



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

FREEDOM OF INFORMATION ACT PROGRAM

December 5, 2022

In reply refer to: FOIA #BPA-2022-01074-F

SENT VIA EMAIL ONLY TO: symingtonholdings@gmail.com

Brandon Taylor

(b) (6)
(b) (6)

Dear Mr. Taylor,

This communication is the Bonneville Power Administration's (BPA) final response to your request for agency records made under the Freedom of Information Act, 5 U.S.C. § 552 (FOIA). Your request was received by BPA on July 11, 2022, and formally acknowledged on July 14, 2022.

Request

"...current agreements between [the California Independent System Operator] CAISO and Bonneville Power Administration regarding the management of the AC transmission line from John Day to Malin this is commonly referred to as the 'COI Master Operating Procedure'."

Response

BPA searched for and gathered records responsive to your request from the agency's Transmission Account Services office. Knowledgeable personnel provided 67 pages of responsive agency records. Those records accompany this communication, with the following redactions applied:

- 4 minor redactions made under 5 U.S.C. § 552(b)(6) (Exemption 6)

You'll find a detailed explanation of the applied exemptions below.

Explanation of Exemptions

The FOIA generally requires the release of all agency records upon request. However, the FOIA permits or requires withholding certain limited information that falls under one or more of nine statutory exemptions (5 U.S.C. §§ 552(b)(1-9)). Further, section (b) of the FOIA, which contains the FOIA's nine statutory exemptions, also directs agencies to publicly release any reasonably segregable, non-exempt information that is contained in those records.

Exemption 6

Exemption 6 serves to protect Personally Identifiable Information (PII) contained in agency records when no overriding public interest in the information exists. BPA does not find an overriding public interest in a release of the information redacted under Exemption 6—specifically, individuals’ signatures. BPA cannot waive these PII redactions, as the protections afforded by Exemption 6 belong to individuals and not to the agency.

Lastly, as required by 5 U.S.C. § 552(a)(8)(A), information has been withheld only in instances where (1) disclosure is prohibited by statute, or (2) BPA foresees that disclosure would harm an interest protected by the exemption cited for the record. When full disclosure of a record is not possible, the FOIA statute further requires that BPA take reasonable steps to segregate and release nonexempt information. The agency has determined that in certain instances partial disclosure is possible, and has accordingly segregated the records into exempt and non-exempt portions.

Fees

There are no fees applicable to the agency’s response to your FOIA request.

Certification

Pursuant to 10 C.F.R. § 1004.7(b)(2), I am the individual responsible for the records search, the redactions applied thereto, and the records release described above.

Appeal

The records release certified above is final. Pursuant to 10 C.F.R. § 1004.8, you may appeal the adequacy of the records search, and the completeness of this final release, within 90 calendar days from the date of this communication. Appeals should be addressed to:

Director, Office of Hearings and Appeals
HG-1, L’Enfant Plaza
U.S. Department of Energy
1000 Independence Avenue, S.W.
Washington, D.C. 20585-1615

The written appeal, including the envelope, must clearly indicate that a FOIA appeal is being made. You may also submit your appeal by e-mail to OHA.filings@hq.doe.gov, including the phrase “Freedom of Information Appeal” in the subject line. (The Office of Hearings and Appeals prefers to receive appeals by email.) The appeal must contain all the elements required by 10 C.F.R. § 1004.8, including a copy of the determination letter. Thereafter, judicial review will be available to you in the Federal District Court either (1) in the district where you reside, (2) where you have your principal place of business, (3) where DOE’s records are situated, or (4) in the District of Columbia.

Additionally, you may contact the Office of Government Information Services (OGIS) at the National Archives and Records Administration to inquire about the FOIA mediation services they offer. The contact information for OGIS is as follows:

Office of Government Information Services
National Archives and Records Administration
8601 Adelphi Road-OGIS
College Park, Maryland 20740-6001
E-mail: ogis@nara.gov
Phone: 202-741-5770
Toll-free: 1-877-684-6448
Fax: 202-741-5769

Questions about this communication or the status of your FOIA request may be directed to James King, FOIA Public Liaison, at jjking@bpa.gov or 503-230-7621. Questions may also be directed to E. Thanh Knudson, Case Coordinator (ACS Staffing Group), at 503-230-5221 or etknudson@bpa.gov.

Sincerely,

Candice D. Palen
Freedom of Information/Privacy Act Officer
[Attachments / Enclosures: Agency records responsive to FOIA request BPA-2022-01074-F accompany this communication.](#)

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Department of Energy

Bonneville Power Administration
P.O. Box 61409
Vancouver, WA 98666-1409

TRANSMISSION BUSINESS LINE

March 22, 2006

In reply refer to: TM/OPP-2

Mr. Jim Detmers, Vice President, Operations
California Independent System Operator Corporation
151 Blue Ravine Road
Folsom, CA 95630

Letter Agreement No. 05TX-11944
Amendment No. 2

Dear Mr. Detmers:

The Bonneville Power Administration Transmission Business Line (BPAT) is a control area operator in the northwestern United States that provides transmission service across the Federal Columbia River Transmission System (FCRTS). The California Independent System Operator Corporation (CAISO), the control area operator for its area, entered into a letter agreement with BPAT, Letter Agreement No. 05TX-11944 (Letter Agreement) to facilitate the receipt of dynamic schedules from external control area(s) that requires the participation of BPAT as an intermediary control area.

This Amendment to the Letter Agreement (Amendment) serves to amend Section 1 (Term of Agreement) of the Letter Agreement and shall take effect on April 1, 2006.

BPAT and CAISO (jointly referred to as the "Parties" and individually as "Party") agree that Section 1 of the Letter Agreement shall be amended to read as follows:

"1. Term of Agreement

This Agreement shall be effective on April 1, 2005, or the date made effective by the Federal Energy Regulatory Commission (FERC) and shall continue in effect until such time at which CAISO's ability to use BPAT as an intermediary control area for the receipt of dynamic schedules is terminated in writing by either party with 30 days notice or until such time that this Agreement is superseded by the terms of a comprehensive agreement between the Parties covering dynamic scheduling and such agreement is made effective by the FERC. Nothing in this Agreement shall prevent a Party from selectively discontinuing its support for a particular dynamic scheduling functionality or transaction, should the Party determine that the particular functionality or transaction is not compliant with the Party's technical standards identified in Section 2 of this Agreement.

Performance by the Parties under this Agreement is contingent on the effectiveness of: a dynamic scheduling agreement between BPAT and British Columbia Transmission Corporation (BCTC), Contract No. 05TX-11896, and

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BPAT and Powerex Corp, Contract No. 05TX-11897; and a dynamic scheduling agreement between CAISO and Powerex Corp and a host control area agreement between CAISO and BCTC.”

Except as expressly modified in this Amendment, the Letter Agreement shall remain in full force and effect in accordance with its terms, and the unmodified provisions of the Letter Agreement shall apply to any new rights and/or obligations established by this Amendment.

If the foregoing terms and conditions are acceptable to CAISO, please sign the three enclosed originals, retain two signed originals for your files and return one signed original to my attention at either of the following addresses:

First Class Mail
Bonneville Power Administration
Mail Stop: TM/OPP-2
P.O. Box 61409
Vancouver, WA 98666-1409

Overnight Delivery Service
Bonneville Power Administration
Mail Stop: TM/OPP-2
7500 NE 41st Street, Suite 130
Vancouver, WA 98662-7905

If you have questions, please call me at (360) 619-6010.

Sincerely,

(b) (6)

Richard A. Gillman
Transmission Account Executive
Transmission Marketing and Sales

ACCEPTED:

CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION

By (b) (6)

Name JAMES W. DETMER
(Print/Type)

Title VP OPERATIONS

Date 3/24/06



Department of Energy

Bonneville Power Administration
P.O. Box 61409
Vancouver, WA 98666-1409

TRANSMISSION BUSINESS LINE

March 23, 2005

In reply refer to: TM/OPP-2

Contract No. 05TX-11944
LETTER AGREEMENT
(Dynamic Scheduling)

AUTHENTICATED

Mr. Randy Abernathy
Vice President, Market Services
California Independent System Operator Corporation
151 Blue Ravine Road
Folsom, CA 95630

Dear Mr. Abernathy:

The Bonneville Power Administration (BPA) Transmission Business Line (BPAT) is a control area operator in the northwestern United States that provides transmission service across the Federal Columbia River Transmission System (FCRTS). The California Independent System Operator Corporation (CAISO), the control area operator for its area, wishes to engage in the receipt of dynamic schedules from external control area(s) that requires the participation of BPAT as an intermediary control area.

BPAT's Dynamic Schedules Business Practice establishes the criteria and requirements for Dynamic Scheduling utilizing the FCRTS, including firm transmission capacity requirements, which must be met to reserve transmission service for a dynamic schedule transaction. Transmission customer rights to use the FCRTS are set forth in Transmission Service Agreements between the customer and BPAT pursuant to BPA's Open Access Transmission Tariff (Tariff). The transmission customer's rights are not affected by this agreement. CAISO is not an entity requesting transmission service from BPAT.

The CAISO's "Dynamic Scheduling Protocol" and "Standards for Imports of Regulation" establish standards that must be met for Dynamic Scheduling into the CAISO control area.

This Letter Agreement, No. 05TX-11944 (Agreement), documents the operating procedures to be used between CAISO and BPAT for the delivery of dynamic schedules to the CAISO control area through the BPAT control area from the British Columbia Transmission Corporation (BCTC) control area.

Therefore BPAT and CAISO (jointly referred to as the “Parties” and individually as “Party”) agree:

1. TERM OF AGREEMENT

This Agreement shall be effective the latter of April 8, 2005 or the date made effective by the Federal Energy Regulatory Commission (FERC). Unless otherwise extended by mutual agreement, this Agreement shall terminate on 0000 hours October 1, 2005. Prior to October 1, 2005, this Agreement shall continue in effect until such time at which CAISO’s ability to use BPAT as an intermediary control area for the receipt of dynamic schedules is terminated in writing by either party with 30 days’ notice or until such time that this Agreement is superseded by the terms of a comprehensive agreement between the Parties covering dynamic scheduling and such agreement is made effective by FERC. Nothing in this Agreement shall prevent a Party from selectively discontinuing its support for a particular dynamic scheduling functionality or transaction, should the Party determine that the particular functionality or transaction is not compliant with the Party’s technical standards identified in Section 2 of this Agreement.

Performance by the Parties under this Agreement is contingent on the effectiveness of: a dynamic scheduling agreement between BPAT and BCTC, Contract No. 05TX-11896, and BPAT and Powerex Corp., Contract No. 05TX-11897; and a dynamic scheduling agreement between CAISO and Powerex Corp. and a host control area agreement between CAISO and BCTC.

2. DYNAMIC SCHEDULING PROCEDURES

BPAT’s existing Dynamic Schedules Business Practice, and as it may be replaced or revised from time to time, is incorporated by reference into this Agreement, and only to the extent its provisions are applicable to CAISO as the Control Area operator, and sets forth the criteria and requirements for CAISO as a control area to facilitate dynamic scheduling with BPAT.

The Dynamic Schedules Business Practice is posted on the BPA transmission business line website under Business Practices. Additional terms necessary to address equipment limitations or to facilitate scheduling may be agreed to in writing by BPA and CAISO.

The CAISO’s “Dynamic Scheduling Protocol” as it may be replaced or revised from time to time, is incorporated by reference into this Agreement, and only to the extent such provisions are applicable to BPAT as the intermediary control area operator, and set forth the criteria and requirements for BPAT as an intermediary control area to facilitate dynamic scheduling with CAISO.

The CAISO’s “Dynamic Scheduling Protocol” is posted on the CAISO internet web site at: <http://www.caiso.com/docs/09003a6080/33/5b/09003a6080335b3f.pdf>

In the event of conflicts or inconsistencies between BPAT’s Dynamic Schedules Business Practice and CAISO’s Dynamic Scheduling Protocol (together referred to as “Standards”), the Parties agree to work in good faith to resolve them in a manner

consistent with the Standards and consistent with the intent of this Agreement to facilitate dynamic scheduling between their respective control areas.

Notwithstanding the foregoing, the provisions of Section DSP 6.2 of the CAISO's Dynamic Scheduling Protocol requiring a conforming change in the associated e-tag if there is a change in magnitude of the dynamic schedule by 25 percent or more, or 25 MW, whichever is less, including all such dynamic schedule changes occurring within the applicable operating hour, shall not be applicable.

3. EXCHANGE OF INFORMATION

The Parties agree to share, both between the Parties and with other control areas, whatever information is necessary to facilitate dynamic scheduling under this Agreement. The Parties also agree to exchange information related to control signals issued and telemetry received with respect to the delivery of regulation service: (1) at the request of the other Party for purposes of after-the-fact interchange accounting; or (2) on demand for any other purpose.

4. LIABILITY

a. 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 control area operator which could not be avoided through the exercise of Good Utility Practice as that term is defined by FERC in its "Supplement to Policy Statement on Matters Related to Bulk Power System Reliability" issued February 9, 2005, in Docket No. PL04-5-001.

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 requiring the Party to suspend performance of its obligations. Each Party shall each use its best efforts to mitigate the effects of an Uncontrollable Force, remedy its inability to perform and resume full performance of its obligations hereunder in a timely manner.

b. 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.

c. 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.

d. Liability For Electric Disturbance and Interruptions

The Parties shall plan, operate and maintain their respective systems, consistent with Good Utility Practice, to minimize or avoid electric disturbances that may interfere with the system of the other Party. The limits of responsibility for the Parties shall each be for protecting its respective system from possible damage by reason of electric disturbance or faults caused by the operation, faulty operation or non-operation of its facilities.

Neither Party shall be liable to the other Party for any claim, demand, liability, loss or damage, whether direct, indirect or consequential, incurred by the Parties or their respective customers, which results from the separation of the systems in an emergency or interruption.

5. SPECIAL PROVISIONS

Either Party may (as provided in BPA's and the CAISO's tariffs, applicable service agreements, BPAT's Dynamic Scheduling Business practice, the CAISO's Dynamic Scheduling Protocol and Good Utility Practice) curtail, reduce or cut dynamic schedules if such Party determines such action is necessary or desirable in case of system emergencies or operational constraints to preserve system reliability or protect against death, injury, loss or damage to property.

6. 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.

7. GOVERNING LAW

Subject to Section 8 of this Agreement, this Agreement shall be deemed to be a contract made under and for all purposes shall be governed by and construed in accordance with federal law. 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 States of Oregon or California or, where subject to its jurisdiction, before the 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 the FERC

8. CONSISTENCY WITH FEDERAL LAWS AND REGULATIONS

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 there under. 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 this Agreement to the extent that applicable federal laws, regulations and orders lawfully promulgated there under permit it to do so.

