

September 29, 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 EIM Entity Agreement** with Power Watch, LLC

> > Docket No. ER25-____-000

Dear Secretary Reese:

The California Independent System Operator Corporation ("CAISO") submits for Commission acceptance the EIM Entity Agreement ("Agreement") between the CAISO and Power Watch, LLC ("Power Watch").1 The Agreement sets forth the legal obligations and operational rules that will govern Power Watch's participation in the CAISO's Western Energy Imbalance Market ("WEIM"). The WEIM is the vehicle by which entities outside the CAISO's balancing authority area participate in the CAISO's real-time market. Under the Agreement, Power Watch will comply with the CAISO tariff provisions applicable to WEIM entities, with a limited modification to account for Power Watch's status as a generation only balancing authority that is not a transmission service provider.

The CAISO requests that the Commission accept the Agreement effective 61 days after the date of this filing, i.e., November 29, 2025, so that CAISO and Power Watch can timely complete all necessary actions to enable Power Watch to commence participation in the WEIM on May 6, 2026.

I. Background

The WEIM provides other Balancing Authority Areas ("BAAs") the opportunity to participate in the real-time market for imbalance energy that the

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The CAISO submits the Agreement pursuant to Section 205 of the Federal Power Act, 16 U.S.C. § 824d. The Agreement is designated as Service Agreement No. 8949 under the CAISO tariff.

CAISO operates in its own BAA. PacifiCorp's BAAs (PacifiCorp East and PacifiCorp West) were the first two to join the WEIM.² The CAISO's market rules went into effect on October 24, 2014, for the first trading day November 1, 2014.³ The WEIM has continued to develop and attract the interest of a diverse array of participants throughout the Western Interconnection, and already includes a generation only balancing area similar to Power Watch.⁴

II. Power Watch's Generation Only Balancing Authority Area

Power Watch operates what is conventionally referred to as a generatoronly BAA. The Power Watch BAA went operational in 2016. It operates as a transmission dependent BAA and is geographically located entirely within the state of Montana.

Three wind resource generation facilities are currently located within the Power Watch BAA. The total nameplate capacity is 397.5 MW, with a 75 MW battery storage project and a 120 MW solar generation project currently in development. Following its entry into the Power Watch BAA, MATL will be the only affiliated third-party transmission provider within the Power Watch BAA. Separately, and although unrelated to this filing, MATL has publicly announced plans to revise its Open Access Transmission Tariff ("OATT") to enable transmission customers with rights on the MATL system (and, thus, within the Power Watch BAA) to make transmission rights available for the WEIM in coordination with Power Watch as the balancing authority ("BA") and anticipated EIM Entity.

III. Generation Only Balancing Authority Operation and Settlement

CAISO's operation and settlement of Power Watch's participation as a generation only BAA in the WEIM will be similar to Avangrid Renewables, LLC's participation and revisions to the *pro forma* EIM Entity Agreement, which was previously accepted by the Commission.⁵

Specifically, CAISO's operation and settlement of a generation only BAA in the WEIM will account for all expected inputs and outputs from the market, including base schedules and economic bids, a demand forecast, metered demand as a zero or null value and measured demand based on interchange.⁶ The WEIM will dispatch available resources to meet the BAA demand forecast,

https://www.westerneim.com/Pages/About/default.aspx.

² See Cal. Indep. Sys. Operator Corp., 143 FERC ¶ 61,298 (2013).

See Cal. Indep. Sys. Operator Corp., 149 FERC ¶ 61,005 (2014).

WEIM participation materials are at

See Commission Letter Order, Docket No. ER22-2227-000 (Aug. 24, 2022).

EIM measured demand includes metered EIM demand (zero) plus real-time interchange export schedules.

including export schedules, and support WEIM transfers up to the transfer limits. Meter data for generation and after-the-fact tags for import and export schedules will be provided by Power Watch for settlement purposes.

The vast majority of accounting for a generation only BAA is no different than it is for other BAAs in the WEIM today, and the resulting settlement will in all cases be consistent with the outcome of the associated CAISO tariff allocation. Generation will settle at the relevant FMM and RTD locational marginal price. and import and export schedules will settle at the relevant intertie FMM and RTD locational marginal price. Generation deviations will be settled at the relevant RTD locational marginal price. Import and export schedule deviations will be settled at the relevant intertie RTD locational marginal price. Generation settlement will include a GHG payment based on its bid adder if it provides energy to a GHG region. However, there are some settlement charge codes where the embedded allocation methodology is to load ratio share or measured demand ratio share.

