

ATTACHMENT S

CAISO Energy Imbalance Market Provisions

WAPA’s Participation in EIM

Attachment S provides for participation of WAPA’s Sierra Nevada Region (SNR) in California ISO’s (CAISO) Western Energy Imbalance Market (EIM). Attachment S is not applicable for transactions occurring outside of SNR.

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1 Definitions

The following definitions apply only to Attachment S.

- 1.1 Balancing Authority (BA): The responsible entity that integrates resource plans ahead of time, maintains load Interchange-generation balance within a Balancing Authority Area, and supports interconnection frequency in real time.
- 1.2 Balancing Authority Area (BAA): For the purpose of this Tariff, the term Balancing Authority Area shall have the same meaning as “Control Area”.
- 1.3 Balancing Authority of Northern California (BANC): A joint powers authority that provides Balancing Authority and other services to its members and other entities within the Balancing Authority Area. Members/entities of BANC may in turn provide Transmission Service to customers.
- 1.4 BANC Balancing Authority Area (BAA): Refers to the BAA operated by BANC. WAPA is a Sub-BAA and Transmission Provider within the BANC BAA.
- 1.5 BANC EIM Entity BAA: As used in its concatenated form in the CAISO Tariff or this Tariff, shall include the transmission system that is located within the BANC BAA of the BANC EIM Entity and is represented by E-Tags, an area control error calculation, and revenue quality metering.
- 1.6 California Independent System Operator Corporation (CAISO): A state-chartered, California non-profit public benefit corporation that operates the transmission facilities of all CAISO participating transmission owners and dispatches certain generating units and loads. The CAISO is the MO for the EIM.
- 1.7 CAISO BAA or CAISO Controlled Grid: The system of transmission lines and associated facilities of the CAISO participating transmission owners that have been placed under the CAISO’s operational control.
- 1.8 Dispatch Instruction: An instruction by the MO for an action with respect to a specific EIM Participating Resource for increasing or decreasing its energy supply or demand.
- 1.9 Dispatch Operating Target: The expected operating point, in MW, of an EIM Participating Resource that has received a Dispatch Instruction from the MO. For purposes of Attachment S of this Tariff, the Dispatch Operating Target means the change in MW output of an EIM Participating Resource due to an EIM bid being accepted and the EIM Participating Resource receiving a Dispatch Instruction. The Dispatch Operating Point is expressed either as a negative MW quantity for the downward movement of generation, or a positive MW quantity for the upward movement of generation.

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- 1.10 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 BAA into another. A Dynamic Transfer can be either:
 - (a) Dynamic Schedule: a telemetered reading or value that is updated in real time and used as a schedule in the AGC/ACE equation and the integrated value of which is treated as an after-the-fact schedule for Interchange accounting purposes; or
 - (b) Pseudo-Tie: a functionality by which the output of a generating unit physically interconnected to the electric grid in a native BAA is telemetered to and deemed to be produced in an attaining BAA that provides BA services for and exercises BA jurisdiction over the generating unit.
- 1.11 E-Tag: An electronic tag associated with a schedule in accordance with the requirements of the North American Electric Reliability Corporation (NERC), the Western Electricity Coordinating Council (WECC), or the North American Energy Standards Board (NAESB).
- 1.12 EIM Area: The combination of the BANC EIM Entity BAA, the CAISO BAA, and the BAAs of other EIM Entity in the western interconnection.
- 1.13 EIM Entity: A Balancing Authority that enters into the MO's EIM Entity Agreement to enable the EIM to occur in its BAA. BANC is the EIM Entity for the BANC EIM Entity BAA. For the purpose of this Agreement, the EIM Entity is the BANC EIM Entity or the entity selected by the BANC EIM Entity who is certified by the MO. WAPA SNR participates in the CAISO Western EIM under the BANC EIM Entity.
- 1.14 EIM Entity Scheduling Coordinator: The BANC EIM Entity or the entity selected by the BANC EIM Entity who is certified by the MO and who enters into the MO's EIM Entity Scheduling Coordinator Agreement.
- 1.15 EIM Participation Agreement (PA): The agreement between BANC and the Transmission Provider (and, in the future, other entities that wish to participate in the EIM through BANC) that establishes respective rights, obligations, and procedures related to EIM participation, as amended from time to time within the BANC BAA.
- 1.16 EIM Participating Resource: A resource or a portion of a resource: (1) that meets the Transmission Provider's eligibility requirements; (2) has been certified by the BANC EIM Entity for participate in the EIM; and (3) for which the generation owner and/or operator enters into the MO's EIM Participating Resource Agreement and any agreements as may be required by BANC and/or the BANC EIM Entity.