9. 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. WECC/NERC POLICIES AND STANDARDS

The Parties shall plan, operate and maintain or cause to be maintained, their respective systems, consistent with Good Utility Practice. Each Party agrees that it will comply with all Western Electricity Coordinating Council (WECC) and NERC standards and policies applicable to dynamic scheduling while this Agreement is in effect, except as otherwise agreed to by the Parties in writing, or unless the Party determines in good faith that compliance with such standards and policies would cause it to violate or improperly implement an applicable law, regulation, rule, tariff, FERC license provisions or other legal obligation, or would conflict with any non-power requirement applicable to the Party (including without limitation any obligation under environmental laws, regulations, court and administrative decisions or biological opinions).

If the foregoing terms and conditions are acceptable to CAISO, please sign and return one original of this Agreement to me at the address above. The remaining two executed originals are for CAISO's files.

If you choose to return the executed original by overnight delivery service, please address it to my attention at: Bonneville Power Administration, Mail Stop: TM/OPP-2, 8100 NE Parkway Drive – Suite 50, Vancouver, WA 98662.

If you have any questions, please call me at (360) 619-6009.

Sincerely,

/S/ THOMAS M NOGUCHI

Thomas M. Noguchi
Senior Transmission Account Executive
Transmission Marketing and Sales

ACCEPTED:

CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION

By: **/S/ RANDALL T ABERNATHY**

Name: **Randall T. Abernathy**
(Print/Type)

Title: **Vice President**
Market Sales

Date: **3/31/05**

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Department of Energy

Bonneville Power Administration
P.O. Box 61409
Vancouver, WA 98666-1409

TRANSMISSION BUSINESS LINE

March 22, 2006

In reply refer to: TM/OPP-2

Mr. Jim Detmers, Vice President, Operations
California Independent System Operator Corporation
151 Blue Ravine Road
Folsom, CA 95630

Letter Agreement No. 06TX-12123
Amendment No. 1

Dear Mr. Detmers:

The Bonneville Power Administration Transmission Business Line (BPAT) is a control area operator in the northwestern United States that provides transmission service across the Federal Columbia River Transmission System (FCRTS). The California Independent System Operator Corporation (CAISO), the control area operator for its area, has entered into a letter agreement with BPAT, Letter Agreement No. 06TX-12123 (Letter Agreement) to facilitate the receipt of dynamic schedules from external control area(s) that requires the participation of BPAT as an intermediary control area.

This Amendment to the Letter Agreement (Amendment) serves to amend Section 1 (Term of Agreement) of the Letter Agreement and shall take effect on April 1, 2006.

BPAT and CAISO (jointly referred to as the "Parties" and individually as "Party") agree that Section 1 of the Letter Agreement shall be amended to read as follows:

"1. Term of Agreement

This Agreement shall be effective on the later of December 1, 2005, or the date made effective by the Federal Energy Regulatory Commission (FERC) and shall continue in effect until such time at which CAISO's ability to use BPAT as an intermediary control area for the receipt of dynamic schedules is terminated in writing by either party with 30 days notice or until such time that this Agreement is superseded by the terms of a comprehensive agreement between the Parties covering dynamic scheduling and such agreement is made effective by the FERC. Nothing in this Agreement shall prevent a Party from selectively discontinuing its support for a particular dynamic scheduling functionality or transaction, should the Party determine that the particular functionality or transaction is not compliant with the Party's technical standards identified in Section 2 of this Agreement.

Performance by the Parties under this Agreement is contingent on the effectiveness of: a dynamic scheduling agreement between BPAT and the Portland General Electric Company Transmission Services Department (PGET);

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an operating agreement for dynamic scheduling between BPAT and Portland General Electric on behalf of its merchant function (PGEM); a dynamic scheduling agreement between CAISO and PGEM; and a host control area agreement between CAISO and PGET.”

Except as expressly modified in this Amendment, the Letter Agreement shall remain in full force and effect in accordance with its terms, and the unmodified provisions of the Letter Agreement shall apply to any new rights and/or obligations established by this Amendment.

If the foregoing terms and conditions are acceptable to CAISO, please sign the three enclosed originals, retain two signed originals for your files, and return one signed original to my attention at either of the following addresses:

First Class Mail
Bonneville Power Administration
Mail Stop: TM/OPP-2
P.O. Box 61409
Vancouver, WA 98666-1409

Overnight Delivery Service
Bonneville Power Administration
Mail Stop: TM/OPP-2
7500 NE 41st Street, Suite 130
Vancouver, WA 98662-7905

If you have questions, please call me at (360) 619-6010.

Sincerely,

(b) (6)

Richard A. Gillman
Transmission Account Executive
Transmission Marketing and Sales

ACCEPTED:

CALIFORNIA INDEPENDENT SYSTEM
OPERATOR CORPORATION

(b) (6)

By

Name JAMES W. DETMERS
(Print/Type)

Title VP OPERATIONS

Date 3/24/06



Department of Energy

Bonneville Power Administration
P.O. Box 61409
Vancouver, WA 98666-1409

TRANSMISSION BUSINESS LINE

October 13, 2005

In reply refer to: TM/OPP-2

Contract No. 06TX-12123
LETTER AGREEMENT
(Dynamic Scheduling)

AUTHENTICATED

Mr. Jim Detmers, Vice President, Operations
California Independent System Operator Corporation
151 Blue Ravine Road
Folsom, CA 95630

Dear Mr. Detmers:

The Bonneville Power Administration (BPA) Transmission Business Line (BPAT) is a control area operator in the northwestern United States that provides transmission service across the Federal Columbia River Transmission System (FCRTS). The California Independent System Operator Corporation (CAISO), the control area operator for its area, wishes to engage in the receipt of dynamic schedules from external control area(s) that requires the participation of BPAT as an intermediary control area.

BPAT's Dynamic Schedules Business Practice establishes the criteria and requirements for Dynamic Scheduling utilizing the FCRTS, including firm transmission capacity requirements, which must be met to reserve transmission service for a dynamic schedule transaction. Transmission customer rights to use the FCRTS are set forth in Transmission Service Agreements between the customer and BPAT pursuant to BPA's Open Access Transmission Tariff (Tariff). The transmission customer's rights are not affected by this agreement. CAISO is not an entity requesting transmission service from BPAT.

The CAISO's "Dynamic Scheduling Protocol" and "Standards for Imports of Regulation" establish standards that must be met for Dynamic Scheduling into the CAISO control area.

This Letter Agreement, Contract No. 06TX-12123 (Agreement), documents the operating procedures to be used between CAISO and BPAT for the delivery of dynamic schedules to the CAISO control area through the BPAT control area from the Portland General Electric Company Transmission Services Department's (PGET) control area.

Therefore BPAT and CAISO (jointly referred to as the “Parties” and individually as “Party”) agree:

1. TERM OF AGREEMENT

This Agreement shall be effective on the later of December 1, 2005, or the date made effective by the Federal Energy Regulatory Commission (FERC). Unless otherwise extended by mutual agreement, this Agreement shall terminate on 0000 hours April 1, 2006. Prior to April 1, 2006 this Agreement shall continue in effect until such time at which CAISO’s ability to use BPAT as an intermediary control area for the receipt of dynamic schedules is terminated in writing by either party with 30 days’ notice or until such time that this Agreement is superseded by the terms of a comprehensive agreement between the Parties covering dynamic scheduling and such agreement is made effective by FERC. Nothing in this Agreement shall prevent a Party from selectively discontinuing its support for a particular dynamic scheduling functionality or transaction, should the Party determine that the particular functionality or transaction is not compliant with the Party’s technical standards identified in section 2 of this Agreement.

Performance by the Parties under this Agreement is contingent on the effectiveness of: a control area service agreement for dynamic scheduling between BPAT and PGET; an operating agreement for dynamic scheduling between and BPAT and Portland General Electric on behalf of its merchant function (PGEM); a dynamic scheduling agreement between CAISO and PGEM; and a host control area agreement between CAISO and PGET.

2. DYNAMIC SCHEDULING PROCEDURES

BPAT’s existing Dynamic Schedules Business Practice, and as it may be replaced or revised from time to time, is incorporated by reference into this Agreement, and only to the extent its provisions are applicable to CAISO as the control area operator, and sets forth the criteria and requirements for CAISO as a control area to facilitate dynamic scheduling with BPAT.

The Dynamic Schedules Business Practice is posted on the BPA transmission business line website under Business Practices. Additional terms necessary to address equipment limitations or to facilitate scheduling may be agreed to in writing by BPA and CAISO.

The CAISO’s “Dynamic Scheduling Protocol” as it may be replaced or revised from time to time, is incorporated by reference into this Agreement, and only to the extent such provisions are applicable to BPAT as the intermediary control area operator, and set forth the criteria and requirements for BPAT as an intermediary control area to facilitate dynamic scheduling with CAISO.

The CAISO’s “Dynamic Scheduling Protocol” is posted on the CAISO internet web site at: <http://www.caiso.com/docs/09003a6080/33/5b/09003a6080335b3f.pdf>.

In the event of conflicts or inconsistencies between BPAT’s Dynamic Schedules Business Practice and CAISO’s Dynamic Scheduling Protocol (together referred to as

“Standards”), the Parties agree to work in good faith to resolve them in a manner consistent with the Standards and consistent with the intent of this Agreement to facilitate dynamic scheduling between their respective control areas.

3. EXCHANGE OF INFORMATION

The Parties agree to share, both between the Parties and with other control areas, whatever information is necessary to facilitate dynamic scheduling under this Agreement. The Parties also agree to exchange information related to control signals issued and telemetry received with respect to the delivery of regulation service: (1) at the request of the other Party for purposes of after-the-fact interchange accounting; or (2) on demand for any other purpose.

4. LIABILITY

a. 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 control area operator which could not be avoided through the exercise of Good Utility Practice as that term is defined by FERC in its “Supplement to Policy Statement on Matters Related to Bulk Power System Reliability” issued February 9, 2005, in Docket No. PL04-5-001.

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 requiring the Party to suspend performance of its obligations. Each Party shall each use its best efforts to mitigate the effects of an Uncontrollable Force, remedy its inability to perform and resume full performance of its obligations hereunder in a timely manner.

b. 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.

c. 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.

d. Liability For Electric Disturbance and Interruptions

The Parties shall plan, operate and maintain their respective systems, consistent with Good Utility Practice, to minimize or avoid electric disturbances that may interfere with the system of the other Party. The limits of responsibility for the Parties shall each be for protecting its respective system from possible damage by reason of electric disturbance or faults caused by the operation, faulty operation or non-operation of its facilities.

Neither Party shall be liable to the other Party for any claim, demand, liability, loss or damage, whether direct, indirect or consequential, incurred by the Parties or their respective customers, which results from the separation of the systems in an emergency or interruption.

5. SPECIAL PROVISIONS

Either Party may (as provided in BPA's and the CAISO's tariffs, applicable service agreements, BPAT's Dynamic Scheduling Business practice, the CAISO's Dynamic Scheduling Protocol and Good Utility Practice) curtail, reduce or cut dynamic schedules if such Party determines such action is necessary or desirable in case of system emergencies or operational constraints to preserve system reliability or protect against death, injury, loss or damage to property.

6. 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.

7. GOVERNING LAW

Subject to Section 8 of this Agreement, this Agreement shall be deemed to be a contract made under and for all purposes shall be governed by and construed in accordance with federal law. 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 States of Oregon or California or, where subject to its jurisdiction, before the 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 the FERC.

8. CONSISTENCY WITH FEDERAL LAWS AND REGULATIONS

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 there under. 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 this Agreement to the extent that applicable federal laws, regulations and orders lawfully promulgated there under permit it to do so.

9. 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. WECC/NERC POLICIES AND STANDARDS

The Parties shall plan, operate and maintain or cause to be maintained, their respective systems, consistent with Good Utility Practice. Each Party agrees that it will comply with all WECC and NERC standards and policies applicable to dynamic scheduling while this Agreement is in effect, except as otherwise agreed to by the Parties in writing, or unless the Party determines in good faith that compliance with such standards and policies would cause it to violate or improperly implement an applicable law, regulation, rule, tariff, FERC license provisions or other legal obligation, or would conflict with any non-power requirement applicable to the Party (including without limitation any obligation under environmental laws, regulations, court and administrative decisions or biological opinions).

If the foregoing terms and conditions are acceptable to CAISO, please sign and return one original of this Agreement to me at the address above. The remaining two executed originals are for CAISO's files.

If you choose to return the executed original by overnight delivery service, please address it to my attention at: Bonneville Power Administration, Mail Stop: TM/OPP-2, 8100 NE Parkway Drive – Suite 50, Vancouver, WA 98662.

If you have any questions, please call me at (360) 619-6009.

Sincerely,

/S/ THOMAS M NOGUCHI

Thomas M. Noguchi
Senior Transmission Account Executive
Transmission Marketing and Sales

ACCEPTED:

CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION

By: **/S/ JIM DETMERS**

Name: **Jim Detmers**
(Print/Type)

Title: **Vice President, Grid Operations**
Acting Chief Operations Officer

Date: **10/19/05**

DYNAMIC TRANSFER OPERATING AGREEMENT

executed by the

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

acting by and through the

BONNEVILLE POWER ADMINISTRATION

and

CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION

This DYNAMIC TRANSFER OPERATING AGREEMENT (Agreement) is entered into by the UNITED STATES OF AMERICA, Department of Energy, acting by and through the BONNEVILLE POWER ADMINISTRATION (BPA), and CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION (CAISO), a California nonprofit public benefit corporation organized and existing under the laws of the State of California. BPA and the CAISO are sometimes referred to individually as “Party” and collectively as “Parties”.

RECITALS

WHEREAS, BPA is a Balancing Authority Area operator that provides transmission service over the Federal Columbia River Transmission System (FCRTS) and the path operator of the California-Oregon Intertie north of the California-Oregon border;

WHEREAS, the CAISO is a Balancing Authority Area operator, an independent system operator in the State of California, and the path operator of the California-Oregon Intertie south of the California-Oregon border;

WHEREAS, the Parties are adjacent Balancing Authorities and operate interconnected Balancing Authority Areas connected at the California-Oregon border, Malin Substation;

WHEREAS, the Parties wish to coordinate operation of Dynamic Transfer functionality to satisfy North American Electric Reliability Corporation (“NERC”) and Western Electricity Coordinating Council (“WECC”) standards and criteria and Good Utility Practice;

WHEREAS, the Parties wish to enter into an Agreement to establish the terms and conditions for the Parties to effect Dynamic Transfers through or from the each Party’s respective Balancing Authority Area to the other Party’s Balancing Authority Area; and

WHEREAS, the Parties have certain statutory obligations under state and federal law, and NERC and WECC standards and criteria to maintain power system reliability.