For charge codes allocated to measured demand ratio shares, generation only BAAs will settle as they otherwise would in a BAA with load because the determinants include real time interchange export schedules, which is not a null value. In cases where the allocation is based on load ratio share as a method to align the allocation determinant, any BAA costs will be allocated directly to Power Watch as the WEIM entity even though load is a null value. This allocation of BAA costs is consistent with the outcome of the associated CAISO tariff allocation that would assign the costs to the BAA in any event, and it is appropriate because these costs are indeed the responsibility of the generation only BAA and should not be shared across the WEIM area footprint. Without an allocation to the generation only BAA, these charge codes could result in a cost shift to other BAAs that would not be an appropriate settlement. This implementation issue, i.e., the allocation of load ratio share charge code determinants directly to the WEIM entity responsible for a generation only BAA, is documented and addressed within the relevant settlement configuration guides.7

IV. The EIM Entity Agreement

The differences between the Agreement and the pro forma EIM Entity Agreement contained in Appendix B.17 to the CAISO tariff stem from the

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See, e.g., BPM Configuration Guide No. CC 64740: Real Time Unaccounted For Energy EIM Settlement, available at: https://bpmcm.caiso.com/BPM Document Library/Settlements and Billing/Configuration Guides/HASP-RT/BPM - CG CC 64740 Real-Time Unaccounted for EIM Energy Settlement 5.4.doc, and BPM Configuration Guide No. CC 7076: Flexible Ramp Forecast Movement Allocation, available at: https://bpmcm.caiso.com/BPM Document Library/Settlements and Billing/Configuration Guides/Ancillary Services/BPM - CG CC 7076 Flexible Ramp Forecast Movement Allocation 5.1.doc.

legal and regulatory issues unique to Power Watch's status as a generation only BAA that provides balancing energy services in accordance with applicable procedures, practices, agreements, and FERC authorizations; *i.e.*, Power Watch is not a transmission service provider and does not have an OATT. No other substantive changes are proposed, and Power Watch's participation in the WEIM will be subject to all existing CAISO tariff rules, except as provided in the Agreement. The following discussion explains the specific differences between the Agreement and the *pro forma* EIM Entity Agreement contained in Appendix B.17 to the CAISO tariff.8

Article I adopts the definitions in the CAISO tariff for the Agreement and sets forth rules of interpretation and conventions applicable to the Agreement. It also provides that matters specifically addressed by a provision of the Agreement govern notwithstanding any inconsistent provisions of the CAISO tariff. This ensures that the legal and regulatory differences associated with Power Watch's participation in the WEIM are accommodated.

Article II includes a provision to reflect that Power Watch is not directly subject to the Standards of Conduct set forth in 18 C.F.R. § 358. CAISO tariff sections 29.4(c)(3)(B) and 29.4(e)(3)(B) require an EIM Entity to be subject to the standards of conduct or be an exempt entity as described in section 201(f) of the FPA in order to act as both a WEIM entity scheduling coordinator and WEIM participating resource scheduling coordinator. Power Watch will instead implement procedures equivalent to the protections offered under the Standards of Conduct that are appropriate for Power Watch's generation only BAA, which specifically include procedures addressing the no-conduit rule to preclude non-public transmission function information that may be received by Power Watch from being passed to Power Watch employees that satisfy the definition of a "Marketing Function" Employee" as defined by the Standards of Conduct. This will enable Power Watch's service as both a WEIM entity scheduling coordinator and WEIM participating resource scheduling coordinator even though Power Watch is not directly subject to the FERC Standards of Conduct as otherwise required by the CAISO tariff. The CAISO acknowledges this status in the Agreement.

The CAISO also understands that through its affiliate relationship with MATL, Power Watch may from time to time become indirectly subject to FERC's Standards of Conduct, and thus complies with the MATL affiliates' Standard of Conduct Procedures.

Article II also includes a provision to clarify that, because Power

See Attachment B hereto contains a document showing the differences between the Agreement and the *pro forma* EIM Entity Agreement in red-line format, which is provided for informational purposes only.

Watch is not a transmission service provider, the transmission rights of its affiliated third-party transmission provider (MATL), are sufficient to support reliable operation of its BAA and Power Watch's participation in the WEIM.

Articles III through X are standard CAISO contract provisions on the term and termination, applicability of the CAISO tariff, responsibility for costs, dispute resolution, representations and warranties, uncontrollable forces, and miscellaneous terms. These terms are substantively unchanged from the *pro forma* EIM Entity Agreement with two exceptions. First, Section 4.1 includes language to clarify that the rules of interpretation will be considered in application of the CAISO tariff to Power Watch's participation in the WEIM. This ensures that the changes in Article II will not be overridden by the otherwise applicable provisions of the CAISO tariff. Second, Section 7.2 contemplates that Power Watch, as the EIM Entity, will make all necessary arrangements with third party transmission providers (such as MATL).

V. Effective Date

The CAISO requests that this Agreement be made effective 61 days after the date of this filing, *i.e.*, November 29, 2025. Power Watch's participation in the WEIM is targeted to commence on May 6, 2026, and the CAISO and Power Watch must engage in activities that support a certification of readiness at least 30 days prior to that implementation date. Making the Agreement effective November 29, 2025 will allow the parties to certify their readiness in a timely manner.