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- 1.17 EIM Participating Resource Scheduling Coordinator: An entity with one or more BANC EIM Participating Resource(s) or a third-party designated by the Transmission Customer with one or more BANC EIM Participating Resource(s), that is certified by the MO and enters into the MO's EIM Participating Resource Scheduling Coordinator Agreement.
- 1.18 EIM Transfer: The transfer of real-time energy resulting from an EIM Dispatch Instruction: (1) between the BANC EIM Entity BAA and the CAISO BAA; (2) between the BANC EIM Entity BAA and another EIM Entity BAA; (3) between the CAISO BAA and an EIM Entity BAA; or (4) between BANC Sub-BAAs and load serving entities using transmission capacity available in the EIM.
- 1.19 Imbalance Energy: The deviation of supply or demand from the Transmission Customer Base Schedule, positive or negative, as measured by metered generation, metered load, or real-time Interchange or Intrachange schedules.
- 1.20 Interconnection Customer: Any Eligible Customer (or its Designated Agent) that executes an agreement to receive generation Interconnection Service pursuant to Attachments L or M of this Tariff.
- 1.21 Instructed Imbalance Energy (IIE): Settlement charges incurred by the Transmission Provider on behalf of Transmission Customers for instructed deviations, such as those that occur due to operational adjustments to Transmission Customer interchange schedules and Manual Dispatch.
- 1.22 Interchange: E-Tagged energy transfers from, to, or through BAAs not including EIM Transfers.
- 1.23 Intrachange: E-Tagged energy transfers within the BANC BAA, not including real-time actual energy flows associated with EIM Dispatch Instructions.
- 1.24 Manual Dispatch: An operating order issued by the EIM Entity or Transmission Provider to a Transmission Customer with an EIM Participating Resource, outside of the EIM optimization, when necessary to address reliability or operational issues in the Transmission Providers Sub-BAA or BANC EIM Entity BAA that the EIM is not able to address through economic dispatch and congestion management.
- 1.25 Market Operator (MO): The entity responsible for operation, administration, settlement, and oversight of the EIM. The CAISO is the current Market Operator of the Western Energy Imbalance Market.
- 1.26 MO Tariff: Those portions of the MO's approved tariff, as such tariff may be modified from time to time, that specifically apply to the operation, administration, settlement, and oversight of the EIM.

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- 1.27 Non-Participating Resource: A resource that is not an EIM Participating Resource.
- 1.28 Operating Hour: The hour when the EIM runs and energy is supplied to load.
- 1.29 Resource Plan: The combination of load, resource, Interchange and Intrachange components of the Transmission Customer Base Schedule, ancillary services base schedules, and bid ranges submitted by EIM Participating Resources.
- 1.30 Sub-Balancing Authority Area (Sub-BAA): An Electric Power System operating within a Host Control Area that is bounded by meters and is responsible for Control Area like performance of generation, load and transmission. SNR is a Sub-BAA within the BANC BAA.
- 1.31 Transmission Customer Base Schedule: An energy schedule that provides Transmission Customer hourly-level forecast data and other information used as the baseline by which to measure Imbalance Energy for purposes of EIM settlement. The term “Transmission Customer Base Schedule” as used in this Tariff is synonymous with the term “EIM Participant Base Schedule” used in the EIM Entity business practices, and may refer collectively to the components of such schedule (resource, Interchange, Intrachange, and load determined pursuant to the EIM Entity business practices) or any individual components of such schedule.
- 1.32 Uninstructed Imbalance Energy (UIE): Settlement charges incurred by the Transmission Provider on behalf of Transmission Customers due to uninstructed deviations of supply or demand.
- 1.33 WAPA Sub-BAA Transmission Owner: A transmission owner, other than the Transmission Provider, who owns transmission facilities within the WAPA Sub-BAA.