NOW THEREFORE, the CAISO and BPA agree to the following terms and conditions:

1. TERM AND TERMINATION

1.1 Effective Date

This Agreement shall be effective upon execution of both Parties and acceptance for filing by the Federal Energy Regulatory Commission (“FERC”) pursuant to a filing by the CAISO (the “Effective Date”), and shall continue in effect until terminated.

1.2 Termination

- (a) Except as provided in Section 1.2(b) and (c) below, this Agreement may be terminated by either Party upon two (2) years written notice to the other Party or upon mutual consent of both Parties; provided, however, that the CAISO, as a FERC jurisdictional entity, is subject to the following:
 - (i) In the event that the CAISO seeks to terminate this Agreement, termination will be effective upon the later of (i) acceptance by FERC of the CAISO’s notice of termination, if this Agreement has been filed with FERC, or (ii) two (2) years after the date of the CAISO’s notice of termination, if terminated in accordance with the requirements of FERC Order No. 2001 and related FERC orders.
 - (ii) The CAISO shall timely file any required notice of termination with FERC. The filing of the notice of termination by the CAISO with FERC will be considered timely if: (i) 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 with FERC within sixty (60) days after issuance of the notice of termination by a Party; or (ii) the CAISO files the notice of termination with FERC in accordance with the requirements of FERC Order No. 2001.
- (b) If the CAISO makes a unilateral application to FERC under section 205 or 206 of the Federal Power Act for changes to rates, terms, or conditions of this Agreement, BPA may terminate this Agreement upon 30 days written notice to the CAISO. Such changes will not be enforceable with respect to BPA without BPA’s prior written approval.

- (c) If BPA amends its business practices, as identified in Section 4(a) of this Agreement, and if such amendments would change CAISO's obligations under this Agreement, the CAISO may terminate this Agreement upon 30 days written notice to BPA. Such changes will not be enforceable with respect to the CAISO without the CAISO's prior written approval.

2. DEFINITIONS

Unless otherwise defined herein, capitalized terms are defined by BPA in its Open Access Transmission Tariff (OATT) and 2014 Transmission & Ancillary Service Rate Schedules (Rate Schedules), or their successors, Federal Energy Regulatory Commission (FERC) in its Standards and Communication Protocols for Open Access Same-Time Information System (OASIS), the NERC, the WECC, or their successors.

(a) **CAISO Dynamic Transfer Protocols**

The CAISO's Dynamic Transfer Protocols, which are set forth in Appendix M (Dynamic Scheduling Protocol) and Appendix N (Pseudo-Tie Protocol) of the CAISO Tariff.

(b) **Dynamic Schedule**

A telemetered reading or value that is updated in real time and used as a schedule in the Automatic Generation Control (AGC) and the Area Control Error (ACE) equation and the integrated value of which is treated as a schedule for interchange accounting.

(c) **Dynamic Transfer**

The provision of the real-time monitoring, telemetering, computer software, hardware, communications, engineering, energy accounting (including inadvertent interchange), and administration required to electronically move all or a portion of the real energy services associated with a generator or load out of one Balancing Authority Area into another. (NERC definition)

Also defined as a term that refers to methods by which the control response to loads or generation is assigned, on a real-time basis, from the Balancing Authority to which such load or generation is electrically interconnected (native Balancing Authority) to another Balancing Authority (attaining Balancing Authority) or other controlling entity on a real-time basis. This includes Pseudo-Ties and Dynamic Schedules.

(d) **Dynamic Transfer Limit Signal**

The telemetry signal communicated by BPA or the CAISO, as host Balancing Authority, to the non-host Balancing Authority and/or other applicable Entity to limit or reduce the Dynamic Transfer.

- (e) **Dynamic Transfer Request Signal**
The telemetry signal provided by the CAISO or BPA, as host Balancing Authority, to the non-host Balancing Authority and/or other applicable Entity that corresponds to each Dynamic Transfer e-Tag representing the Dynamic Transfer.
- (f) **Dynamic Transfer Return Signal**
The return telemetry signal that BPA or the CAISO, as host Balancing Authority, sends to the non-host Balancing Authority and/or other applicable Entity, which is the response to the Dynamic Transfer Request Signal.
- (g) **Entity**
A load, generator, generation provider, transmission customer, or other party that is using BPA or CAISO transmission to effect a Dynamic Transfer.
- (h) **Good Utility Practice**
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 practice, reliability, safety, and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act 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).
- (i) **Pseudo-Tie**
A telemetered reading, or value that is updated in real time, that represents generation or auxiliary load assigned dynamically between Balancing Authorities and used as a tie line flow in the affected Balancing Authorities' AGC/ACE equation, but for which no physical Balancing Authority tie actually exists. To the extent that no associated energy metering equipment exists, the integration of the telemetered real-time signal is used as a meter MWh value for interchange accounting purposes.
- (j) **Ramp Rate Limit Signal**
The real-time telemetry signal sent by BPA or the CAISO, as host Balancing Authority, to the non-host Balancing Authority and/or other applicable Entity to communicate the current maximum MW/minute ramp rate limit.
- (k) **Ramp Rate Signal**
The real-time telemetry signal provided by the applicable Entity effecting a Dynamic Transfer to BPA or the CAISO, as the host Balancing Authority, that confirms the current ramp rate.

3. EXHIBITS

Exhibit A (Notices), Exhibit B (Communications/Signaling Equipment Requirements), Exhibit C (Description of Dynamic Schedule Resources), and Exhibit D (Description of Pseudo-Tie Resources) are incorporated herein and made a part hereof.

4. DYNAMIC TRANSFER SERVICE

(a) BPA Dynamic Transfer Business Practice

BPA shall provide Dynamic Transfer service consistent with this Agreement and BPA's Dynamic Transfer Operating and Scheduling Requirements Business Practice, Version 3 (Dynamic Transfer Business Practice), or its successor, which may be replaced or revised from time to time. Subject to the CAISO's termination rights under Section 1.2(c), the CAISO shall comply with all applicable requirements in BPA's Dynamic Transfer Business Practice or its successor, only to the extent such provisions are applicable to CAISO as the Balancing Authority operator, to facilitate Dynamic Transfer with BPA. BPA's Dynamic Transfer Business Practice is posted on BPA's Transmission Services website under Business Practices. The CAISO shall comply with the operations and equipment requirements set forth in Exhibit B to this Agreement prior to commencement of Dynamic Transfers. Additional terms for equipment limitations, or to facilitate scheduling may be required.

(b) CAISO Dynamic Transfer Protocols

The CAISO shall provide Dynamic Transfer service consistent with this Agreement and the CAISO's Dynamic Transfer Protocols, or its successor, which may be replaced from time to time. Subject to BPA's termination rights under Section 1.2(b), BPA shall comply with all applicable requirements in the CAISO's Dynamic Scheduling Transfer Protocols or its successor, only to the extent such provisions are applicable to BPA as the Balancing Authority operator, to facilitate Dynamic Transfer with the CAISO. BPA shall comply with the operations and equipment requirements set forth in Exhibit B to this Agreement prior to commencement of Dynamic Transfers. Additional terms for equipment limitations, or to facilitate scheduling may be required.

(c) Conflicts Among the Parties' Business Practices or the Terms of this Agreement

In the event of conflicts or inconsistencies among (i) BPA's Dynamic Transfer Business Practice, (ii) the CAISO's Dynamic Transfer Protocols, or (iii) the terms of this Agreement, the Parties agree to work in good faith to resolve them in a timely manner consistent with the intent of this Agreement to facilitate Dynamic Transfers between their respective Balancing Authority Areas.

- (i) **Regulation Obligation**
The host Balancing Authority shall be responsible for regulation obligation for the portion of the Dynamically Scheduled resource's output not Dynamically Scheduled into the receiving Balancing Authority Area in accordance with WECC and NERC reliability standards. Dynamic energy deliveries to the receiving 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.

- (e) **Related Requirements**
Performance by the Parties under this Agreement is contingent on executing relevant agreements necessary to facilitate Dynamic Transfer, including any necessary communications and signaling equipment requirements.

- (f) **Description of Dynamic Transfer Resources**
Prior to enabling any Dynamic Transfer under this Agreement, the Parties shall mutually agree in writing, consistent with Exhibit A (Notices) requirements, on the Dynamically Scheduled system resources and Pseudo-Ties that are permitted under this Agreement, and described in Exhibits C and D which may be revised from time to time in accordance with Section 10 of this Agreement.

5. INFORMATION EXCHANGE AND CONFIDENTIALITY

Exchange of information and confidentiality is governed under Contract No. 09TX-14447, the Adjacent Balancing Authority Operating Agreement, between the Parties.

6. LIABILITY

- (a) **Uncontrollable Forces**
The Parties shall not be in breach of their respective obligations to the extent that the failure to fulfill any obligation is due to an Uncontrollable Force. "Uncontrollable Force" means an event beyond the reasonable control of, and without the fault or negligence of, the Party claiming the Uncontrollable Force, which prevents that Party from performing its contractual obligations under this Agreement and which, by exercise of that Party's reasonable care, diligence and foresight, such party was unable to avoid. Uncontrollable Forces include, but are not limited to:
 - (1) strikes or work stoppage;
 - (2) floods, earthquakes, or other natural disasters; terrorist acts; and
 - (3) final orders or injunctions issued by a court or regulatory body having competent subject matter jurisdiction which the Party claiming the Uncontrollable Force, after diligent efforts, was unable to have stayed, suspended, or set aside pending review by a court of competent subject matter jurisdiction.

Neither the unavailability of funds or financing, nor conditions of national or local economies or markets shall be considered an Uncontrollable Force. The economic hardship of either Party shall not constitute an Uncontrollable Force. Nothing contained in this provision shall be construed to require either Party to settle any strike or labor dispute in which it may be involved.

If an Uncontrollable Force prevents a Party from performing any of its obligations under this Agreement, such Party shall: (1) immediately notify the other Party of such Uncontrollable Force by any means practicable and confirm such notice in writing as soon as reasonably practicable; (2) use its best efforts to mitigate the effects of such Uncontrollable Force, remedy its inability to perform, and resume full performance of its obligation hereunder as soon as reasonably practicable; (3) keep the other Party apprised of such efforts on an ongoing basis; and (4) provide written notice of the resumption of performance. Written notices sent under this section must comply with Exhibit A, Notices.

(b) **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, nor its directors, officers, employees or agents, shall be liable to the other Party for any loss, damage, claim, cost, charge, or expense arising from the Party's performance or nonperformance under this Agreement, except for a Party's gross negligence or willful misconduct and subject to applicable law.

Notwithstanding the foregoing, neither Party, its directors, officers, employees, nor agents shall be liable for or be entitled to recover from the other Party, whether in contract, tort, or other legal theory, any damages for business interruption or loss of actual or anticipated profits or any indirect, consequential, special, incidental, economic, contingent, exemplary, or penal damages whatsoever.

Nothing in this section shall be construed to exempt an Entity or other customer from BPA's Rate Schedules, as may be amended from time to time.

7. NO THIRD PARTY BENEFICIARIES

This Agreement is made and entered into for the sole benefit of the Parties, and the Parties intend that no other person or entity shall be a direct or indirect beneficiary of this Agreement.

8. ASSIGNMENT

This Agreement is binding on any successors and assigns of the Parties. Neither Party may otherwise transfer or assign this Agreement, in whole or in part, without the other Party's written consent. Such consent shall not be unreasonably withheld.

9. ENTIRE AGREEMENT

This Agreement, including documents expressly incorporated by reference, constitutes the entire agreement between the Parties. It supersedes all previous communications, representations, or contracts, either written or oral, which purport to describe or embody the subject matter of this Agreement.

10. ADMINISTRATIVE UPDATES OF EXHIBITS

With the mutual consent in writing of both Parties, not to be unreasonably withheld, the Parties shall have the right to add and remove a Dynamically Scheduled system resource and Pseudo-Tie generating unit to Exhibits C and D or to reflect administrative updates to Exhibits C and D, such as updates to the ownership, name, site address, or MW size of a Pseudo-Tie generating unit or System Resource or the transmission capacity reservation amount listed in Exhibits C and D. Such updates, in accordance with the rights provided in this Agreement, shall not be interpreted by the Parties to be an amendment to this Agreement.

11. AMENDMENT

This Agreement and the Exhibits attached hereto may be amended from time to time by the mutual agreement of the Parties in writing for any reason, other than described in Section 10. Amendments that are subject to FERC approval shall not take effect until FERC has accepted such amendments for filing and has made them effective. Subject to Section 1.2(b) and (c), nothing contained herein shall be construed as affecting in any way the right of the Parties to unilaterally make application to FERC for a change in the rates, terms and conditions of this Agreement under Section 205 or 206 of the Federal Power Act and pursuant to FERC's rules and regulations promulgated 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 Federal Power Act and FERC's rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.

12. WAIVERS

No waiver of any provision or breach of this Agreement shall be effective unless such waiver is in writing and signed by the waiving Party, and any such waiver shall not be deemed a waiver of any other provision of this Agreement or any other breach of this Agreement.

13. FREEDOM OF INFORMATION ACT (FOIA)

BPA may release information provided by the CAISO to comply with FOIA or if required by any other federal law or court order. The CAISO will be notified in writing, to the extent practicable, of any proprietary information released by BPA to comply with FOIA or if required by any other federal law or court order. For information that the CAISO designates in writing as proprietary, BPA will limit the use and dissemination of that information within BPA to employees who need the information for the purposes of this Agreement.

14. 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.

15. GOVERNING LAW

This Agreement shall be interpreted, construed, and enforced in accordance with Federal law.

16. SIGNATURES

The Parties have executed this Agreement as of the last date indicated below.