VI. Service

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

See sections 29.2(b)(6)-(7) of the CAISO tariff.

VII. Contents of Filing

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

Attachment A The fully executed Agreement;

Attachment B A comparison document showing the

differences between the Agreement and the pro forma EIM Entity Agreement in red-line

format.

VIII. Correspondence

Under Rule 203(b)(3),¹⁰ the CAISO respectfully requests that all correspondence and other communications about this filing be served upon:

John E. Spomer Lead Counsel California Independent System Operator Corporation 250 Outcropping Way Folsom, CA 95630 Tel: (916) 804-0389

Fax: (916) 608-7236

E-mail: jspomer@caiso.com

IX. Conclusion

The CAISO requests that the Commission accept the Agreement effective November 29, 2025. If there are any questions concerning this filing, please contact the undersigned.

⁰ 18 C.F.R. § 385.203(b)(3).

Respectfully submitted,

/s/ John Spomer

Roger E. Collanton
General Counsel
John C. Anders
Deputy General Counsel
John E. Spomer
Lead Counsel
California Independent System
Operator Corporation
250 Outcropping Way
Folsom, CA 95630

Counsel for the California Independent System Operator Corporation

Attachment A – Executed Agreement

EIM Entity Agreement

Between

Power Watch, LLC

And the

California Independent System Operator Corporation

September 26, 2025

CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION

AND

POWER WATCH, LLC

EIM
ENTITY AGREEMENT



EIM Entity Agreement (EIMEA)

THIS ENERGY IMBALANCE MARKET ENTITY AGREEMENT ("AGREEMENT") is established this _{29th} day of __august_____, 2025 and is accepted by and between:

Power Watch, LLC ("EIM Entity"), having its registered and principal executive office at 4750 East Park Drive, Third Floor, Palm Beach Gardens, Florida, 33410,

and

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

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

Whereas:

- **A.** The Parties named above operate Balancing Authority Areas.
- B. The EIM Entity is a generation-only Balancing Authority Area that provides balancing Energy services in accordance with applicable procedures, practices, agreements, and FERC authorizations.
- **c.** The CAISO operates the Real-Time Market pursuant to the CAISO Tariff.
- D. There are third party transmission service providers within the EIM Entity Balancing Authority Area that intend to enable Energy Imbalance Market services on their transmission systems.
- E. The Parties are entering into this Agreement to enable the EIM Entity to participate in the CAISO's Real-Time Market and to facilitate the provision of Energy Imbalance Market services within the EIM Entity Balancing Authority Area, including Real-Time transfers of Energy among the CAISO Balancing Authority Area and other EIM Entity Balancing Authority Areas.

NOW THEREFORE, in consideration of the mutual covenants set forth herein, **THE PARTIES AGREE** as follows:

ARTICLE I

DEFINITIONS AND INTERPRETATION

1.1 Master Definitions Supplement. All terms and expressions used in



this Agreement and not otherwise defined herein shall have the same meaning as those contained in the Master Definitions Supplement to the CAISO Tariff.

- **1.2 Rules of Interpretation.** The following rules of interpretation and conventions shall apply to this Agreement:
 - (a) if and to the extent a matter is specifically addressed by a provision of this Agreement, the provision of this Agreement shall govern notwithstanding any inconsistent provisions of the CAISO Tariff;
 - (b) if and to the extent this Agreement provides that a matter shall be determined in accordance with the applicable provisions of the CAISO Tariff, the applicable provisions of the CAISO Tariff shall govern;
 - (c) the singular shall include the plural and vice versa;
 - (d) the masculine shall include the feminine and neutral and vice versa;
 - (e) "includes" or "including" shall mean "including without limitation";
 - (f) references to a Section, Article or Schedule shall mean a Section, Article or a Schedule of this Agreement, as the case may be, unless the context otherwise requires;
 - (g) a reference to a given agreement or instrument shall be a reference to that agreement or instrument as modified, amended, supplemented or restated through the date as of which such reference is made;
 - (h) unless the context otherwise requires, references to any law shall be deemed references to such law as it may be amended, replaced or restated from time to time;
 - unless the context otherwise requires, any reference to a "person" includes any individual, partnership, firm, company, corporation, joint venture, trust, association, organization or other entity, in each case whether or not having separate legal personality;
 - (j) unless the context otherwise requires, any reference to a Party includes a reference to its permitted successors and assigns;
 - (k) any reference to a day, week, month or year is to a calendar day, week, month or year;
 - (I) unless the context requires otherwise, "or" is used in the conjunctive



sense; and

(m) the captions and headings in this Agreement are inserted solely to facilitate reference and shall have no bearing upon the interpretation of any of the terms and conditions of this Agreement.