2 General Provisions – Purpose and Effective Date

This Attachment S should be read in conjunction with the EIM PA and any prescribed business practices and/or procedures of the Transmission Provider and EIM Entity. Under this Tariff, SNR’s participation in EIM is as a Transmission Provider and Sub-BAA under the Balancing Area of Northern California (BANC). Therefore the provisions of SNR’s participation in EIM under this Attachment S are limited and dependent on the EIM implementation and participation decisions of BANC as the EIM Entity. Attachment S is not intended to bind BANC as the EIM Entity.

Attachment S shall be in effect for as long as Transmission Provider participates in EIM through the BANC EIM Entity and until all final settlements are finalized resulting from such implementation or termination. The provisions of Attachment S are subject to change based on changes imposed on the Transmission Provider by the EIM Entity due to modifications of the BANC EIM participation model.

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Attachment S shall apply to:

- (1) Unless otherwise provided by a legacy agreement, all Transmission Customers and Interconnection Customers, as applicable, with new and existing service agreements under Parts II and III of the Tariff or Attachments L and M of this Tariff,
- (2) All Transmission Customers with legacy agreements that pre-existed this Tariff and that expressly incorporate by reference the applicability of Transmission Provider's Tariff and/or this Attachment S in particular, and
- (3) Transmission Provider's use of the transmission system for service to Native Load Customers, excluding statutory load obligations as defined under Attachment K.

To the extent an Interconnection Customer controls the output of a generator located in Transmission Provider's Sub-BAA, the Transmission Provider may require the Interconnection Customer to comply with a requirement in this Attachment S that on its face applies to a Transmission Customer to the extent that the Transmission Provider makes a determination, in its sole discretion, that the Interconnection Customer is the more appropriate party to satisfy the requirements of Attachment S than any Transmission Customer.

Attachment S shall work in concert with the provisions of the EIM PA and any successor or additional agreement(s) required by the EIM Entity, EIM Entity EIM business practices, and the MO Tariff and business practices implementing the EIM to support operation of the EIM. To the extent that this Attachment S is inconsistent with a provision in the remainder of this Tariff with regard to the EIM Entity's administration of the EIM, this Attachment S shall prevail.

This Attachment S governs the relationship between the Transmission Provider and all Transmission Customers and Interconnection Customers subject to this Tariff. This Attachment S does not establish privity between Transmission Customers, the EIM Entity and the MO or make a Transmission Customer subject to the MO Tariff. Transmission Customer duties and obligations related to the EIM are those identified in this Tariff, and those prescribed in business practices of the Transmission Provider and EIM Entity. The MO Tariff and EIM Entity business practice provisions for EIM Participating Resources and EIM Participating Resource Scheduling Coordinators shall apply to Transmission Customers with EIM Participating Resources.

Notwithstanding the provisions of Section 10.2 of the Tariff, the standard of liability for the actions of the Transmission Provider performed consistent with this Attachment S shall be gross negligence or intentional wrongdoing.

3 Registration of EIM Participating Resources

As required by the EIM Entity, Transmission Customers with resources in the Transmission Providers Sub-BAA shall participate in the EIM as EIM Participating Resources under the terms and conditions defined in the EIM Entity business practices. Transmission Customers with an EIM Participating Resource must:

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- (1) Meet the requirements of this Attachment S, the EIM PA, as that agreement may be amended from time to time, and any successor or additional agreement(s) required by the EIM Entity. It shall be the obligation of the Transmission Customer to initiate registration for EIM Participating Resources, including initiating the EIM PA and additional agreements, with the EIM Entity, and to negotiate any necessary changes in such agreements, directly with the EIM Entity;
- (2) Follow the related registration and certification process specified in this Attachment S, and any business practices and/or procedures of the Transmission Provider and EIM Entity.