CALIFORNIA INDEPENDENT SYSTEM
OPERATOR CORPORATION

UNITED STATES OF AMERICA
Department of Energy
Bonneville Power Administration

By: /S/ ERIC J SCHMIDT

By: /S/ YOUNG S LINN

Name: Eric J Schmidt
(Print/Type)

Name: Young S. Linn
(Print/Type)

Title: VP Operations

Title: Senior Transmission Account Executive

Date: 7/7/14

Date: 07/07/2014

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**EXHIBIT A
NOTICES**

Any notice required under this Agreement shall be in writing and shall be delivered in person; or with proof of receipt by a nationally recognized delivery service or by United States Certified Mail. Notices are effective when received. Either Party may change the name or address for receipt of notice by providing notice of such change. The Parties shall deliver notices to the following person and address:

If to the CAISO:

California Independent System Operator
Corporation
250 Outcropping Way
Folsom, CA 95630
Attention: Regulatory Contracts
Phone: (916) 608-7027
Fax: (916) 608-5063
E-mail: RegulatoryContracts@caiso.com

Secondary Point of Contact:

California Independent System Operator
Corporation
250 Outcropping Way
Folsom, CA 95630
Attention: Christopher J. Sibley
Title: Infrastructure Policy & Contracts
Phone: (916) 608-7030
Fax: (916) 608-5063
Email: csibley@caiso.com

If to BPA:

Attention: Transmission Account
Executive for CAISO– TSE/TPP-2
Phone: (360) 619-6016
Fax: (360) 619-6940

If by First Class Mail:

Bonneville Power Administration
P.O. Box 61409
Vancouver, WA 98666-1409

If by Overnight Delivery Service:

Bonneville Power Administration –
TSE/TPP-2
7500 NE 41st Street, Suite 130
Vancouver, WA 98662

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EXHIBIT B
COMMUNICATIONS/SIGNALING EQUIPMENT REQUIREMENTS

1. DIVISION OF RESPONSIBILITIES

- (a) At BPA's Dittmer and Munro Control Centers, BPA shall, using BPA approved telemetry and communications protocols such as Inter Control Center Protocol (ICCP), D20 RTU interfaces, and Electric Industry Data Exchange (EIDE), as mutually agreed between BPA and the CAISO, at the CAISO and/or other Entity's expense unless otherwise agreed to in separate reimbursable agreements, complete the following:
 - (1) Modify BPA's Energy Management System (EMS)/Automatic Generation Control (AGC) and scheduling systems to enable sending and receiving the following schedule, dispatch, and settlement data that supports the Dynamic Transfer:
 - (A) Schedule and dispatch data from BPA to the CAISO and/or other applicable Entity for Dynamic Transfer Return Signal, Dynamic Transfer Limit Signal(s), Ramp Rate Limit Signal, and validation flag(s). BPA and CAISO and/or other applicable Entity may mutually agree to exclude some data when not required for specific Dynamic Transfer. Data exchange must be updated every four seconds, preferably more frequently. Latency time must be no greater than four seconds.
 - (B) Schedule and dispatch data from the CAISO and/or other applicable Entity to BPA for the Dynamic Transfer Request Signal, Ramp Rate Signal, Ramp Rate Limit Signal and validation flag. BPA and CAISO and/or other applicable Entity may mutually agree to exclude some data when not required for specific Dynamic Transfer. Data exchange must be updated every four seconds, preferably more frequently. Latency time must be no greater than four seconds.
 - (C) Settlement data from BPA to the CAISO and/or other applicable Entity for the hourly, integrated MWh data for after the fact settlement, starting update within the first 15 minutes after the hour.
 - (2) Modify BPA hourly accounting systems as follows:
 - (A) Implement the following changes:
 - (i) For Dynamic Transfer purposes, the value in the transmission profile of the Schedules cannot be resold or reassigned.

- (ii) Incorporate the Dynamic or Pseudo-Tie type e-Tag as an upper limit input to the AGC System and Transmission Services Scheduling Systems for the individual Dynamic Transfer. The lesser of the e-Tag Transmission Profile or Reliability Profile for any point in time will be used as the upper limit.
 - (iii) Create appropriate configuration changes Transmission Services' Scheduling Systems for a Dynamic or Pseudo-Tie type e-Tag.
 - (iv) Track losses on integrated energy delivered. Loss values will be included in the hourly obligation calculation shown in the customer data exchange daily loss report.
 - (B) Implement billing changes needed to record the CAISO and/or other applicable Entity's hourly Dynamic Transfer in the (D) and/or (U) accounts.
- (b) The CAISO and/or other applicable Entity shall, at their expense unless otherwise agreed to in separate reimbursable agreements, using BPA-approved telemetry and communication protocols such as Inter Control Center Protocol (ICCP), D20 RTU interfaces, and Electric Industry Data Exchange (EIDE), as mutually agreed between BPA and the CAISO, complete the following:
- (1) Develop its own processes, procedures, and accounting mechanisms needed within CAISO and/or other applicable Entity for reserving transmission, creating Dynamic or Pseudo-Tie type e-Tags, scheduling transmission, and confirming deliveries in accordance with the provisions above.
 - (2) Schedule and dispatch data from the CAISO and/or other Entity to BPA for the Dynamic Transfer Request Signal, Ramp Rate Signal, Ramp Rate Limit Signal and validation flag. BPA and CAISO or other Entity may mutually agree to exclude some data when not required for specific Dynamic Transfer. Data exchange must be updated every four seconds, preferably more frequently. Latency time must be no greater than four seconds. These signals will conform to SCADA requirements for data format, accuracy, and reliability consistent with BPA Transmission Services' AGC cycle time and anti-aliasing filtering.
 - (3) Submit a Dynamic or Pseudo-Tie type e-Tag that identifies hourly reserved capacity to transmit the output from each source/sink combination for the resources specified in Exhibits C and D to the Agreement.

- (4) As provided in Section 1(a)(2)(A)(ii) of this Exhibit, the CAISO and/or other applicable Entity will make the entry(ies) in the Transmission Profile of the Dynamic or Pseudo-Tie type e-Tag up to 20 minutes prior to flow. The Transmission Profile can not be updated after the fact.
- (5) Develop its own processes and procedures to adjust the energy profile of the Dynamic or Pseudo-Tie type e-Tag with the Hourly Integrated value received from BPA within the first 10 minutes after the end of each hour of flow.

2. COORDINATION

BPA will not commence with the software and hardware changes in this Agreement (*i.e.*, implement Dynamic Transfer) until the CAISO and/or other applicable Entity's individualized telemetry requirements are finalized and the necessary contract actions have been met. BPA will notify the CAISO and/or other applicable Entity when these conditions have been satisfied.

3. PROJECT SCHEDULE

The Parties will make reasonable efforts to meet a scheduled in-service date as described in a separate construction agreement between BPA and Entity and/or CAISO.

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EXHIBIT C
DESCRIPTION OF DYNAMIC SCHEDULE RESOURCES

TABLE 1

1. TERM OF TRANSACTION

Service Commencement Date: at 0000 hours on October 1, 2013.

Termination Date: at 0000 hours on October 1, 2015.

(BPA-Iberdrola Customer Supplied Generation Imbalance Phase III Pilot Agreement: 13TX-15864)

2. Dynamic Scheduling System Resources Into the CAISO Balancing Authority Area:

Description of System Resource(s), including Associated Power Plants	Iberdrola Renewables participates in BPA's Customer Supplied Generation Imbalance Pilot program to self-supply generation imbalance reserves for its portfolio of wind generators in the Pacific Northwest using a combination of dynamic transmission and traditional transmission products to dispatch flexible generation. Under this program Iberdrola uses a virtual generation node – the “Centroid” – which represents an aggregation of the schedules and metered output of Iberdrola’s wind fleet.		
Iberdrola’s Centroid consists of the following wind generation facilities.	Plant Name	Size (MW)	Location
	Big Horn	201	Washington
	Big Horn II	50	Washington
	Hay Canyon	100.8	Oregon
	Klondike I	24	Oregon
	Klondike II	76	Oregon
	Klondike III	223.6	Oregon
	Klondike IIIa	76.5	Oregon
	Pebble Springs	98.7	Oregon
	Star Point	98.7	Oregon
	Leaning Juniper II	201.3	Oregon
	Juniper Canyon	151.2	Washington
	Stateline	89.76	Washington
	Total Nameplate	1,389	
Although the total installed capacity of Iberdrola’s Northwest wind fleet is nearly 1,400 MWs, it is unlikely that more than 100 MW during Heavy Load Hours and 100 MWs during Light Load Hours would ever be scheduled across the dynamic path into the CAISO Balancing Authority Area. On most occasions, the volume is anticipated to be less than 100 MWs.			
System Resource ID:	MALIN_5_IBERDR		

PMax Value ¹	100 MW
CAISO Inertie	Malin500
Host Balancing Authority Area	BPA
Intermediary Balancing Authority Area(s)	N/A

3. Dynamic Scheduling System Resources Out of the CAISO Balancing Authority Area into BPA Balancing Authority Area:

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

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¹ This value represents the maximum amount of power that can be dynamically scheduled by the System Resource 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.

EXHIBIT D
DESCRIPTION OF PSEUDO-TIE RESOURCES

- 1. Pseudo-Tie In to the CAISO Balancing Authority Area**
BPA does not allow Pseudo-Ties on the California-Oregon Intertie at this time.

- 2. Pseudo-Tie Out of the CAISO Balancing Authority Area**
BPA does not allow Pseudo-Ties on the California-Oregon Intertie at this time.

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EXHIBIT C
DESCRIPTION OF DYNAMIC SCHEDULE RESOURCES

TABLE 2, REVISION NO. 3
BPA – POWER SERVICES

This Exhibit C, Table 2, Revision No. 3, replaces Exhibit C, Table 2, Revision No. 2 in its entirety and revises Section 1 which includes: (1) updating the Term of Transaction by extending the termination date from October 1, 2021, to October 1, 2023; and (2) updates the BPA-BPA Power Services Dynamic Transfer Agreement number.

1. TERM OF TRANSACTION

Service Commencement Date: at 0000 hours on October 1, 2021.

Termination Date: at 0000 hours on October 1, 2023.

(BPA-BPA Power Services Dynamic Transfer Agreement: 21TX-17128).

2. DYNAMIC SCHEDULING SYSTEM RESOURCES INTO THE CAISO BALANCING AUTHORITY AREA:

Description of System Resource(s), including Associated Power Plants	System Resources for BPA Power Services' consist of the Federal Columbia River Power System (FCRPS), which includes the 10 hydroelectric projects: Bonneville, Chief Joseph, Grand Coulee, Ice Harbor, John Day, Little Goose, Lower Granite, Lower Monumental, McNary, and The Dalles. BPA Power Services may retain scheduling responsibilities for its System Resources in the event that it elects to assign Scheduling Coordinator rights to a third party.
System Resource ID:	MALIN_5_BPADYN
PMax Value¹	700 MW
Maximum Ramp Rate	100 MW / Minute
CAISO Inertia	Malin500
Host Balancing Authority Area	BPA
Intermediary Balancing Authority Area(s)	N/A

3. DYNAMIC SCHEDULING SYSTEM RESOURCES OUT OF THE CAISO BALANCING AUTHORITY AREA INTO BPA BALANCING AUTHORITY AREA:

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

¹ This value represents the maximum amount of power that can be dynamically scheduled by the System Resource 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.

AUTHENTICATED

COORDINATED TRANSMISSION AGREEMENT

executed by the

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

acting by and through the

BONNEVILLE POWER ADMINISTRATION

and

CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION

This COORDINATED TRANSMISSION AGREEMENT (“Agreement”) is entered into by the UNITED STATES OF AMERICA, Department of Energy, acting by and through the BONNEVILLE POWER ADMINISTRATION (“Bonneville”), and the CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION (“CAISO”), a California nonprofit public benefit corporation organized and existing under the laws of the State of California. Bonneville and the CAISO are sometimes referred to individually as “Party” and collectively as “Parties.”

RECITALS

WHEREAS, the Parties operate interconnected Balancing Authority Areas.

WHEREAS, the CAISO operates an Energy Imbalance Market (“EIM”), which includes participation by Balancing Authorities that are electrically adjacent to the Bonneville Balancing Authority Area.

WHEREAS, these adjacent Balancing Authorities and other EIM participants utilize Bonneville transmission service to participate in the EIM.

WHEREAS, both Parties are committed to providing open and comparable transmission access to EIM participants and all of their other transmission customers in accordance with the terms of each Party’s respective transmission tariff.

WHEREAS, this Agreement establishes a Coordinating Committee that provides a forum for the Parties to meet to discuss seams issues associated with the EIM and transmission service across Bonneville’s transmission system.

WHEREAS, the Parties wish to share certain data and information so that Bonneville can enhance the monitoring of its transmission system and better facilitate and support EIM operation for the benefit of EIM participants and all of its other transmission customers and so that the CAISO can enhance operation of the EIM.

WHEREAS, the Parties will manage EIM Incremental Flow according to certain Upper and Lower Rate of Change Limits on Bonneville Managed Facilities so that Bonneville can continue to provide reliable transmission service to EIM participants and all of its other transmission customers.

WHEREAS, the Parties will manage EIM Area Incremental Flow according to certain Managed Limits on Bonneville Managed Facilities when Bonneville is not Curtailing transmission service so that Bonneville can provide reliable transmission service to EIM participants and all of its other transmission customers.

WHEREAS, the Parties will manage EIM Area Total Flow on Bonneville Managed Facilities when Bonneville is Curtailing transmission service to reduce Bonneville Curtailments to EIM participants, CAISO market participants, and all of Bonneville's other transmission customers.

WHEREAS, the Parties will coordinate dispatch of EIM Area generation under contingency conditions impacting specified Bonneville Managed Facilities to reduce Bonneville Curtailments to EIM participants, CAISO market participants, and all of Bonneville's other transmission customers.

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

1 TERM AND SCOPE OF RESPONSIBILITIES

1.1 Term and Termination

This Agreement shall be effective upon the later of: 1) execution; or 2) the date this Agreement is accepted for filing and made effective by the Federal Energy Regulatory Commission (FERC), and shall remain in effect until terminated by either Party upon 3 years advance written notice to the other Party or upon consent of both Parties. The CAISO shall file a notice of termination with FERC as soon as practicable but no later than thirty (30) calendar days after the termination date provided in such advance written notice of termination or the date of the Parties' consent to terminate. Termination will be effective upon acceptance of the notice of termination by FERC; provided, however, that except as provided in section 4.3, Bonneville's rights and obligations under this Agreement will terminate as of the termination date provided in the advance written notice of termination or the date of the Parties' consent to terminate, whichever comes first, regardless of any action or inaction by FERC with respect to any application by the CAISO to terminate this Agreement.