ARTICLE II

RESPONSIBILITIES OF EIM ENTITY AND CAISO

- 2.1 Scope of Responsibilities. The Parties are individually responsible for the efficient use and reliable operation of their Balancing Authority Areas consistent with the Reliability Standards established by the Western Electricity Coordinating Council ("WECC") and the North American Electric Reliability Corporation ("NERC"), and in accordance with their respective tariffs on file with the Federal Energy Regulatory Commission ("FERC"). Nothing in this Agreement is intended to change, supersede, or alter either Party's obligations to abide by NERC and WECC Reliability Standards.
- **Tariff Provisions.** The CAISO shall provide open access to the Real-Time Market in accordance with the terms of the CAISO Tariff. The EIM Entity shall have in effect procedures, practices, agreements, and FERC authorizations, as necessary and applicable, to enable operation of the Real-Time Market in its Balancing Authority Area to align with the CAISO Tariff.
- 2.3 EIM Entity Scheduling Coordinator. The EIM Entity function of Power Watch shall be represented by an EIM Entity Scheduling Coordinator, which may be the EIM Entity or another entity certified by the CAISO to perform the functions of an EIM Entity Scheduling Coordinator. The EIM Entity shall implement procedures equivalent to the protections offered under the FERC Standards of Conduct set forth in 18 C.F.R. § 358, that are appropriate for Power Watch's generation only balancing authority area, which specifically include procedures addressing the no-conduit rule to preclude non-public transmission function information that may be received by Power Watch from being passed to parties that satisfy the definition of a "Marketing Function Employee" as defined by the FERC Standards of Conduct. Power Watch may be an EIM Entity Scheduling Coordinator even though Power Watch is not a transmission provider subject to the FERC Standards of Conduct as otherwise required by CAISO Tariff sections 29.4(c)(3)(B) and 29.4(e)(3)(B).
- 2.4 EIM Transmission Service and Resource Information. The EIM Entity shall provide information to the CAISO for Energy Imbalance Market purposes regarding the network topology of its Balancing Authority Area, non-participating resources, and loads in accordance with the CAISO Tariff and the Business Practice Manual for the Energy Imbalance Market. The EIM Entity is responsible for the accuracy and completeness of this



information.

- 2.5 EIM Transmission Availability. The EIM Entity shall facilitate the availability for use in the Real-Time Market transmission capacity that is not otherwise encumbered, reserved, scheduled, or being used by the EIM Entity or by others and shall make arrangements with third party transmission service providers within its Balancing Authority Area that intend to enable Energy Imbalance Market services on their transmission systems to provide such transmission capacity on their systems for use in the Real-Time Market. The EIM Entity shall provide the CAISO with real time information regarding the availability of transmission capacity for use in the Energy Imbalance Market as provided in the CAISO Tariff and Business Practice Manual for the Energy Imbalance Market.
- **2.6 EIM Entity Corrective Actions.** The EIM Entity may take corrective action, subject to the provision of procedures, practices, agreements, and FERC authorizations, to address an issue with Energy Imbalance Market implementation or operation consistent with Section 29 of the CAISO Tariff.

ARTICLE III

TERM AND TERMINATION

- 3.1 Effective Date. This Agreement shall be effective as of the later of the date it is executed by the Parties or the date it is accepted for filing and made effective by FERC and shall remain in full force and effect until terminated pursuant to Section 3.2 of this Agreement.
- 3.2 Termination
- **Termination by CAISO.** The CAISO may terminate this Agreement by giving written notice of termination pursuant to Section 29.1(d) of the CAISO Tariff or in the event that the EIM Entity commits any material default under this Agreement or Section 29 of the CAISO Tariff that, if capable of being remedied, is not remedied within thirty (30) days after the CAISO has given the EIM Entity written notice of the default, unless the default is excused by reason of Uncontrollable Forces in accordance with Article IX of this Agreement. With respect to any notice of termination given pursuant to this Section, the CAISO must file a timely notice of termination with FERC or must otherwise comply with the requirements of FERC Order No. 2001 and related FERC orders. The filing of the notice of termination by the CAISO with FERC will be considered timely if (1) the filing of the notice of termination is made after the preconditions for termination have been met. and the CAISO files the notice of termination within sixty (60) days after issuance of the notice of default; or (2) the CAISO files the notice of termination in accordance with the requirements of FERC Order No. 2001. This Agreement shall terminate upon acceptance by FERC of such a notice



