers, employees, or agents, shall be liable to the other Party for any loss, damage, claim, cost, charge, or expense, whether direct, indirect, or consequential, arising from the Party's performance or nonperformance under this Agreement, except for a Party's gross negligence, or willful misconduct subject to applicable law.

7. Miscellaneous

7.1 Amendments

With the exception of Schedule 1, Schedule 2, and Schedule 3, which do not require an amendment, the remainder of the Agreement may be modified from time to time by the mutual agreement of the Parties through an amendment. To the extent necessary, the CAISO will file any amendments to this Agreement with FERC. Amendments that are filed with FERC shall not take effect until FERC has accepted such amendments for filing without material modification or condition and has made them effective. The CAISO filing with FERC will request that if the amendment is not accepted for filing without material modification or condition, it should be deemed withdrawn pursuant to 18 CFR § 35.17. If any material modification or condition is ordered by FERC that is unacceptable to a Party, such Party shall communicate its lack of consent to such modification or condition to the other Party within ten (10) business days after the date on which FERC issues its order, and the Parties shall use best efforts to negotiate mutually acceptable revisions to the amendment in order to address the modification or condition. Nothing in this Agreement shall limit the rights of the Parties under Sections 205 or 206 of the FPA, except to the extent that the Parties otherwise mutually agree as provided herein.

7.2 Assignment and Successors

Either Party to this Agreement may assign its obligations under this Agreement, with the other Party's prior written consent. Such consent shall not be unreasonably withheld.

Obligations and liabilities under this Agreement shall be binding on the successors and assigns of the Parties. No assignment of this Agreement shall relieve the assigning Party from any obligation or liability under this Agreement arising or accruing prior to the date of assignment.

7.3 Authority

Each individual signing this Agreement certifies that the Party represented has duly authorized such individual to sign, bind, and obligate such Party.

7.4 Consistency with Federal Laws and Regulations

- 7.4.1 Nothing in this Agreement shall compel any person or federal entity to: (1) violate federal statutes or regulations; or (2) in the case of a federal agency, to exceed its statutory authority, as defined by any applicable federal statutes, regulations, or orders lawfully promulgated thereunder. If any provision of this Agreement is inconsistent with any obligation imposed on any person or federal entity by federal law or regulation to that extent, it shall be inapplicable to that person or federal entity. No person or federal entity shall incur any liability by failing to comply with any provision of this Agreement that is inapplicable to it by reason of being inconsistent with any federal statutes, regulations, or orders lawfully promulgated thereunder; provided, however, that such person or federal entity shall use its best efforts to comply with the CAISO Tariff to the extent that applicable federal laws, regulations, and orders lawfully promulgated thereunder permit it to do so.
- **7.4.2** If any provision of this Agreement requiring any person or federal entity to give an indemnity or impose a sanction on any person is unenforceable against a federal entity, the CAISO shall submit to the Secretary of Energy or other appropriate Departmental Secretary a report of any circumstances that would, but for this

provision, have rendered a federal entity liable to indemnify any person or incur a sanction and may request the Secretary of Energy or other appropriate Departmental Secretary to take such steps as are necessary to give effect to any provisions of this Agreement that are not enforceable against the federal entity.

7.5 Counterparts

This Agreement may be executed in any number of counterparts, including in facsimile and electronic formats (including portable document format (.pdf)) and with use of an electronic or digital signature, each of which shall be deemed an original and all of which, when taken together, shall constitute one and the same instrument. Any signature page of this Agreement may be detached from any counterpart of this Agreement without impairing the legal effect of any signatures thereon.

7.6 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.

7.7 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 (i) promptly notify the Providing Party in writing of any request to release such information, (ii) furnish only that portion of the confidential information which is legally required to be furnished, and (iii) exercise reasonable efforts to obtain assurances that confidential treatment will be accorded the confidential information so furnished. The Parties agree to use such information only for purposes of performing each Party's obligations under this Agreement. The provisions of this Section 7.7 shall survive the termination of this Agreement.

CAISO understands that, as a political subdivision of the State of Arizona, SRP may be subject to certain disclosure requirements under the Arizona public records law (A.R.S. § 39-101, et seq.). Provided that SRP complies with the procedural requirements of this section 7.7, and notwithstanding any other provision of this Agreement, SRP may release CAISO's confidential information to a third party in response to a public records request submitted by such party.