1.2 Modification

In the event FERC requires the CAISO to make any modification to this Agreement or imposes any other modification or condition upon its acceptance or approval of this Agreement or approves a Party's application pursuant to section 6.1 to modify the terms and conditions of this Agreement, each Party shall have ten (10) business days to notify the other Party that any such modification or condition is unacceptable to that Party as determined in that Party's sole discretion. If no Party provides such notice, then this Agreement, as modified or conditioned by FERC, shall take effect as of the date determined under section 1.1. If either Party provides such notice to the other Party, the Parties shall take any one or more of the following actions: (i) meet and confer and agree to accept any modifications or conditions imposed by such FERC order; (ii) jointly seek further administrative or legal remedies with respect to such FERC order, including a request for rehearing or clarification in which case all further FERC orders on rehearing, clarification, or similar orders will be subject to the same rights of the Parties under this section as the original FERC order; or (iii) enter into negotiations with respect to accommodation of such FERC order, provided however, if the Parties have not agreed to accept or accommodate any modifications or conditions imposed by such FERC order under clauses (i)-(iii) of this section within thirty (30) days after the date on which such FERC order becomes a final and non-appealable order, such order shall be deemed an adverse order and this Agreement will immediately terminate without further action of the Parties and the Parties shall have no further rights and obligations under the Agreement.

1.3 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 transmission tariffs, business practices, and Good Utility Practice. Nothing in this Agreement is intended to change, supersede, or alter either Party's obligations to abide by the NERC and WECC reliability standards, directives, or operating instructions issued by the Reliability Coordinator pursuant to the NERC and WECC reliability standards, or to provide open and non-discriminatory transmission access in accordance with the terms of their respective transmission tariffs. If Bonneville or the CAISO, each in its sole discretion, determines that the actions required by this Agreement will harm the reliability of their transmission system, Bonneville and the CAISO, as the Transmission Operators and Balancing Authorities, each retain the right to take any appropriate action consistent with their tariffs, operating procedures, operating plans, dispatch directives, or business practices to maintain reliability. Similarly, nothing in this Agreement is intended to change, supersede, or alter any EIM Entity's obligations to abide by the NERC and WECC reliability standards or to provide transmission service in accordance with the terms of their respective transmission tariffs.

1.4 Relationship with Reliability Standards and Operating Orders

This Agreement does not supersede any existing agreement and is intended to remain consistent with applicable NERC and WECC reliability standards. To the extent a new or amended NERC and WECC reliability standard conflicts with this Agreement, the NERC and WECC reliability standard, once effective, will take precedence and the Parties commit to modify the Agreement to be consistent with all applicable NERC and WECC reliability standards should any inconsistency arise. Further, nothing in this Agreement is intended to be a substitute for Bonneville's dispatch standing orders, CAISO operating procedures, emergency operating plans, or restoration plans.

2. DEFINITIONS

Unless defined below, capitalized terms shall have the meanings assigned to them in the Glossary of Terms Used in NERC Reliability Standards, as it may be amended from time to time.

2.1 Bonneville Managed Facilities: The transmission paths or transmission facilities that: 1) Bonneville establishes on its transmission system or any other transmission facilities for which Bonneville is the Transmission Operator; 2) Bonneville determines are impacted by the EIM and could reasonably affect Bonneville's ability to provide reliable transmission service to EIM participants or any of its other transmission customers; and 3) are listed in section 1 of Exhibit C.

2.2 Curtail: A reduction in firm or non-firm transmission service in response to a transfer capability shortage as a result of system reliability conditions.

2.3 Day-Ahead Schedules: The term as it is defined in the CAISO tariff.

2.4 EIM: The imbalance energy market operated by the CAISO in accordance with section 29 of the CAISO tariff.

2.5 EIM Area: The combined CAISO Balancing Authority Area and all EIM Entity Balancing Authority Areas.

2.6 EIM Area Generation: Energy Supply Bids in the Real-Time Market, including the Energy Imbalance Market and excluding EIM Base Schedules. The term "Energy Supply Bids" is defined in the CAISO tariff.

2.7 EIM Area Incremental Flow: The aggregate power flow contribution of flows resulting from the operation of the Real-Time Market, including the EIM, and deviations from EIM Base Schedules.

2.8 EIM Incremental Flow: The aggregate power flow contribution from the dispatch of EIM Participating Resources.

- 2.9 EIM Area Total Flow:** The aggregate power flow contribution of flows resulting from EIM Base Schedules, Day-Ahead Schedules, and EIM Area Incremental Flows.
- 2.10 EIM Area Total Flow Limit:** The limit on EIM Area Total Flow that Bonneville determines pursuant to section 5.3.
- 2.11 EIM Base Schedule:** The term as it is defined in the CAISO tariff.
- 2.12 EIM Entity:** A Balancing Authority that represents one or more EIM Transmission Service Providers and that enters into an EIM Entity Agreement with the CAISO to enable the operation of the Real-Time Market in its Balancing Authority Area.
- 2.13 EIM Entity Agreement:** The term as it is defined in the CAISO tariff.
- 2.14 EIM Participating Resource:** The term as it is defined in the CAISO tariff.
- 2.15 EIM Transfer:** The transfer of energy in real-time between an EIM Entity Balancing Authority Area and the CAISO Balancing Authority Area, or between EIM Entity Balancing Authority Areas, using transmission capacity made available to the EIM.
- 2.16 EIM Transmission Provider:** The term as it is defined in the CAISO tariff.
- 2.17 Energy Transfer System Resources:** The term as it is defined in the CAISO Business Practice Manual for the Energy Imbalance Market.
- 2.18 Good Utility Practice:** 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).
- 2.19 Interrupt:** A reduction in non-firm transmission service due to economic reasons pursuant to section 14.7 of Bonneville's Open Access Transmission Tariff.

- 2.20 Lower Rate of Change Limit:** The maximum MW amount by which CAISO may decrease EIM Incremental Flow on Bonneville Managed Facilities using EIM Participating Resources listed in Exhibit C over the next five minute Market Interval.
- 2.21 Managed Limit:** An operational flow limit in a particular direction on a Bonneville Managed Facility that ensures the safe and reliable operation of the Bonneville transmission system. Managed Limit does not include Lower or Upper Rate of Change Limits.
- 2.22 Market Interval:** The 15 minute and 5 minute market intervals used in the operation of the Real-Time Market, including the EIM.
- 2.23 Pacific Northwest:** The geographic area defined in section 3(14) of the Pacific Northwest Electric Power Planning and Conservation Act.
- 2.24 Real-Time Market:** The term as it is defined in the CAISO tariff.
- 2.25 Redispatch:** Bonneville, as a transmission provider, ordering or requesting its transmission customers to increase or decrease generation to alleviate system reliability conditions pursuant to its Open Access Transmission Tariff.
- 2.26 Upper Rate of Change Limit:** The maximum MW amount by which CAISO may increase EIM Incremental Flow on Bonneville Managed Facilities using EIM Participating Resources listed in Exhibit C over the next five minute Market Interval.

3. COORDINATING COMMITTEE AND WORKING GROUP

- 3.1 Establishment and Functions of Coordinating Committee.** The Parties shall establish a Coordinating Committee to, among other things, identify and resolve any issues associated with this Agreement and to discuss potential additions or revisions to this Agreement. The Coordinating Committee shall solely consist of the Parties.

Coordinating Committee Representatives

- 3.1.1** Bonneville and the CAISO shall each designate a lead representative from their respective organizations as set forth in Exhibit A. The lead representatives shall serve as the primary points of contact on matters related to this Agreement and will coordinate the location, time, and agenda of Coordinating Committee meetings.
- 3.1.2** A Party may change its designated lead representative at any time by providing notice to the other Party pursuant to Exhibit A.

- 3.1.3 The Coordinating Committee shall meet in person at least once every quarter, unless the lead representatives mutually agree to cancel the meeting for that quarter or to meet telephonically. Coordinating Committee meetings may be held on a more frequent basis if both Parties determine that such meetings are necessary. A Coordinating Committee meeting may consist of the lead representatives only.
- 3.1.4 Bonneville and the CAISO may invite other representatives from their respective organizations to attend Coordinating Committee meetings when their participation is necessary for the particular issues being discussed at the meeting.
- 3.1.5 The costs and expenses associated with each Party's designated representative(s) shall be the sole responsibility of the designating Party.

3.2 Scope of the Coordinating Committee

The scope of the Coordinating Committee shall include:

- 3.2.1 Maintaining the currency and accuracy of the exhibits to this Agreement;
- 3.2.2 Reviewing Bonneville's designation of Bonneville Managed Facilities that are determined by Bonneville and listed in section 1 of Exhibit C;
- 3.2.3 Considering what if any additional Bonneville or CAISO paths would benefit from flowgate management pursuant to this Agreement or other arrangements;
- 3.2.4 Identifying and evaluating any issues associated with this Agreement;
- 3.2.5 Discussing potential revisions or additions to this Agreement;
- 3.2.6 Taking other actions, including the establishment of subcommittees and/or task forces, to address any issues that the Coordinating Committee deems necessary in the implementation of this Agreement;
- 3.2.7 Discussing changes or proposed changes to tariffs, business practices, etc., that may affect the Agreement and how the Agreement may have to be modified to account for such changes;
- 3.2.8 Attempting to informally resolve disputes between Bonneville and the CAISO related to this Agreement that may arise;
- 3.2.9 Addressing other operational issues that may arise that the parties wish to address through this Agreement; and

3.2.10 Discussing the addition of Bonneville Managed Facilities that are subject to section 5.4. Any additional Bonneville Managed Facilities subject to section 5.4 would be reflected in section 1 of Exhibit C upon the agreement of the Coordinating Committee.

3.3 Working Group

The Parties will form a working group consisting of: 1) the Coordinating Committee, 2) any interested EIM Entities located wholly or partially in the Pacific Northwest, and 3) Bonneville transmission customers that Bonneville selects; provided, however, that the number of transmission customers that Bonneville selects shall not exceed the number of EIM Entities located wholly or partially in the Pacific Northwest. The working group will discuss the actions that the Parties are taking under this Agreement, including implementation, data and information exchange, and transmission operations. The working group will meet at the same frequency and location as regularly scheduled quarterly Coordinating Committee meetings.

4. DATA AND INFORMATION EXCHANGE

4.1 Purpose of Data and Information Exchange

Data and information is exchanged under this Agreement to: (a) define the Upper and Lower Rate of Change Limits and other constraints and limits enforced on the Bonneville transmission system; (b) inform Bonneville of actions that the CAISO is taking on behalf of EIM Entities and other EIM participants that may affect operation of Bonneville's transmission system; (c) enhance the operation of the EIM; and (d) improve the coordinated operation of the Parties' transmission systems.

4.2 Scope of Data and Information Exchange

Data and information exchanged under this Agreement is set forth in Exhibit B. At a minimum, Exhibit B shall identify the data and information to be shared and the granularity and frequency with which it will be shared. The Parties shall consider what, if any, adjustments to Exhibit B may be necessary to provide Bonneville full and transparent visibility of impacts on Bonneville's transmission associated with participation in the EIM. Except as provided in section 5.7, the data and information exchanged under this Agreement does not include aggregate market results or other after-the-fact data. The data and information exchanged under this Agreement also does not include data or information that the parties share pursuant to NERC and WECC reliability standards or other regulations, through Peak Reliability's Universal Data Sharing Agreement or its successor, other applicable Peak Reliability policies or methodologies, or through other agreements between the Parties.

4.3 Limitations on Data and Information Exchange

- 4.3.1 The Parties may disclose the data and information only to their respective employees, agents, and contractors who have a need to know the data and information and for the sole purpose of the permitted use described in section 4.1. Access to the data and information is prohibited as to Bonneville's respective employees, agents, and contractors engaged in a marketing function as defined under the FERC Standards of Conduct. Except as provided in section 4.3.2, nothing in this Agreement shall be understood to authorize the release of the other Party's non-public data or information disclosed under this Agreement. Any data or information that includes third party confidential information protected by an agreement or tariff shall not be shared unless: 1) the Party has been authorized in writing to do so by the other Party; or 2) the Party follows the procedures in section 4.3.2 and is required by law, regulation, subpoena or other lawful process of a court or other governmental authority of competent jurisdiction to disclose such data or information.
- 4.3.2 If a Party ("Receiving Party") receives a request to disclose non-public data or information that it has received from the other Party ("Providing Party") under this Agreement, it shall not disclose such information or data without first promptly notifying the Providing Party of the request for disclosure to facilitate that Party's efforts to prevent disclosure or otherwise preserve the confidentiality of the data or information. The Providing Party may either seek a protective order, at its own expense, to maintain the confidentiality of such information or data or may notify the Receiving Party in writing that it will take no action to maintain such confidentiality. After the Providing Party either has sought to maintain the confidentiality of such information or data or has notified the Receiving Party in writing that it will take no action to maintain such confidentiality, the Receiving Party shall not be in violation of this Agreement if it discloses such information or data in order to comply with applicable laws or regulations or an order, subpoena, or other lawful process of a court or other governmental authority of competent jurisdiction to disclose such data or information.
- 4.3.3 The Receiving Party shall immediately notify the Providing Party of any breach of this Agreement, including any instance of disclosure of non-public data or information to a third party.
- 4.3.4 The provisions of this section 4.3 shall survive the termination of this Agreement for a period of two years.

4.4 No Warranties or Representations; Disclaimers

All data or information exchanged 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, unless the Providing Party knowingly and deliberately provides false or inaccurate information. Each Party assumes any and all risk and responsibility for selection and use of, and reliance on, any information provided under this Agreement.

4.5 Data and Information Exchange Procedures

The Parties will use reasonable efforts to exchange the data and information in a manner that is compatible with their respective information systems and operations and shall exchange the data and information described in Exhibit B.

4.6 Notifications and Other Information

The CAISO will provide Bonneville with general market outage notifications in the same manner that it provides such market outage notifications to EIM Entities. The Parties will also consider additional notifications and information sharing that may support coordinated transmission system operations.

5. MANAGING EIM FLOWS ON BONNEVILLE'S TRANSMISSION SYSTEM

5.1 Upper and Lower Rate of Change Limits

Bonneville will set the Upper Rate of Change Limit and the Lower Rate of Change Limit at its discretion and notify the CAISO of such limits for each Bonneville Managed Facility before each Market Interval. The CAISO will use EIM Participating Resources listed in Exhibit C to manage EIM Incremental Flow on Bonneville's transmission system within the Upper Rate of Change Limits and the Lower Rate of Change Limits on each Bonneville Managed Facility. If Bonneville fails to send the CAISO Upper Rate of Change Limits or Lower Rate of Change Limits before a Market Interval or the CAISO fails to receive the Upper Rate of Change Limits or Lower Rate of Change Limits before a Market Interval, the CAISO will use the Upper Rate of Change Limits and Lower Rate of Change Limits that were last sent by Bonneville and received by the CAISO, and the CAISO will ensure that EIM Incremental Flow does not exceed those limits.