4 EIM Participating Resource Requirements

4.1 Internal Resources - Transmission Rights

The Transmission Customer that owns or controls a resource within the Transmission Providers Sub-BAA must have associated transmission rights on the Transmission Provider system based on one of the following:

- (1) The resource is a designated Network Resource of a Network Customer and the Network Customer elects to participate in the EIM through its Network Integration Transmission Service Agreement; or
- (2) The resource is associated with either (i) a Service Agreement for Firm Point-to-Point Transmission Service or (ii) a Service Agreement for Non-Firm Point-to-Point Transmission Service, and such Transmission Customer elects to participate in the EIM.

Notwithstanding the limitations in Section 28.6 of the Tariff, Network Customers utilizing a Network Integration Transmission Service Agreement, and Native Load Customers, may participate in the EIM without a requirement to terminate the designation of any Network Resource that is an EIM Participating Resource consistent with Section 30.3 of the Tariff and without a requirement to reserve additional Point-To-Point Transmission Service for such transactions.

Notwithstanding the limitations in Sections 1.27, 30.1, 30.2, and 30.4 of the Tariff, Network Customers may also utilize Network Resources for purposes of fulfilling obligations under the EIM, such as generation Dispatch Instructions.

4.2 Resources External to Transmission Provider's Sub-BAA

4.2.1. Use of Pseudo-Ties

A resource owned or controlled by a Transmission Customer that is not physically located inside the metered boundaries of the Transmission Provider's Sub-BAA must participate in the EIM as an EIM

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Participating Resource in accordance with the terms and conditions of such participation as defined in the EIM Entity business practices.

The Transmission Customer with a pseudo-tied resource participating as an EIM Participating Resource must: (1) implement a Pseudo-Tie into the Transmission Provider Sub-BAA, provided, however, that the Transmission Customer obtains a written agreement from BANC, the Transmission Provider or other impacted BAAs or BANC Sub-BAAs specifying the roles and obligations of the parties entering into this agreement; (2) arrange firm transmission over any third-party transmission systems to a the Transmission Provider Sub-BAA intertie/intratie boundary equal to the amount of energy that will be Dynamically Transferred through a Pseudo-Tie into the Transmission Providers Sub-BAA, consistent with a written agreement with the affected parties; and (3) secure transmission service consistent with Section 4.1 of this Attachment S.

4.2.2. Pseudo-Tie Costs

Pseudo-Tie implementation costs shall be allocated in a manner specified in a written agreement with BANC, the Transmission Provider and other impacted BAA and BANC Sub-BAAs and consistent with this Tariff as it may apply to Network Upgrades and Direct Assignment Facilities.

4.3 Request and Certification of EIM Participating Resources

This section should be read in conjunction with the applicable provisions of the EIM Entity business practices, EIM Participation Agreement, and any other successor or additional agreement(s) or requirements as prescribed by the EIM Entity.

4.3.1. Request to Become an EIM Participating Resource

Registration of EIM Participating Resources shall be the responsibility of the Transmission Customer, and shall be accomplished by the Transmission Customer in accordance with Section 3.

All resources seeking interconnection to the Transmission Providers Transmission System under Attachments L and M of this Tariff must be registered as EIM Participating Resources before initiating trial operations or commercial operations.

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Transmission Customers shall notify the Transmission Provider in writing when an application is submitted to the EIM Entity to register an EIM Participating Resource, including the anticipated effective date of the Transmission Customer's EIM Participation Agreement and the anticipated effective date of resource participation as an EIM Participating Resource. The Transmission Customer shall keep the Transmission Provider informed of any significant delays that may impact the anticipated effective date of the Transmission Customer's EIM Participation Agreement, and any delays to the anticipated effective date of resource participation as an EIM Participating Resource, and/or denial of the Transmission Customers request by the EIM Entity.