- of termination or thirty (30) days after the date of the CAISO's notice of default, if terminated in accordance with the requirements of FERC Order No. 2001 and related FERC orders.
- **3.2.2 Termination by EIM Entity.** In the event that the EIM Entity no longer wishes to enable Energy Imbalance Market services within its Balancing Authority Area pursuant to the CAISO Tariff, it may terminate this Agreement by giving the CAISO not less than one-hundred and eighty (180) days written notice. With respect to any notice of termination given pursuant to this Section, the CAISO must file a timely notice of termination with FERC or must otherwise comply with the requirements of FERC Order No. 2001 and related FERC orders. The filing of the notice of termination by the CAISO with FERC will be considered timely if(1) the request to file a notice of termination is made after the preconditions for termination have been met, and the CAISO files the notice of termination within thirty (30) days of receipt of such request; or (2) the CAISO files the notice of termination in accordance with the requirements of FERC Order No. 2001. This Agreement shall terminate upon acceptance by FERC of such a notice of termination or upon the next production date of the Full-Network Model release following the one-hundred and eighty (180) days after the CAISO's receipt of the EIM Entity's notice of termination, if terminated in accordance with the requirements of FERC Order No. 2001 and related FERC orders.
- 3.3 No Termination Charge. The CAISO shall not levy an exit fee or other charge associated with CAISO systems, procedures, or other changes required by the termination of the EIM Entity's participation in the Energy Imbalance Market as of the effective date of such notice, provided that EIM Entity obligations incurred under this Agreement prior to the effective date of such notice shall survive termination until satisfied.

ARTICLE IV

CAISO TARIFF

4.1 Agreement Subject to CAISO Tariff. This Agreement shall be subject to Section 29 of the CAISO Tariff, which shall be deemed to be incorporated herein, as interpreted in accordance with Section 1.2(a) and 1.2(b) of this Agreement. The EIM Entity shall abide by, and shall perform, all of the obligations of EIM Entities under the CAISO Tariff.

ARTICLE V

COSTS

5.1 Operating and Maintenance Costs. The EIM Entity shall be responsible for all its costs incurred in connection with meeting its obligations under this Agreement.



ARTICLE VI

DISPUTE RESOLUTION

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 EIM Entity and references to the CAISO Tariff shall be read as references to this Agreement.

ARTICLE VII

REPRESENTATIONS AND WARRANTIES

- **7.1 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.
- **7.2 Necessary Approvals.** The EIM Entity represents 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 EIM Entity prior to the effective date of this Agreement, including any arrangement with third party Balancing Authorities or transmission providers.

ARTICLE VIII

LIABILITY

8.1 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 EIM Entity and references to the CAISO Tariff shall be read as references to this Agreement.

ARTICLE IX

UNCONTROLLABLE FORCES

9.1 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 EIM Entity and references to the CAISO Tariff shall be read as references to this Agreement.



ARTICLE X

MISCELLANEOUS

- 10.1 Assignments. Either Party may assign or transfer any or all of its rights or obligations under this Agreement with the other Party's prior written consent in accordance with Section 22.2 of the CAISO Tariff and no Party may assign or transfer any or all of its rights or obligations under this Agreement without such consent. Such consent shall not be unreasonably withheld. Any such transfer or assignment shall be conditioned upon the successor in interest accepting the rights or obligations under this Agreement as if said successor in interest were an original Party to this Agreement.
- 10.2 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, provided that all references in Section 22.4 of the CAISO Tariff to Market Participants shall be read as a reference to the EIM Entity and references to the CAISO Tariff shall be read as references to this Agreement, and unless otherwise stated or agreed shall be made to the representative of the other Party indicated in Schedule 1. A Party must update the information in Schedule 1 of this Agreement as information changes. Such changes shall not constitute an amendment to this Agreement.
- 10.3 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.
- 10.4 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.
- **10.5 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.



- **10.6 Merger.** This Agreement constitutes the complete and final agreement of the Parties with respect to the subject matter hereof and supersedes all prior agreements, whether written or oral, with respect to such subject matter.
- 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.
- 10.8 **Amendments.** This Agreement and the Schedules attached hereto 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 the EIM Entity 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 the 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.
- **10.9 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.



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

	DocuSigned by:
By:	Khaled Abdul-Rahman
_	018C598C28F6464
Name:	Khaled Abdul-Rahman
_	
Title: _	Vice President and CITO, Power Systems & Market Technology
Date: _	8/28/2025

Power Watch, LLC

	Signed by:
By:	Nancy Murray
	465EA6AD23DD429
Name:	Nancy Murray
_	
Title: _	President
Date:	8/29/2025



SCHEDULE 1

NOTICES

[Section 10.2]

EIM Entity

Name of Primary

Representative: Dwayne Howard

Title: VP Energy Services & Technology

Company: BHE Montana

Address: 4750 East Park Drive, Third Floor
City/State/Zip Code: Palm Beach Gardens, FL, 33410
Email Address: dwayne.howard@bhemontana.com

Phone: (561) 944-6139

Fax No: N/A

Name of Alternative

Representative: Nancy Murray

Title: President

Company: BHE Montana

Address: 4750 East Park Drive, Third Floor City/State/Zip Code: Palm Beach Gardens, FL, 33410 Email Address: nancy.murray@bhemontana.com