5.2 Managing EIM Area Incremental Flows When Bonneville is not Curtailing Transmission Schedules

Bonneville will set the Managed Limits at its discretion and notify the CAISO of the Managed Limits before each Market Interval. If Bonneville fails to notify the CAISO of the Managed Limits before a Market Interval or the CAISO fails to receive Managed Limits from Bonneville, the CAISO will use the Managed Limits that Bonneville last sent to the CAISO.

If Bonneville determines that a Managed Limit is exceeded or will be exceeded as a result of the next binding real-time dispatch Market Interval, Bonneville shall:

- (1) Take actions consistent with its operating procedures, business practices, and its Open Access Transmission Tariff; and
- (2) Send to the CAISO a signal indicating that EIM Area Incremental Flow shall not increase from the previously calculated EIM Area Incremental Flow megawatt value received by Bonneville.

After receiving the signal from Bonneville, the CAISO shall manage EIM Area Incremental Flow so that it does not increase until Bonneville either notifies the CAISO that the circumstances giving rise to the condition have been relieved or notifies the CAISO that additional relief is required under section 5.3 of the Agreement. Bonneville will endeavor to use this section 5.2 for a limited duration and frequency solely in response to exigent real-time operational circumstances that occur within an operating hour, and, if conditions require, transition into actions associated with section 5.3. Section 5.2 is not a replacement for actions that Bonneville normally takes under its operating procedures, business practices, and its Open Access Transmission Tariff when a Managed Limit is exceeded or will be exceeded as a result of the next binding real-time dispatch Market Interval.

5.3 Managing EIM Area Flows When Bonneville is Curtailing Transmission Schedules

5.3.1 EIM Area Incremental Flow and EIM Area Total Flow

For each Market Interval that the CAISO calculates binding or advisory market results, the CAISO will provide Bonneville with megawatt values that separately show the EIM Area Incremental Flow and the EIM Area Total Flow for each Bonneville Managed Facility and for facilities listed in section 3 of Exhibit C. Facilities listed in section 3 of Exhibit C are not subject to the provisions in sections 5.1 through 5.4 of the Agreement.

5.3.2 EIM Area Incremental Flow Obligation When Bonneville is Curtailing Transmission Schedules

If Bonneville determines it needs to curtail transmission schedules, Bonneville will calculate a pro-rata relief obligation using transmission schedules that are attributable to EIM Area Incremental

Flow. Notwithstanding the previous sentence, Bonneville has the right to exclude transmission schedules from the pro-rata relief calculation if it determines that it lacks the technical ability to include them or if Bonneville reasonably believes that the CAISO cannot meet all or part of its pro-rata relief obligation under this section. Any transmission schedules that Bonneville excludes from the pro-rata relief obligation is subject to Bonneville's curtailment procedures under its Open Access Transmission Tariff and associated business practices.

Bonneville will send the CAISO an EIM Area Incremental Flow pro-rata relief obligation that Bonneville reasonably expects the CAISO to provide under this section. Bonneville may send the EIM Area Incremental Flow pro-rata relief obligation to the CAISO as a limit or as a reduction. The CAISO shall manage EIM Area Incremental Flow to fulfill the CAISO's pro-rata relief obligation in subsequent Market Intervals as soon as possible until Bonneville notifies the CAISO that it is no longer curtailing transmission schedules.

Bonneville will adjust its planned Curtailments and Redispatch to account for the relief provided by CAISO and EIM Entity actions. For any remaining relief, Bonneville shall Curtail or Redispatch transmission schedules or resources under its Open Access Transmission Tariff. To obtain the remaining relief, Bonneville may Curtail or Redispatch transmission schedules in excess of the relief obligation stated above.

5.3.3 Additional Flow Obligation for Transmission Schedules Not Attributable to EIM Area Incremental Flow

In addition to the pro-rata relief obligation for EIM Area Incremental Flow under section 5.3.2, Bonneville will calculate a pro-rata relief obligation for transmission schedules, if any, that are not attributable to EIM Area Incremental Flow and that are identified by Balancing Authorities in the EIM Area. To calculate the pro-rata relief obligation under this section 5.3.3 for transmission schedules that are not attributable to EIM Area Incremental Flow, Bonneville will only use transmission schedules that: 1) source or sink in the EIM Area and that are scheduled across the Bonneville transmission system, and 2) are specifically identified by the Balancing Authorities in the EIM Area where the transmission schedules sources or sinks as being subject to section 5.3 and are accepted by Bonneville. If either the source or sink Balancing Authority in the EIM Area does not identify a transmission schedule as being subject to this section 5.3, it will be excluded from Bonneville's calculation of the pro-rata relief obligation and is subject to Bonneville's curtailment procedures under its Open Access Transmission Tariff and associated business practices.

Bonneville will send the CAISO an EIM Area Total Flow pro-rata relief obligation that: 1) reflects the transmission schedules, if any,

that are not attributable to EIM Area Incremental Flow and that are identified by Balancing Authorities in the EIM Area under this section 5.3.3, and 2) Bonneville reasonably expects the CAISO to provide under this section. Bonneville may send the EIM Area Total Flow pro-rata relief obligation to the CAISO as a limit or as a reduction. The EIM Area Total Flow pro-rata relief obligation shall include the EIM Area Incremental Flow pro rata flow relief obligation established under section 5.3.2.

The CAISO shall manage EIM Area Incremental Flow to fulfill the CAISO's pro-rata relief obligations under sections 5.3.2 and 5.3.3 in subsequent Market Intervals as soon as possible until Bonneville notifies the CAISO that it is no longer curtailing transmission schedules. The CAISO will also advise any interested EIM Entities that are also Bonneville transmission customers of optimal adjustments to EIM Base Schedules to assist in alleviating the constraint. If an EIM Entity is not interested in receiving these advisory optimal adjustments to EIM Base Schedules, the CAISO shall be under no obligation to provide them to that EIM Entity. The CAISO is not responsible for ensuring that EIM Entities adjust EIM Base Schedules, or otherwise managing EIM Area Total Flow.

Bonneville will adjust its planned Curtailments and Redispatch to account for the relief provided by CAISO and EIM Entity actions. For any remaining relief, Bonneville shall Curtail or Redispatch transmission schedules or resources under its Open Access Transmission Tariff. To obtain the remaining relief, Bonneville may Curtail or Redispatch transmission schedules in excess of the relief obligation stated above.

5.4 Adjustment of Generation

To mitigate the risk of excessive or inaccurate Curtailments following a contingency event that impacts Bonneville's South of Allston ("SOA") transmission path and that threatens the reliability of the interconnected transmission system, the CAISO will endeavor to dispatch available EIM Area Generation electrically south of SOA to replace generation that was lost or reduced as a result of the contingency. The dispatch of available EIM Area Generation only replaces generation an EIM Entity has not replaced through contingency reserves provided by the EIM Entity or the Northwest Power Pool or its successor. The generation that the CAISO provides under this section shall not exceed any limits that Bonneville sets pursuant to this section 5; provided, however, that Bonneville may have to waive certain limits pursuant to section 5.7 in order for the CAISO to provide effective relief under this section. The CAISO will account for the adjustments of EIM Area Generation through E-Tags as provided in its operating procedures and business practices.

If the CAISO cannot meet its obligation under this section by adjusting all available EIM Area Generation, it will advise any interested EIM Entities of

optimal adjustments to EIM Base Schedules to assist in alleviating the constraint. If an EIM Entity is not interested in receiving these advisory optimal adjustments to EIM Base Schedules, the CAISO shall be under no obligation to provide them to that EIM Entity. The CAISO is not responsible for ensuring that EIM Entities adjust EIM Base Schedules, nor will it be responsible for accounting for the change in EIM Base Schedules through the creation and submission of an E-Tag as provided in the EIM Entities' operating procedures and business practices.

5.5 Scheduling Capability

The CAISO will ensure that all instantaneous EIM Transfers across interties and interchanges managed by Bonneville do not exceed the scheduling limits identified on the Energy Transfer System Resources ("ETSRs") or any transmission schedules associated with those ETSRs.

5.6 Operation of the Bonneville Transmission System and the EIM Curtailments

Bonneville has the right to operate and provide transmission service over its transmission system in accordance with its tariff and business practices, which Bonneville may, in its sole discretion, amend or revise, and the CAISO has the right to operate the EIM in accordance with its tariff and business practices, as the CAISO may, in its sole discretion, amend or revise.

5.7 Waiver of Limits

Notwithstanding section 5.1 through section 5.5 above, Bonneville may allow the CAISO to: (1) manage EIM Incremental Flows in a manner that exceeds Bonneville's Upper Rate of Change Limit or Lower Rate of Change Limit; (2) operate the EIM in a manner that exceeds Managed Limits; or (3) exceed scheduling limits identified on the ETSR or any transmission schedules associated with the ETSR. Bonneville will notify CAISO of such waivers in writing or through a recorded phone line. Such waivers will be of limited duration or will only apply when certain transmission system conditions exist, and Bonneville shall not grant such waivers for commercial or market efficiency purposes. The CAISO and Bonneville shall develop procedures to waive limits that Bonneville establishes under this Agreement in order to ensure that the CAISO can meet its obligations.

5.8 Modeling

The CAISO and Bonneville will update, improve, and maintain the modeling of generation and transmission topology to adequately reflect the expected real-time system impacts on Bonneville's transmission system and the EIM Area based on the data and information shared pursuant to this Agreement and data and information shared through NERC and WECC reliability standards or other regulations, Peak Reliability's Universal Data Sharing Agreement or its successor, other applicable Peak Reliability policies or methodologies, and other agreements between the Parties.

5.9 Bonneville and CAISO Rates

Nothing in this Agreement precludes Bonneville or the CAISO from establishing rates or requirements for its transmission customers to otherwise enforce the limits on Bonneville Managed Facilities identified in this Agreement. Upon Bonneville's request, the CAISO shall provide Bonneville with available data or information associated with historical flows managed under this Agreement that reasonably assists Bonneville in assessing such rates to Bonneville's transmission customers.

5.10 Directives or Operating Instructions

Bonneville, as the Balancing Authority and Transmission Operator of Bonneville's transmission system, has the right to issue directives or operating instructions to the CAISO to remedy the exceedance of any limits set forth in this section 5 to ensure the reliability of the Bonneville transmission system or any other transmission facilities for which Bonneville is the Transmission Operator or to respond to a disruption of communications between Bonneville and the CAISO. The CAISO shall determine what EIM-related actions it must take to comply with Bonneville's directives or operating instructions and shall perform such actions. For any EIM disruption precipitated by a Bonneville directive or operating instruction, the Parties shall coordinate to ensure the reinstatement of EIM operations without compromising the reliability of the transmission system. The CAISO may not reinstate normal operation of the EIM on the Bonneville transmission system unless Bonneville agrees that such operation can be resumed without jeopardizing reliability.

5.11 Implementation

The Parties will develop operating procedures and business practices to implement the provisions of this Agreement as soon as practicable and will coordinate with EIM Entities and other impacted parties during this development process. To implement sections 5.2 through 5.4, the Parties shall hold technical discussions with EIM Entities and other impacted parties to obtain comments on the necessary procedures. The Parties shall oversee the initial development and the ongoing review of the associated operating procedures and implementation schedules, phased or otherwise.

6. STANDARD PROVISIONS

6.1 Amendment

The Parties may amend or modify this Agreement only by mutual written agreement. An amendment that is subject to FERC approval shall not take effect until FERC has accepted such amendment for filing and has made it effective. A change in the information provided in Exhibits A, B, and C shall not constitute an amendment to this Agreement. Nothing contained herein shall be construed as affecting in any way the right of either Party to unilaterally make applications to FERC for a change in the terms and conditions of this Agreement under Section 205 or 206 of the Federal Power Act ("FPA") and pursuant to FERC's rules and regulations promulgated

thereunder, if applicable. Any change to this Agreement by amendment or application to FERC shall be subject to the procedures in section 1.2.

6.2 Liability

6.2.1 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 the Parties that could not be avoided through compliance with mandatory NERC and WECC reliability standards. Neither Party will be considered in breach 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 requiring the Party to suspend performance of its obligations. Each Party shall each use its best efforts to mitigate the effects of an Uncontrollable Force, remedy its inability to perform, and resume full performance of its obligations hereunder in a timely manner.

6.2.2 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 in this Agreement. Neither Party, its directors, officers, employees, contractors, 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.

6.2.3 Liability for Electric Disturbance and Interruptions

The Parties shall plan, operate, and maintain their respective systems, consistent with mandatory NERC and WECC reliability standards, and Good Utility Practice, to minimize or avoid electric disturbances that may interfere with the system of the other Party. Each of the Parties shall protect its respective system from possible damage by reason of electric disturbance or faults caused by the operation, faulty operation, or non-operation of the other Party's facilities. Neither Party shall be liable to the other Party for any claim, demand, liability, loss, or damage, whether direct, indirect, or consequential, incurred by the Parties or their respective customers, which results from the separation of the systems in an emergency or interruption.

6.3 Governing Law

This Agreement shall be deemed to be a contract made under and for all purposes shall be governed by and construed in accordance with Federal law. 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.

6.4 Waivers

Except as provided in section 5.7, no waiver of any provision or breach of this Agreement shall be effective unless such waiver is in writing and signed by the waiving Party. A waiver shall not be deemed a waiver of any other provision of this Agreement or any other breach of this Agreement. Non-action by the Party who has the right to make such waiver shall not be deemed a waiver.

6.5 Notices

Except as provided in section 5.7, all notices, requests, demands, and other communications required or permitted under this Agreement shall be in writing, unless otherwise agreed by the Parties, and shall be delivered in person or sent by certified mail, postage prepaid, by overnight delivery, or by electronic facsimile transmission with an original sent immediately thereafter by postage prepaid mail, and properly addressed to the lead representatives identified in Exhibit A. If delivered by mail, such notices shall be effective five business days following deposit in the United States mail, postage prepaid.

6.6 Assignment and Successors

Neither this Agreement, nor any rights or responsibilities under this Agreement, may be assigned by either Party to a third party without the written consent of the other Party, and such consent will not be unreasonably delayed, conditioned, or withheld. Subject to the preceding sentence, this Agreement is binding upon and will inure to the benefit of the Parties and their successors in interest.