4.3.2. Confirmation Notice

Prior to participation as an EIM Participating Resource, Transmission Customers must meet the requirements of Section 4.1 or 4.2, as applicable, as well as the metering, communication, and data requirements of this Tariff. The Transmission Provider shall provide written confirmation of such to the EIM Entity, as required.

Upon written confirmation by the MO and EIM Entity, the Transmission Customer shall provide written notice to the Transmission Provider regarding the Transmission Customer's resource certification as an EIM Participating Resource.

4.3.3. Resources Not Certified as EIM Participating Resources

Resources within the Transmission Providers Sub-BAA must be certified by the EIM Entity as EIM Participating Resources. Any costs incurred by the Transmission Provider due to an unregistered or non-certified resource shall be the sole responsibility of the Transmission Customer or Interconnection Customer associated with the resource.

4.3.4. Notice and Obligation to Report a Change in Information

Each Transmission Customer with an EIM Participating Resource has an ongoing obligation to inform the Transmission Provider and the EIM Entity, in accordance with the EIM Entity business practices or procedures, of any changes to any of the information submitted as part of the application process under this Attachment S.

4.3.5. Termination of EIM Participating Resource Participation

Transmission Customers with resources terminated from being EIM Participating Resources shall remain solely responsible for all EIM

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related costs and settlements incurred by the Transmission Provider associated with the resource. Transmission Customers shall notify the Transmission Provider immediately if such termination occurs.

5 Roles and Responsibilities

The Transmission Provider's role and responsibilities for participation in EIM are limited as described in this Attachment S of this Tariff. This section should be read in conjunction with the EIM Entity business practices for EIM.

5.1 EIM Entity and the EIM Entity Scheduling Coordinator

BANC performs the functions of the EIM Entity and retains such roles and responsibilities applicable to the EIM Entity. These include but are not limited to the role of the EIM Entity Scheduling Coordinator, as defined in the EIM Entity EIM business practices and/or procedures, registration of EIM Participating Resources with the MO, establishing MO metering agreements with EIM Participating Resources, EIM settlement allocations from the MO to the Transmission Provider, and management of dispute resolution with the MO for EIM Entity settlement statements. Transmission Customers should refer to the EIM Entity business practices for detailed information on the roles and responsibilities performed by the EIM Entity.

5.2 Transmission Provider Responsibilities

5.2.1. General Responsibilities

5.2.1.1. Determination of EIM Implementation Decisions for the Transmission Provider's Sub-BAA

The Transmission Provider coordinates with the EIM Entity on EIM participation decisions affecting the Transmission Providers Sub-BAA, including but not limited to:

- (1) Participation Requirements: Transmission Provider coordinates with the EIM Entity and is solely responsible for determining participation requirements for resources within the Transmission Providers Sub-BAA. Such requirements of the Transmission Provider are set forth in Section 4 of this Attachment S.
- (2) Determination of Load Aggregation Points: Transmission Provider coordinates with the EIM Entity and MO to determine appropriate Load Aggregation Points. Responsibility for deciding Load Aggregation Points remains with the EIM Entity in accordance with the EIM Entity business practices.
- (3) Load Forecast: The Transmission Provider coordinates

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with the EIM Entity and the MO to determine appropriate load forecast data submission requirements and methods for submission of load within the Transmission Providers Sub-BAA. Responsibility for deciding load forecast data submission requirements and methods remains with the EIM Entity in accordance with the EIM Entity business practices.

- (4) EIM Transfer Capability: The Transmission Provider determines appropriate implementation methodologies for establishing EIM Transfer capability for the Transmission Provider's Transmission System.

5.2.1.2. EIM Procedures and Business Practices

The Transmission Provider establishes and revises, as necessary, procedures and business practices to facilitate implementation and operation of the EIM within the Transmission Provider's Sub-BAA. The Transmission Provider shall coordinate with the EIM Entity to ensure alignment with the EIM Entity business practices and procedures.

5.2.1.3. Determination to Take Corrective Actions in the EIM

The Transmission Provider may take corrective actions in the Transmission Providers Sub-BAA in accordance with the provisions of Section 7 and 11 of this Attachment S.