Phone: N/A Fax No: N/A



CAISO

Name of Primary

Representative: Regulatory Contracts

Title: N/A

Address: 250 Outcropping Way

City/State/Zip Code: Folsom, CA 95630

Email address: RegulatoryContracts@caiso.com

Phone: (916) 351-4400

Fax: N/A

Name of Alternative

Representative: Riddhi Ray

Title: Manager, Regulatory Contracts

Address: 250 Outcropping Way

City/State/Zip Code: Folsom, CA 95630

Email address: rray@caiso.com

Phone: (916) 608-1056

Fax: N/A

Attachment B – Redline Comparison between the agreement and the pro forma

EIM Entity Agreement

Between

Power Watch, LLC

And the

California Independent System Operator Corporation

September 26, 2025

CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION

<u>AND</u>

POWER WATCH, LLC

EIM ENTITY AGREEMENT



Appendix B.17 EIM Entity Agreement (EIMEA)

THIS ENERGY IMBALANCE MARKET ENTITY AGREEMENT ("AGREEMENT") is established thi day of, 2025 and is accepted by and between:	is
Power Watch, LLC[Full legal name] ("EIM Entity"), having its registered and principal executive office at 4750 East Park Drive, Third Floor, Palm Beach Gardens, Florida, 33410, [address],	
and	
California Independent System Operator Corporation ("CAISO"), a California nonprofit public benefit corporation having a principal executive office located at such place in the State of California as the CAISO Governing Board may from time to time designate.	
The EIM Entity and the CAISO are hereinafter referred to as the "Parties."	
Whereas:	
AAThe Parties named above operate Balancing Authority Areas.	
B. —The EIM Entity is a generation-only Balancing Authority Area that provides transmission service in accordance with an open access transmission tariff ("OATT"), including-balancing Energy services in accordance with applicable procedures, practices, agreements, and FERC authorizations.	
CCThe CAISO operates the Real-Time Market pursuant to the CAISO Tariff.	
DThere {are/are not} third party transmission service providers within the EIM Entity Balancing Authority Area that intend to enable Energy Imbalance Market services on their transmission systems.	
EThe Parties are entering into this Agreement to enable the EIM Entity to participate in the CAISO's Real-Time Market and to <u>facilitate the provision of provide</u> Energy Imbalance Market services within the EIM Entity Balancing Authority Area, including Real-Time transfers of Energy among the CAISO Balancing Authority Area and other EIM Entity Balancing Authority Areas.	
NOW THEREFORE, in consideration of the mutual covenants set forth herein, THE PARTIES AGREE follows:	∄ as
ARTICLE I	
DEFINITIONS AND INTERPRETATION	
1.1Master Definitions SupplementAll terms and expressions used in this Agreement and not otherwise defined herein shall have the same meaning as those contained in the Master Definitions Supplement to the CAISO Tariff.	
1.2 Rules of InterpretationThe following rules of interpretation and conventions shall apply to this Agreement:	
(a) (a)—if and to the extent a matter there is specifically addressed by a provision of	



any inconsistency between this Agreement, the provision of this Agreement shall govern notwithstanding any inconsistent provisions of and the CAISO Tariff;

- (b) if and to the extent this Agreement provides that a matter shall be determined in accordance with the applicable provisions of the , the CAISO Tariff, will prevail to the applicable provisions extent of the CAISO Tariff shall governinconsistency;
- (c) (b) the singular shall include the plural and vice versa;
- (d) (c) the masculine shall include the feminine and neutral and vice versa;
- (e) (d) "includes" or "including" shall mean "including without limitation";
- (f) (e) references to a Section, Article or Schedule shall mean a Section, Article or a Schedule of this Agreement, as the case may be, unless the context otherwise requires;
- (g) (f)—a reference to a given agreement or instrument shall be a reference to that agreement or instrument as modified, amended, supplemented or restated through the date as of which such reference is made;
- (h) (g) unless the context otherwise requires, references to any law shall be deemed references to such law as it may be amended, replaced or restated from time to time;
- (i) (h) unless the context otherwise requires, any reference to a "person" includes any individual, partnership, firm, company, corporation, joint venture, trust, association, organization or other entity, in each case whether or not having separate legal personality;
- (i) unless the context otherwise requires, any reference to a Party includes a reference to its permitted successors and assigns;
- (k) (j) any reference to a day, week, month or year is to a calendar day, week, month or year;
- (k) unless the context requires otherwise, "or" is used in the conjunctive sense;
 and
- (m) (I)—the captions and headings in this Agreement are inserted solely to facilitate reference and shall have no bearing upon the interpretation of any of the terms and conditions of this Agreement.

ARTICLE II

RESPONSIBILITIES OF EIM ENTITY AND CAISO

2.1 Scope of Responsibilities. The Parties are individually responsible for the efficient use and reliable operation of their Balancing Authority Areas consistent with the Reliability Standards established by the Western Electricity Coordinating Council ("WECC") and the North American Electric Reliability Corporation ("NERC"), and in accordance with their



respective tariffs on file with the Federal Energy Regulatory Commission ("FERC"). -Nothing in this Agreement is intended to change, supersede, or alter either Party's obligations to abide by NERC and WECC Reliability Standards or to provide open and non-discriminatory transmission access in accordance with the terms of their respective FERC tariffs.