6.7 Severability, Savings Clause, and Interpretation

If any provision of this Agreement is held to be void, voidable, contrary to public policy, or unenforceable by any court or governmental agency of competent jurisdiction, that provision shall remain in force and effect to the maximum extent not prohibited by law, and all other terms of this Agreement shall not be affected thereby but shall remain in force and effect unless a court or governmental agency of competent jurisdiction holds that such provisions are not separable from all other provisions in this Agreement. The Parties agree that each Party has comparably participated in the preparation and negotiation of this Agreement such that no Party will be deemed the drafter of any term that may subsequently be found to be ambiguous or vague. Ambiguities or uncertainties in the wording of this Agreement shall be construed in a manner that most accurately reflects the purpose of this Agreement and the nature of the rights and obligations of the Parties with respect to the matter being construed.

6.8 Section Headings

Section headings and subheadings appearing in this Agreement are inserted for convenience only and shall not be construed as interpretations of text.

6.9 Third Party Beneficiaries

This Agreement is made and entered into for the sole protection and legal benefit of the Parties, and no other person or entity shall be a direct or indirect legal beneficiary of or have any direct or indirect cause of action or claim in connection with this Agreement or of any duty, obligation, or undertaking established herein.

6.10 Entire Agreement

This Agreement (including any exhibits, which are part of this Agreement and are incorporated by this reference) constitutes the complete agreement between the Parties and supersedes all previous communications, negotiation, and agreements, whether oral or written, with respect to this Agreement.

6.11 Counterparts and Signature Authority

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. Each person signing below warrants that he or she has been duly authorized by the Party for whom he or she signs to execute this Agreement on behalf of that Party.

CALIFORNIA INDEPENDENT SYSTEM
OPERATOR CORPORATION

UNITED STATES OF AMERICA
Department of Energy
Bonneville Power Administration

By:

/S/ ERIC J. SCHMITT

By:

/S/ MICHELLE M. CATHCART

Name:

Eric J. Schmitt

Name:

Michelle M. Cathcart

Title:

Vice President, Operations

Title:

Vice President, Transmission System
Operations

Date:

3/1/17

Date:

2/28/17

**EXHIBIT A
LEAD REPRESENTATIVES**

Lead representatives for the Coordinating Committee are listed below.

Lead CAISO Representative:

California Independent System Operator
Corporation
250 Outcropping Way
Folsom, CA 95630
Attention: Operations Account Executive for
Bonneville
Phone: (916) 351-4400

Secondary Point of Contact:

California Independent System Operator
Corporation
250 Outcropping Way
Folsom, CA 95630
Attention: Regulatory Contracts
Phone: (916) 608-7027
Fax: (916) 608-5063
Email: RegulatoryContracts@caiso.com

Lead Bonneville Representative:

Attention: Transmission Account
Executive for CAISO – TSE/TPP-2
Phone: (360) 619-6016
Fax: (360) 619-6940

First Class Mail:

Bonneville Power Administration
P.O. Box 61409
Vancouver, WA 98666-1409

Overnight Delivery Service:

Bonneville Power Administration
905 NE 11th Avenue
Portland, OR 97232

**EXHIBIT B
DATA AND INFORMATION EXCHANGE**

REF #	DATA ITEM	SENDER	RECEIVER	MARKET	MARKET INTERVAL	METHOD	WHEN & HOW OFTEN	NOTES
1	Real-time Managed Limits and Actual Flows on Bonneville Managed Facilities	Bonneville	CAISO	N/A	N/A	ICCP	Real-Time	Bonneville calculates and sends these to Peak Reliability in real-time via ICCP; CAISO may retrieve these from Peak Reliability or directly from Bonneville.
2	Upper/Lower Rate of Change Limits on Bonneville Managed Facilities	Bonneville	CAISO	RTD	Advisory/Binding	EIDE	On change, at least once an hour.	If Bonneville does not send a value or CAISO does not receive it, the last value that is sent by Bonneville and received by the CAISO should be persisted.
3	Rate of Change Market Flows on Bonneville Managed Facilities	CAISO	Bonneville	RTD/FMM	Advisory/Binding	EIDE	every 5 and 15 minutes respectively	EIM Incremental market flows due to scheduling and dispatching of specific EIM Participating Resources compared to their corresponding submitted Base Schedules or hourly resource plan

REF #	DATA ITEM	SENDER	RECEIVER	MARKET	MARKET INTERVAL	METHOD	WHEN & HOW OFTEN	NOTES
4	Total Market Dispatch for EIM Participating Resources	CAISO	Bonneville	RTD/FMM	Advisory/Binding	EIDE	every 5 and 15 minutes respectively	For resources identified in section 5 of Exhibit C or other resources identified by the Coordinating Committee for reliability needs.
5	Load Forecast for each EIM Area BAA	CAISO	Bonneville	RTD/FMM	Advisory/Binding	EIDE	every 5 and 15 minutes respectively	
6	Adjusted Net Scheduled Interchange for each EIM Area BAA	CAISO	Bonneville	RTD/FMM	Advisory/Binding	EIDE	every 5 and 15 minutes respectively	
7	Resource Status for EIM Participating Resources	CAISO	Bonneville	RTD	Advisory/Binding	EIDE	every 5 minutes	For resources identified in section 5 of Exhibit C or other resources identified by the Coordinating Committee for reliability needs.
8	Generation Shift Factor for EIM Participating Resources for each Bonneville Managed Facility	CAISO	Bonneville	RTD	Binding	EIDE	every 5 minutes	For resources identified in section 5 of Exhibit C or other resources identified by the Coordinating Committee for reliability needs.

REF #	DATA ITEM	SENDER	RECEIVER	MARKET	MARKET INTERVAL	METHOD	WHEN & HOW OFTEN	NOTES
9	Upper/Lower Rate of Change Limits that CAISO is enforcing in RTD	CAISO	Bonneville	RTD	Advisory/Binding	EIDE	every 5 minutes	Allows Bonneville to verify that CAISO has received the Upper/Lower Rate of Change Limits that are actively being enforced.
10	EIM Transfers between EIM Area BAAs	CAISO	Bonneville	RTD/FMM	Advisory/Binding	EIDE	every 5 and 15 minutes respectively	
11	EIM Incremental Flow for each Bonneville Managed Facility and facilities listed in section 3 of Exhibit C	CAISO	Bonneville	RTD/FMM	Advisory/Binding	EIDE or other standard communication protocol	every 5 and 15 minutes respectively	Per section 5.1 of this Agreement
12	EIM Area Incremental Flow for each Bonneville Managed Facility and facilities listed in section 3 of Exhibit C	CAISO	Bonneville	RTD/FMM	Advisory/Binding	EIDE or other standard communication protocol	every 5 and 15 minutes respectively	Per section 5.3 of this Agreement
13	EIM Area Total Flow for each Bonneville Managed Facility and facilities listed in section 3 of Exhibit C.	CAISO	Bonneville	RTD/FMM	Advisory/Binding	EIDE or other standard communication protocol	every 5 and 15 minutes respectively	Per section 5.3 of this Agreement

REF #	DATA ITEM	SENDER	RECEIVER	MARKET	MARKET INTERVAL	METHOD	WHEN & HOW OFTEN	NOTES
14	EIM Area Do Not Exacerbate (DNE) Signal	Bonneville	CAISO	RTD	Advisory/Binding	EIDE or other standard communication protocol	Per the conditions listed in section 5.2 of the Agreement.	For each Bonneville Managed Facility, subject to section 5.2 of this Agreement
15	EIM Area DNE active Signal	CAISO	Bonneville	RTD	Advisory/Binding	EIDE or other standard communication protocol	every 5 and 15 minutes respectively	For each Bonneville Managed Facility, subject to section 5.2 of this Agreement. This allows Bonneville to verify that CAISO has received the EIM Area DNE signal and is actively being enforced.
16	EIM Area Total Flow Limit	Bonneville	CAISO	RTD	Advisory/Binding	EIDE or other standard communication protocol	Per the conditions listed in sections 5.3 and 5.4 of the Agreement.	For each Bonneville Managed Facility, subject to section 5.3 of this Agreement.
17	EIM Area Total Flow Limit active in RTD	CAISO	Bonneville	RTD	Advisory/Binding	EIDE or other standard communication protocol	Per the conditions listed in sections 5.3 and 5.4 of the Agreement.	For each Bonneville Managed Facility. This allows Bonneville to verify that CAISO has received the EIM Area Total Flow-Limit and is actively being enforced.

REF #	DATA ITEM	SENDER	RECEIVER	MARKET	MARKET INTERVAL	METHOD	WHEN & HOW OFTEN	NOTES
18	General Market Status	CAISO	Bonneville	RTD/FMM	N/A	EIDE or other standard communication protocol	every 5 and 15 minutes respectively	An indication that the respective market is operational, per section 4.6 of this Agreement.

The terms Real-Time Dispatch (RTD) and Fifteen Minute Market (FMM) are defined in the CAISO tariff. The Coordinating Committee may agree to add or remove data items listed in this Exhibit B. Per section 6.1 of the Agreement, such additions or removals shall not be considered an amendment to the Agreement.

**EXHIBIT C
BONNEVILLE MANAGED FACILITIES AND OTHER FACILITIES**

1. LIST OF BONNEVILLE MANAGED FACILITIES

BONNEVILLE MANAGED FACILITY	ACRONYM	STATE ESTIMATOR NAME	DSO
Columbia Injection	COLINJ	COLINJ	336
North of John Day	NJD	PATH73	306
North of Echo Lake	NOEL	INTNEL	348
North of Hanford	NOH	INTNH	340
Paul - Allston	P-A	INTPA	313
Raver - Paul	R-P	INTRP	307
South of Allston*	SOA	PATH71	309
South of Custer	SOC	INTSOC	349
South of Raver	SOR	INTSOR	307
Wanapum Injection	WANINJ	WANINJ	342
Cross Cascades North	WOCN	PATH04	322
Cross Cascades South	WOCN	PATH05	324
West of John Day	WOJD	INTWJD	347
West of McNary	WOM	INTWM	316
West of Slatt	WOS	INTWS	334

Each Bonneville Managed Facility is defined in the corresponding Bonneville Dispatch Standing Order (“DSO”) or its successor. South of Allston is the only Bonneville Managed Facility subject to section 5.4 of the Agreement.

2. ADDING OR REMOVING BONNEVILLE MANAGED FACILITIES

Bonneville may add or remove Bonneville Managed Facilities to section 1 of this Exhibit C by providing the CAISO’s lead representative on the Coordinating Committee with at least 120 days’ written notice. Per section 6.1 of the Agreement, such additions or removals shall not be considered an amendment to the Agreement.

3. OTHER FACILITIES WHERE CAISO WILL PROVIDE BONNEVILLE WITH EIM IMPACTS PER SECTION 5.3 OF THE AGREEMENT.

PATH/FACILITY	ACRONYM	STATE ESTIMATOR NAME
California Oregon Intertie	COI	PATH66

Each path or facility listed in this section 3 of Exhibit C is defined in the WECC Path Rating Catalogue.

4. ADDING OR REMOVING FACILITIES WHERE CAISO WILL PROVIDE BONNEVILLE WITH EIM IMPACTS PER SECTION 5.3 OF THE AGREEMENT.

The Coordinating Committee may agree to add or remove facilities listed in section 3 of Exhibit C. These facilities may include facilities where Bonneville is not the Transmission Operator or the Transmission Provider. Per section 6.1 of the Agreement, such additions or removals shall not be considered an amendment to the Agreement.

5. LIST OF EIM PARTICIPATING RESOURCES SUBJECT TO UPPER AND LOWER RATE OF CHANGE LIMITS¹

The following EIM Participating Resources located in the PacifiCorp-West (PACW) Balancing Authority are subject to the Upper Rate of Change Limits and the Lower Rate of Change Limits: Jim Bridger, Chehalis, Goodnoe Hills, Hermiston, Leaning Juniper, Swift, and Yale.

The following EIM Participating Resources located in the Puget Sound Energy (PSE) Balancing Authority are subject to the Upper Rate of Change Limits and the Lower Rate of Change Limits: Encogen, Ferndale, Frederickson 1 and 2, Fredonia 1 and 2, Fredonia 3 and 4, Goldendale, Mid-C (PSE share), Mint Farm, Sumas, Upper Baker 1 and 2, and Whitehorn 2 and 3.

6. ADDING OR REMOVING EIM PARTICIPATING RESOURCES THAT ARE SUBJECT TO UPPER AND LOWER RATE OF CHANGE LIMITS.

Bonneville may determine that certain other EIM Participating Resources not listed in section 5 of Exhibit C have a non-de minimus impact on the Bonneville transmission system. Upon such a determination, Bonneville may add those EIM Participating Resources to section 5 of Exhibit C upon 120 days' notice to CAISO. If Bonneville determines that certain EIM Participating Resources listed in section 5 of Exhibit C no longer have an impact on the Bonneville transmission system, those EIM Participating Resources will be removed from section 5 of Exhibit C. Per section 6.1 of the Agreement, such additions or removals shall not be considered an amendment to the Agreement.

¹ The resources listed in this section may be part of two BAAs. Only the portion of the resource that is in the BAA specifically listed in section 5 above is subject to the Upper and Lower Rate of Change Limits. The portion of the resource that is in another BAA is not subject to the Upper and Lower Rate of Change Limits unless otherwise listed in section 5.

**EXHIBIT B, REVISION NO. 2
DATA AND INFORMATION EXCHANGE**

This Exhibit B, Revision No. 2 (Revision No. 2) adds Ref #19 to the table. Revision No. 2 replaces Exhibit B, Revision No. 1 in its entirety.