5.2.1.4. Determination to Permanently Terminate Participation in the EIM

The Transmission Provider, in its sole and absolute discretion, may permanently terminate its participation in the EIM by providing notice of termination to the EIM Entity pursuant to the terms of the EIM Participation Agreement, as it may be amended. In the event Transmission Provider terminates its participation in EIM, there will be no further service under Attachment S.

5.2.2. Responsibilities to Provide Required Information

5.2.2.1 Provide Modeling Data

The Transmission Provider provides the EIM Entity and/or MO information associated with the Transmission Providers transmission facilities within BANC's BAA, including, but not limited to, network constraints and associated limits that must

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be observed in BANC's BAA network and interties with other BAAs.

5.2.2.2 Provide Outage Data

The Transmission Provider communicates to the EIM Entity and/or MO outage data regarding planned and unplanned outages of transmission facilities and generation resources located within the Transmission Providers Sub-BAA in accordance with Section 8 and the outage data provisions of the EIM Entity business practices and procedures.

5.2.2.3 Provide Meter Data

The Transmission Provider submits to the EIM Entity and/or MO load, resource, Interchange and Intrachange meter data, in accordance with the EIM Entity business practices and the MO Tariff.

5.2.3. Day-to-Day EIM Operations

5.2.3.1 Communication of Manual Dispatch Information

Transmission Provider informs the EIM Entity and/or MO of a Manual Dispatch within the Transmission Providers Sub-BAA by providing adjustment information for the affected resources in accordance with the EIM Entity business practices.

5.2.3.2 Determination of EIM Transfer Capability

The Transmission Provider determines amounts of transmission capacity on the Transmission Providers system available for EIM Transfers consistent with Section 6.2.

5.2.3.3 Confirmation of EIM E-Tags

The Transmission Provider confirms EIM dynamic transfer E-Tags on behalf of the EIM Entity for EIM dynamic transfers within the Transmission Providers Transmission System, in accordance with the EIM Entity business practices.

5.2.4 Settlement of Charges and Payments

The Transmission Provider is responsible for financial settlement of all charges and payments allocated by the EIM Entity and/or MO to the Transmission Provider. The Transmission Provider may sub-allocate

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EIM charges and payments to various entities including Transmission Customers.

5.2.5 Dispute Resolution

The Transmission Provider manages dispute resolution consistent with Section 12 of this Tariff and applicable business practices.

5.3 Transmission Customer Responsibilities

All Transmission Customers must comply with the requirements of this section, including but not limited to: (1) Transmission Customers with an EIM Participating Resource; (2) Transmission Customers with load within the Transmission Providers Sub-BAA; and (3) Transmission Customers wheeling through the Transmission Providers Sub-BAA.

Transmission Customers must also comply with the applicable requirements of the MO Tariff, EIM Participation Agreement, this Tariff, and any business practices and procedures developed by the MO, EIM Entity and Transmission Provider.

5.3.1. Initial Registration Data

5.3.1.1. Transmission Customers with an EIM Participating Resource

A Transmission Customer with an EIM Participating Resource shall meet the EIM Entity requirements for providing the EIM Entity with the data necessary to meet the requirements established by the MO to register all resources with the MO as required by the MO Tariff.

5.3.2. Responsibility to Update Required Data

5.3.2.1. Transmission Customers with an EIM Participating Resource

Each Transmission Customer with an EIM Participating Resource has an ongoing obligation to meet the EIM Entity requirements for informing the MO and EIM Entity of any changes to any of the information submitted by the Transmission Customer provided under Section 5.3.1 of this Attachment S.

5.3.3. Outages

Transmission Customers shall be required to provide planned and unplanned outage information for their resources and transmission facilities in accordance with Section 8 of this Attachment S.

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5.3.4. Submission of Transmission Customer Base Schedule

Every Transmission Customer, including Transmission Customers which do not have any resources or load within the Transmission Providers Sub-BAA, shall meet the EIM Entity requirements for submitting the Transmission Customer Base Schedule in accordance with the EIM Entity business practices. Transmission Customers shall provide the same to the Transmission Provider in accordance with the Transmission Providers EIM business practice and procedures.