- 2.2 Tariff Provisions.- The CAISO shall provide open access to the Real-Time Market in accordance with the terms of the CAISO Tariff. -The EIM Entity shall have in effect procedures, practices, agreements, and FERC authorizations, as necessary and applicable provisions in its OATT to enable operation of the Real-Time Market in its Balancing Authority Area to alignin accordance with the CAISO Tariff.
- 2.3 EIM Entity Scheduling Coordinator. -The EIM Entity function of Power Watch shall be represented by an EIM Entity Scheduling Coordinator, which may be the EIM Entity or another entity certified by the CAISO to perform the functions of an EIM Entity Scheduling Coordinator. The EIM Entity shall implement procedures equivalent to the protections offered under the FERC Standards of Conduct set forth in 18 C.F.R. § 358, that are appropriate for Power Watch's generation only balancing authority area, which specifically include procedures addressing the no-conduit rule to preclude non- public transmission function information that may be received by Power Watch from being passed to parties that satisfy the definition of a "Marketing Function Employee" as defined by the FERC Standards of Conduct. Power Watch may be an EIM Entity Scheduling Coordinator even though Power Watch is not a transmission provider subject to the FERC Standards of Conduct as otherwise required by CAISO Tariff sections 29.4(c)(3)(B) and 29.4(e)(3)(B).
- 2.4 EIM Transmission Service and Resource Information.- The EIM Entity shall provide information to the CAISO for Energy Imbalance Market purposes regarding the network topology of its Balancing Authority Area, non-participating resources, and loads in accordance with the CAISO Tariff and the Business Practice Manual for the Energy Imbalance Market. -The EIM Entity is responsible for the accuracy and completeness of this information.
- 2.5 EIM Transmission Availability. -The EIM Entity shall facilitate the availabilitymake available for use in the Real-Time Market transmission capacity on its system that is not otherwise encumbered, reserved, scheduled, or being used by the EIM Entityits transmission customers or by others and shall make arrangements with third party transmission service providers within its Balancing Authority Area that intend to enable Energy Imbalance Market services on their transmission systems to provide such transmission capacity on their systems for use in the Real-Time Market. -The EIM Entity shall provide the CAISO with real time information regarding the availability of transmission capacity for use in the Energy Imbalance Market as provided in the CAISO Tariff and Business Practice Manual for the Energy Imbalance Market.
- 2.6 EIM Entity Corrective Actions. -The EIM Entity may take corrective action, subject to the provision of procedures, practices, agreements, and FERC authorizationsits OATT, to address an issue with Energy Imbalance Market implementation or operation consistent with Section 29 of the CAISO Tariff.

ARTICLE III

TERM AND TERMINATION

3.1 Effective Date.- This Agreement shall be effective as of the later of the date it is executed by the Parties or the date it is accepted for filing and made effective by FERC and shall remain in full force and effect until terminated pursuant to Section 3.2 of this Agreement.



3.2 3.2 Termination

- 3.2.1 3.2.1 Termination by CAISO.- The CAISO may terminate this Agreement by giving written notice of termination pursuant to Section 29.1(d) of the CAISO Tariff or in the event that the EIM Entity commits any material default under this Agreement or Section 29 of the CAISO Tariff that, if capable of being remedied, is not remedied within thirty (30) days after the CAISO has given the EIM Entity written notice of the default, unless the default is excused by reason of Uncontrollable Forces in accordance with Article IX of this Agreement. With respect to any notice of termination given pursuant to this Section, the CAISO must file a timely notice of termination with FERC or must otherwise comply with the requirements of FERC Order No. 2001 and related FERC orders.- The filing of the notice of termination by the CAISO with FERC will be considered timely if (1) the filing of the notice of termination is made after the preconditions for termination have been met, and the CAISO files the notice of termination within sixty (60) days after issuance of the notice of default; or (2) the CAISO files the notice of termination in accordance with the requirements of FERC Order No. 2001. This Agreement shall terminate upon acceptance by FERC of such a notice of termination or thirty (30) days after the date of the CAISO's notice of default, if terminated in accordance with the requirements of FERC Order No. 2001 and related FERC orders.
- 3.2.2 Termination by EIM Entity.- In the event that the EIM Entity no longer wishes to enable Energy Imbalance Market services within its Balancing Authority Area pursuant to the CAISO Tariff, it may terminate this Agreement byen giving the CAISO not less than one-hundred and eighty (180) days written notice. -With respect to any notice of termination given pursuant to this Section, the CAISO must file a timely notice of termination with FERC or must otherwise comply with the requirements of FERC Order No. 2001 and related FERC orders. -The filing of the notice of termination by the CAISO with FERC will be considered timely if-(1) the request to file a notice of termination is made after the preconditions for termination have been met, and the CAISO files the notice of termination within thirty (30) days of receipt of such request; or (2) the CAISO files the notice of termination in accordance with the requirements of FERC Order No. 2001.- This Agreement shall terminate upon acceptance by FERC of such a notice of termination or upon the next production date of the Full-Network Model release following the one-hundred and eighty (180) days after the CAISO's receipt of the EIM Entity's notice of termination, if terminated in accordance with the requirements of FERC Order No. 2001 and related FERC orders.
- 3.3 No Termination Charge. The CAISO shall not levy an exit fee or other charge associated with CAISO systems, procedures, or other changes required by the termination of the EIM Entity's participation in the Energy Imbalance Market as of the effective date of such notice, provided that EIM Entity obligations incurred under this Agreement prior to the effective date of such notice shall survive termination until satisfied.