7.8 FERC Jurisdiction

Nothing in this Agreement shall be meant to imply or cede jurisdiction to FERC or any other regulatory entity, to the extent that FERC or other regulatory entity does not have jurisdiction over a Party to this Agreement. FERC and other regulatory entities have limited jurisdiction over certain Parties and, by executing this Agreement, no Party is waiving or conceding any defenses it has to assert jurisdictional defenses, including, but not limited to, sovereign immunity, intergovernmental immunities, or lack of subject matter jurisdiction.

7.9 Governing Law and Forum

Subject to Section 7.4, 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 or the laws of the United States, as applicable; provided, however, that (1) any question concerning SRP's status as a political subdivision of the State of Arizona and any rights and obligations related to such status shall be determined in accordance with the laws of the State of Arizona, and (2) if a dispute concerns transmission lines or facilities, the law of the state where the transmission lines or facilities are located or the laws of the United States, as applicable, will control. The Parties irrevocably consent that any legal action or proceeding arising under or relating to this Agreement shall be brought in any of the following forums, as appropriate: any federal court of the United States of America located in the State of California or, where subject to its jurisdiction, before FERC. 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.

7.10 No Warranties or Representations; Disclaimer

All information, including confidential information, provided by a Party ("Providing Party") to the other Party ("Receiving Party") under this Agreement carries no warranty or representation of any kind, either express or implied. The Receiving Party receives the information "as is" and with all faults, errors, defects, inaccuracies, and omissions. The Providing Party makes no representations or warranties whatsoever with respect to the availability, timeliness, accuracy, reliability, or suitability of any information. The Receiving Party disclaims and waives all rights and remedies that it may otherwise have with respect to all warranties and liabilities of the Providing Party, expressed or implied, arising by law or otherwise, with respect to any faults, errors, defects, inaccuracies or omissions in, or availability, timeliness, reliability, or suitability of the information. Each Party assumes any and all risk and responsibility for selection and use of, and reliance on, any information provided under this Agreement.

7.11 Notices

Any notice, demand, or request which may be given to or made upon either Party regarding this Agreement shall be made in writing and unless otherwise stated or agreed, shall be deemed properly served, given, or made: (a) upon delivery if delivered in person, (b) five (5) calendar days after deposit in the mail if sent by first class United States mail, postage prepaid, (c) upon receipt of confirmation by return facsimile if sent by facsimile, (d) upon receipt of confirmation by return e-mail if sent by email, or (e) upon delivery if delivered by prepaid commercial courier service. A Party must update the information in Schedule 3 relating to its address as that information changes and notify Parties of the updates. Such updates to Schedule 3 shall not constitute an amendment to this Agreement.

7.12 Renegotiation

In the event there is a revision to Appendix M or Appendix N of the CAISO Tariff that affects the provisions incorporated within this Agreement, or either Party determines that a new or additional provision of Appendix M or Appendix N should apply to this Agreement, the Parties agree to negotiate and amend those provisions, as necessary, in accordance with Section 7.1. If a Party determines amendments are necessary, and the Parties do not agree to the proposed amendments within sixty (60) calendar days, the Agreement will be terminated in accordance with Section 1.2.

7.13 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.

7.14 Section Headings

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

7.15 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 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 executed in their respective names by their duly authorized officers as of the date first entered above.

California Independent System Operator Corporation

By:	E4E836F2D838414
Name:	Dede Subakti
Title:	VP, System Operations
Date:	5/22/2025

Salt River Project Agricultural Improvement and Power District

	DocuSigned by:		
By:	Melissa Martinez		
-	10A5F53876D0477		
Name:	Melissa Martinez		
Title:	Director Transmission/Generation Operations		
Date:	5/27/2025		

SCHEDULE 1

DESCRIPTION OF DYNAMIC SCHEDULING RESOURCES [Sections 4.4.5 and 7.1]

A. Dynamic Scheduling System Resources Into the CAISO Balancing Authority Area

There are no Dynamic Scheduling System Resources into the CAISO Balancing Authority Area.

B. Dynamic Scheduling System Resources Out of the CAISO Balancing Authority Area

There are no Dynamic Scheduling System Resources out of the CAISO Balancing Authority Area.