REF #	DATA ITEM	SENDER	RECEIVER	MARKET	MARKET INTERVAL	METHOD	WHEN & HOW OFTEN	NOTES
1	Real-time Managed Limits and Actual Flows on Bonneville Managed Facilities	Bonneville	CAISO	N/A	N/A	ICCP	Real-Time	Bonneville calculates and sends these to Peak Reliability in real-time via ICCP; CAISO may retrieve these from Peak Reliability or directly from Bonneville.
2	Upper/Lower Rate of Change Limits on Bonneville Managed Facilities	Bonneville	CAISO	RTD	Advisory/Binding	EIDE	On change, at least once an hour.	If Bonneville does not send a value or CAISO does not receive it, the last value that is sent by Bonneville and received by the CAISO should be persisted.
3	Rate of Change Market Flows on Bonneville Managed Facilities	CAISO	Bonneville	RTD/FMM	Advisory/Binding	EIDE	Every 5 and 15 minutes respectively	EIM Incremental market flows due to scheduling and dispatching of specific EIM Participating Resources compared to their corresponding submitted Base Schedules or hourly resource plan.
4	Total Market Dispatch for EIM Participating Resources	CAISO	Bonneville	RTD/FMM	Advisory/Binding	EIDE	Every 5 and 15 minutes respectively	For resources identified in section 5 of Exhibit C or other resources identified by the Coordinating Committee for reliability needs.
5	Load Forecast for each EIM Area BAA	CAISO	Bonneville	RTD/FMM	Advisory/Binding	EIDE	Every 5 and 15 minutes respectively	

REF #	DATA ITEM	SENDER	RECEIVER	MARKET	MARKET INTERVAL	METHOD	WHEN & HOW OFTEN	NOTES
6	Adjusted Net Scheduled Interchange for each EIM Area BAA	CAISO	Bonneville	RTD/FMM	Advisory/Binding	EIDE	Every 5 and 15 minutes respectively	
7	Resource Status for EIM Participating Resources	CAISO	Bonneville	RTD	Advisory/Binding	EIDE	Every 5 minutes	For resources identified in section 5 of Exhibit C or other resources identified by the Coordinating Committee for reliability needs.
8	Generation Shift Factor for EIM Participating Resources for each Bonneville Managed Facility	CAISO	Bonneville	RTD	Binding	EIDE	Every 5 minutes	For resources identified in section 5 of Exhibit C or other resources identified by the Coordinating Committee for reliability needs.
9	Upper/Lower Rate of Change Limits that CAISO is enforcing in RTD	CAISO	Bonneville	RTD	Advisory/Binding	EIDE	Every 5 minutes	Allows Bonneville to verify that CAISO has received the Upper/Lower Rate of Change Limits that are actively being enforced.
10	EIM Transfers between EIM Area BAAs	CAISO	Bonneville	RTD/FMM	Advisory/Binding	EIDE	Every 5 and 15 minutes respectively	
11	EIM Incremental Flow for each Bonneville Managed Facility and facilities listed in section 3 of Exhibit C	CAISO	Bonneville	RTD/FMM	Advisory/Binding	EIDE or other standard communication protocol	Every 5 and 15 minutes respectively	Per section 5.1 of this Agreement.

REF #	DATA ITEM	SENDER	RECEIVER	MARKET	MARKET INTERVAL	METHOD	WHEN & HOW OFTEN	NOTES
12	EIM Area Incremental Flow for each Bonneville Managed Facility and facilities listed in section 3 of Exhibit C	CAISO	Bonneville	RTD/FMM	Advisory/Binding	EIDE or other standard communication protocol	Every 5 and 15 minutes respectively	Per section 5.3 of this Agreement.
13	EIM Area Total Flow for each Bonneville Managed Facility and facilities listed in section 3 of Exhibit C	CAISO	Bonneville	RTD/FMM	Advisory/Binding	EIDE or other standard communication protocol	Every 5 and 15 minutes respectively	Per section 5.3 of this Agreement.
14	EIM Area Incremental Flow Limit	Bonneville	CAISO	RTD/FMM	Advisory/Binding	EIDE or other standard communication protocol	Per the conditions listed in section 5.2 of the Agreement.	For each Bonneville Managed Facility, subject to section 5.2 of this Agreement.
15	EIM Area Incremental Flow Limit active in RTD	CAISO	Bonneville	RTD/FMM	Advisory/Binding	EIDE or other standard communication protocol	Every 5 and 15 minutes respectively	For each Bonneville Managed Facility, subject to section 5.2 of this Agreement. This allows Bonneville to verify that CAISO has received the EIM Area Incremental Flow Limit and is actively being enforced.
16	EIM Area Total Flow Limit	Bonneville	CAISO	RTD/FMM	Advisory/Binding	EIDE or other standard communication protocol	Per the conditions listed in sections 5.3 and 5.4 of the Agreement.	For each Bonneville Managed Facility, subject to section 5.3 of this Agreement.

REF #	DATA ITEM	SENDER	RECEIVER	MARKET	MARKET INTERVAL	METHOD	WHEN & HOW OFTEN	NOTES
17	EIM Area Total Flow Limit active in RTD	CAISO	Bonneville	RTD/FMM	Advisory/Binding	EIDE or other standard communication protocol	Per the conditions listed in sections 5.3 and 5.4 of the Agreement.	For each Bonneville Managed Facility. This allows Bonneville to verify that CAISO has received the EIM Area Total Flow Limit and is actively being enforced.
18	General Market Status	CAISO	Bonneville	RTD/FMM	N/A	EIDE or other standard communication protocol	Every 5 and 15 minutes respectively	An indication that the respective market is operational, per section 4.6 of this Agreement.
19	Network Application Calculated Flow	CAISO	Bonneville	FMM	Advisory/Binding	EIDE or other standard communication protocol	Every 15 minutes	For each Bonneville Managed and Monitored Facility listed in Exhibit C, provide the calculated energy flow from the AC power flow solution performed as part of the FMM market process (a.k.a. NA Flow)

The terms Real-Time Dispatch (RTD) and Fifteen Minute Market (FMM) are defined in the CAISO tariff. The Coordinating Committee may agree to add or remove data items listed in this Exhibit B. Per section 6.1 of the Agreement, such additions or removals shall not be considered an amendment to the Agreement.

**EXHIBIT C, REVISION NO. 6
BONNEVILLE MANAGED FACILITIES AND OTHER FACILITIES**

This Exhibit C, Revision No. 6 (Revision No. 6) incorporates the following: (1) the addition of Skookumchuck Wind, a new EIM Participating Resource located in the Puget Sound Energy, Inc. Balancing Authority Area; (2) the addition of Wheatridge Wind, a new EIM Participating Resource located in the Portland General Electric Company Balancing Authority Area; (3) the retirement of the North of John Day and Paul Allston; (4) the addition of Montana-Northwest, Satsop Injection, West of Lower Monumental, and West of Hatwai as Managed Facilities; and (5) the addition of Participating Resources (PRs) for NorthWestern Corporation (North Western Energy), Avista Corporation Transmission, Tacoma Power, and Bonneville Power Administration Transmission Services that are subject to the Rate of Change constraints. This Revision No. 6 replaces Revision No. 5 in its entirety.

1. LIST OF BONNEVILLE MANAGED FACILITIES

BONNEVILLE MANAGED FACILITY	ACRONYM	STATE ESTIMATOR NAME	DSO
Columbia Injection	COLINJ	COLINJ	336
Northwest – BC ¹	NI	WPTH03	320
North of Echo Lake	NOEL	INTNEL	348
North of Hanford	NOH	INTNH	340
Raver Paul	R-P	INTRP	307
South of Allston ¹	SOA	WPTH71	309
South of Custer	SOC	INTSOC	349
South of Raver	SOR	INTSOR	307
South of Boundary	SOB	INTSOB	308
Wanapum Injection	WANINJ	WANINJ	342
Cross Cascades North	WOCN	WPTH04	322
Cross Cascades South	WOCS	WPTH05	324
West of John Day	WOJD	INTWJD	347
West of McNary	WOM	INTWM	316
West of Slatt	WOS	INTWS	334
Northwest AC Intertie ^{1,2}	NWACI	NWACI	306
Montana-Northwest	PATH8	WPTH08	319
Satsop Injection	DNE	SATINJ	360
West of Lower Monumental	WOLM	INTWLM	314
West of Hatwai	WOH	WPTH06	325

¹ Facility has bi-directional limits.

² NWACI will not have Upper and Lower Rate of Change Limits as described in section 5.1 of the Agreement.

Each Bonneville Managed Facility is defined in the corresponding Bonneville Dispatch Standing Order (DSO) or its successor. South of Allston is the only Bonneville Managed Facility subject to Section 5.4 of the Agreement.

2. ADDING OR REMOVING BONNEVILLE MANAGED FACILITIES

Bonneville may add or remove Bonneville Managed Facilities to Section 1 of this Exhibit C by providing the CAISO’s lead representative on the Coordinating Committee with at least 120 days’ written notice. Per Section 6.1 of the Agreement, such additions or removals shall not be considered an amendment to the Agreement.

3. OTHER FACILITIES WHERE CAISO WILL PROVIDE BONNEVILLE WITH EIM IMPACTS PER SECTION 5.3 OF THE AGREEMENT

PATH/FACILITY	ACRONYM	STATE ESTIMATOR NAME
California Oregon Intertie	PATH66 (COI)	WPTH66
Alturas Project	PATH76 (RATS)	WPTH76
Idaho-Northwest	PATH14	WPTH14
Hemmingway-Summer Lake	PATH75	WPTH75

Each path or facility listed in this Section 3 of Exhibit C is defined in the WECC Path Rating Catalogue.

4. ADDING OR REMOVING FACILITIES WHERE CAISO WILL PROVIDE BONNEVILLE WITH EIM IMPACTS PER SECTION 5.3 OF THE AGREEMENT

The Coordinating Committee may agree to add or remove facilities listed in Section 3 of Exhibit C. These facilities may include facilities where Bonneville is not the Transmission Operator or the Transmission Provider. Per Section 6.1 of the Agreement, such additions or removals shall not be considered an amendment to the Agreement.

5. LIST OF EIM PARTICIPATING RESOURCES SUBJECT TO UPPER AND LOWER RATE OF CHANGE LIMITS³

The following EIM Participating Resources located in the PacifiCorp (PACW) Balancing Authority Area are subject to the Upper Rate of Change Limits and the Lower Rate of Change Limits: Jim Bridger, Chehalis, Goodnoe Hills, Hermiston, Leaning Juniper, Swift, and Yale.

³ The resources listed in this section may be part of two BAAs. Only the portion of the resource that is in the BAA specifically listed in Section 5 above is subject to the Upper and Lower Rate of Change Limits. The portion of the resource that is in another BAA is not subject to the Upper and Lower Rate of Change Limits unless otherwise listed in Section 5.

The following EIM Participating Resources located in the Puget Sound Energy, Inc. (PSEI) Balancing Authority Area are subject to the Upper Rate of Change Limits and the Lower Rate of Change Limits: Encogen, Ferndale, Frederickson 1 and 2, Fredonia 1 and 2, Fredonia 3 and 4, Goldendale, Mid-C (PSEI share)⁴, Wells (PSEI share), Wild Horse, Mint Farm, Skookumchuck Wind, Sumas, Upper Baker 1 and 2, and Whitehorn 2 and 3.

The following EIM Participating Resources located in the Portland General Electric Company (PGE) Balancing Authority Area are subject to the Upper Rate of Change Limits and the Lower Rate of Change Limits: Beaver, Biglow Canyon⁵, Boardman, Carty, Coyote, Mid-C (PGE's share)⁶, Wells (PGE's share), Port Westward 1, Port Westward 2, Round Butte/Pelton, Wheatridge Wind, and Tucannon⁷.

Powerex's APR, as described in Schedule 1 of the EIM Participating Resource Agreement between CAISO and Powerex, are subject to the Upper Rate of Change Limits and the Lower Rate of Change Limits⁸.

The following EIM Participating Resources located in The City of Seattle, City Light Department (SCL) Balancing Authority Area are subject to the Upper Rate of Change Limits and the Lower Rate of Change Limits: Boundary, Ross, and Diablo⁹.

The following EIM Participating Resources located in the NorthWestern Corporation (NorthWestern Energy) (NWMT) Balancing Authority Area are subject to the Upper Rate of Change Limits and the Lower Rate of Change Limits: Black Eagle Solar, Big Timber Wind, Broadwater Dam, Yellowstone Energy LP, Colstrip 3 and 4, Crooked Falls, Fairfield Wind, Gordon Butte Wind, Green Meadow Solar, Great Divide Solar, Judith Gap Wind, Magpie Solar, Dave Gates, Basin Creek, Musselshell, Mystic, River Bend Solar, South Peak Wind, Spion Kopp Wind, Stillwater Wind, South Mills Solar, Turnbull Hydro, Two Dot Wind, and Thompson Falls.

⁴ PGE and PSEI each have a share of the output of Mid-C resources owned by Grant and Chelan PUDs. These resources participate in hourly coordination and are modeled as an aggregate generation resource.

⁵ Biglow Canyon and Tucannon will be subject to the Upper Rate of Change Limits and the Lower Rate of Change Limits upon their move to PGE's Balancing Authority, which is scheduled to occur on December 14, 2017.

⁶ See FN 2.

⁷ See FN 3.

⁸ CAISO will model Powerex's APR as distributed to physical locations based on hourly generation distribution factors, and using the net EIM transfer at the BC.US Border as indicated by the sum of EIM transfers to or from the BC Hydro BAA.

⁹ Diablo may not initially participate in the EIM. However, if or when Diablo does participate, it will be subject to the Upper Rate of Change Limits and the Lower Rate of Change Limits.

The following EIM Participating Resources located in the Avista Corporation Transmission (AVA) Balancing Authority Area are subject to the Upper Rate of Change Limits and the Lower Rate of Change Limits: Boulder Park GS, POPD Box Canyon, Cabinet Clearwater, Clearwater Load, Colstrip, Coyote Springs 2, Inland Empire Paper Load, Kaiser Load, Kettle Falls GS CT, Kettle Falls GS Biomass, Lancaster, Solar Select, Little Falls, Long Lake, MIDC (CHPD), MIDC (DOPD), MIDC (GCPD), Monroe Street, Nine Mile, Noxon, Northeast CT, Palouse, PlummerSaw Mill, POPUD Load, Post Falls, Rathdrum, Rattlesnake Flats, Upper Falls, Upriver, and Spokane Waste to Energy.

The following EIM Participating Resources located in the Tacoma Power (TPWR) Balancing Authority Area are subject to the Upper Rate of Change Limits and the Lower Rate of Change Limits: Alder, Cushman, and Mossyrock.

The following EIM Participating Resources located in the Bonneville Power Administration Transmission Services (BPAT) Balancing Authority Area are subject to the Upper Rate of Change Limits and the Lower Rate of Change Limits: Upper Columbia (an aggregate of Grand Coulee and Chief Joseph), Lower Snake (an aggregate of Ice Harbor, Lower Monumental, Lower Granite, and Little Goose), and Lower Columbia (an aggregate of Bonneville, The Dalles, John Day, and McNary).

6. ADDING OR REMOVING EIM PARTICIPATING RESOURCES THAT ARE SUBJECT TO UPPER AND LOWER RATE OF CHANGE LIMITS

Bonneville may determine that certain other EIM Participating Resources not listed in Section 5 of Exhibit C have a non-de minimus impact on the Bonneville transmission system. Upon such a determination, Bonneville may add those EIM Participating Resources to Section 5 of Exhibit C upon 120 days' notice to CAISO. If Bonneville determines that certain EIM Participating Resources listed in Section 5 of Exhibit C no longer have an impact on the Bonneville transmission system, those EIM Participating Resources will be removed from Section 5 of Exhibit C. Per Section 6.1 of the Agreement, such additions or removals shall not be considered an amendment to the Agreement.