ARTICLE IV

CAISO TARIFF

4.1 Agreement Subject to CAISO Tariff.- This Agreement shall be subject to Section 29 of the CAISO Tariff, which shall be deemed to be incorporated herein, as interpreted in accordance with Section 1.2(a) and 1.2(b) of this Agreement.— The EIM Entity shall abide by, and shall perform, all of the obligations of EIM Entities under the CAISO Tariff.

ARTICLE V

COSTS

5.1 Operating and Maintenance Costs. The EIM Entity shall be responsible for all its



costs incurred in connection with meeting its obligations under this Agreement.



ARTICLE VI

DISPUTE RESOLUTION

6.1 — 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 EIM Entity and references to the CAISO Tariff shall be read as references to this Agreement.

ARTICLE VII

REPRESENTATIONS AND WARRANTIES

- 7.1 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.
- 7.2 Necessary Approvals.- The EIM Entity represents 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 EIM Entity prior to the effective date of this Agreement, including any arrangement with third party Balancing Authorities or transmission providers.-

ARTICLE VIII

LIABILITY

8.1 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 EIM Entity and references to the CAISO Tariff shall be read as references to this Agreement.



ARTICLE IX

UNCONTROLLABLE FORCES

9.1 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 EIM Entity and references to the CAISO Tariff shall be read as references to this Agreement.

ARTICLE X

MISCELLANEOUS

- 40.1 Assignments.- Either Party may assign or transfer any or all of its rights or obligations under this Agreement with the other Party's prior written consent in accordance with Section 22.2 of the CAISO Tariff and no Party may assign or transfer any or all of its rights or obligations under this Agreement without such consent. -Such consent shall not be unreasonably withheld.- Any such transfer or assignment shall be conditioned upon the successor in interest accepting the rights or obligations under this Agreement as if said successor in interest were an original Party to this Agreement.
- 40.2 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, provided that all references in Section 22.4 of the CAISO Tariff to Market Participants shall be read as a reference to the EIM Entity and references to the CAISO Tariff shall be read as references to this Agreement, and unless otherwise stated or agreed shall be made to the representative of the other Party indicated in Schedule 1. -A Party must update the information in Schedule 1 of this Agreement as information changes.- Such changes shall not constitute an amendment to this Agreement.
- 40.3 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.
- 10.4 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.
- 10.5 40.5 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.



- 10.6 Merger.- This Agreement constitutes the complete and final agreement of the Parties with respect to the subject matter hereof and supersedes all prior agreements, whether written or oral, with respect to such subject matter.
- 10.7 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.
- 10.8 Amendments.- This Agreement and the Schedules attached hereto 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 the EIM Entity 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 the 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.
- 10.9 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.





Date:

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.

By: Name: Title: Date: [NAME OF EIM ENTITY]Power Watch, LLC By: Name: Title:

California Independent System Operator Corporation



SCHEDULE 1 NOTICES

[Section 10.2]

EIM Entity

Name of Primary

Representative: <u>Dwayne Howard</u>

Title: <u>VP Energy Services & Technology</u>

Company: <u>BHE Montana</u>

Address: 4750 East Park Drive, Third Floor
City/State/Zip Code: Palm Beach Gardens, FL, 33410
Email Address: dwayne.howard@bhemontana.com

Phone: (561) 944-6139

Fax No: N/A

Name of Alternative

Representative: <u>Nancy Murray</u>

Title: President

Company: <u>BHE Montana</u>

Address: 4750 East Park Drive, Third Floor
City/State/Zip Code: Palm Beach Gardens, FL, 33410
Email Address: nancy.murray@bhemontana.com

Phone: N/AFax No: N/A



California Independent System Operator Corporation

Fifth Replacement Tariff

CAISO

Name of Primary

Representative: Regulatory Contracts

Title: N/A

Company:_____

Address: <u>250 Outcropping Way</u>
City/State/Zip Code: Folsom, CA 95630

Email address: RegulatoryContracts@caiso.com

Phone: (916) 351-4400

Fax: N/A

Name of Alternative

Company:__

Representative: Riddhi Ray

Title: <u>Manager, Regulatory Contracts</u>

Address: 250 Outcropping Way
City/State/Zip Code: Folsom, CA 95630

Email address: rray@caiso.com

Phone: (916) 608-1056

Fax No.: N/A