This Schedule 1 shall remain in effect until superseded by written notice from either of the Parties in accordance with Section 4.4.5 of the Agreement.

SCHEDULE 2

PSEUDO TIE Technical Information

NATIVE and ATTAINING BALANCING AUTHORITY AREA Information [Sections 5.9 and 7.1]

A. Pseudo-Ties Into the CAISO Balancing Authority Area

Technical Information

Pseudo Tie Location	Arlington Valley Solar Energy II is located at 15600 South Old US 80, Arlington, AZ and interconnected to the Hassayampa Switchyard
Pseudo-Tie Generating Unit/Resource ID	Arlington Valley Solar Energy II ARLVAL_5_SOLAR
PMax ¹	127.0 MW
Attaining Balancing Authority Area	California Independent System Operator Corporation (CAISO)
Native Balancing Authority Area	Salt River Project Agricultural Improvement and Power District (SRP)
Intertie Intertie ID	(Palo Verde – Colorado River, Hassayampa - N. Gila #2, and Hassayampa – Hoodoo Wash 500 kV lines) PV_West
Intermediary Balancing Authority Area(s)	APS for the Hassayampa – North Gila #2 500 kV line
Pseudo Tie Location	Sun Pond 1 and Sun Pond 2 are located at 9217 S 339th Ave Tonopah, AZ 85354, and interconnected to the Hassayampa Switchyard
Pseudo-Tie Generating Unit/Resource ID	Generator ProjectResource IDSun Pond Solar 1SUNPND_5_SPSSR1Sun Pond Solar 2SUNPND_5_SPSSR2Sun Pond Storage 1SUNPND_5_SPSBT1Sun Pond Storage 2SUNPND_5_SPSBT2
PMax2	85.0 MW
Attaining Balancing Authority Area	California Independent System Operator Corporation (CAISO)
Native Balancing Authority Area	Salt River Project Agricultural Improvement and Power District (SRP)

¹ This value represents the maximum amount of power that can be scheduled by the Pseudo-Tie Generating Unit or into the CAISO Balancing Authority Area, and is subject to limitation by Congestion on the scheduling path or System Emergencies that could reduce or eliminate the ability to schedule and transfer power from time-to-time. ² This value represents the maximum amount of power that can be scheduled by the Pseudo-Tie Generating Unit or into the CAISO Balancing

 $^{^2}$ This value represents the maximum amount of power that can be scheduled by the Pseudo-Tie Generating Unit or into the CAISO Balancing Authority Area, and is subject to limitation by Congestion on the scheduling path or System Emergencies that could reduce or eliminate the ability to schedule and transfer power from time-to-time.

Intertie Intertie ID	(Palo Verde – Colorado River, Hassayampa - N. Gila #2, and Hassayampa – Hoodoo Wash 500 kV lines) PV_West
Intermediary Balancing Authority Area(s)	APS for the Hassayampa – North Gila #2 500 kV line

B. Pseudo-Tie Out of the CAISO Balancing Authority Area

There are no Pseudo-Ties out of the CAISO Balancing Authority Area.

This Schedule 2, shall remain in effect until superseded by written notice from either of the Parties in accordance with Section 5.9 of the Agreement.

SCHEDULE 3

NOTICES [Section 7.11]

SRP:

Name of Primary Title: Mailing Address: City/State/Zip Code:

Director, Transmission Generation Operations: P.O. Box 52025 Phoenix, AZ 85072-2025

Name of Alternate

Title: Mailing Address: City/State/Zip Code: Manager, Grid Ops Support P.O. Box 52025 Phoenix, AZ 85072-2025

CAISO:

Name of Primary

Representative: Title: Address: City/State/Zip Code: Email address: Phone: Fax: Regulatory Contracts N/A 250 Outcropping Way Folsom, CA 95630 <u>regulatorycontracts@caiso.com</u> (916) 608-7027 (916) 608-7292

Name of Alternative Representative:

Title: Address: City/State/Zip Code: **Riddhi Ray** Manager, Regulatory Contracts 250 Outcropping Way Folsom, CA 95630

This Schedule 3, shall remain in effect until superseded by written notice from either of the Parties in accordance with Section 7.1 of the Agreement.