5.3.5. Metering for Transmission Customers

To assess imbalance, the MO disaggregates meter data intervals. If the Transmission Customer's meter intervals are not already programmed to meet MO meter intervals, pursuant to a Transmission Customer's applicable interconnection requirements associated with any agreement pursuant to Attachment L & M of this Tariff, to the extent that a Transmission Customer owns the meter or communication to the meter, the Transmission Customer shall be responsible to maintain accurate and timely data to meet the EIM Entity requirements for metering as defined in the EIM Entity business practice.

5.3.6. Settlement of EIM Entity or MO Charges and Payments

The EIM Entity is responsible for financial settlement of all charges and payments allocated by the MO to the EIM Entity. The EIM Entity may allocate EIM charges and payments to various entities, including the Transmission Provider. The Transmission Customer shall be responsible for its share of costs allocated directly by the EIM Entity or MO to the Transmission Customer, or indirectly to the Transmission Customer through the Transmission Provider.

Each Transmission Customer that is a BANC EIM Participating Resource Scheduling Coordinator shall provide the Transmission Provider access to Dispatch Operating Target data of the respective resources it represents that are participating in the EIM, and other such information as may be needed for EIM settlement purposes.

5.3.7. Dispute Resolution

Transmission Customers with EIM Participating Resources shall manage dispute resolution with the MO for any settlement statements they receive directly from the MO and shall provide notice of any such dispute to the Transmission Provider. Transmission Customers shall manage disputes with the EIM Entity for any settlement they receive directly from the EIM Entity, and shall provide notice of any such dispute to the Transmission Provider. Transmission Customers shall manage disputes with the Transmission Provider for any settlement

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they receive directly from the Transmission Provider consistent with Section 12 of this Attachment S.

6 Transmission Operations

This section should be read in conjunction with the EIM Entity business practices related to facilitation of transmission operations for EIM.

6.1 Provision of Information Regarding Real-Time Status of the Transmission Provider’s Transmission System

The Transmission Provider provides the EIM Entity and/or MO the following information:

- (1) real time data for the Transmission System and interties; and
- (2) any changes to transmission capacity and the Transmission System due to operational circumstances.
- (3) EIM Transfer capability consistent with Section 6.2.

6.2 Provision of EIM Transfer Capability

The Transmission Provider facilitates the provision of transmission capacity for EIM by providing amounts of EIM Transfer capability on the Transmission Provider’s system to the EIM Entity and/or MO. The Transmission Provider’s implemented methodology for establishing EIM Transfer capability is described in the Transmission Provider’s EIM business practices.

6.2.1. Available Transfer Capability

The Transmission Provider facilitates the provision of transmission capacity for EIM Transfers by providing the EIM Entity and/or MO with information about the amounts of transmission capacity on the Transmission Provider’s Transmission System available for EIM Transfers utilizing Available Transfer Capability (ATC). The Transmission Provider facilitates the provision of EIM Transfer capacity corresponding to ATC by submitting such capacity in accordance with the EIM Entity and Transmission Provider’s business practices.

7 System Operations under Normal and Emergency Conditions

7.1 Compliance with Reliability Standards

Participation in the EIM shall not modify, change, or otherwise alter the manner in which the Transmission Provider operates its Transmission System consistent with applicable reliability standards, including adjustments.

Participation in the EIM shall not modify, change, or otherwise alter the obligations of the EIM Entity, Transmission Provider, or Transmission Customers to comply with applicable reliability standards.

7.2 Good Utility Practice

Transmission Customers shall comply with Good Utility Practice with respect to this Attachment S.

7.3 Management of Contingencies and Emergencies

7.3.1. EIM Disruption

If the MO declares an EIM disruption in accordance with the MO Tariff, the Transmission Provider promptly informs the EIM Entity and/or MO of actions taken in response to the EIM disruption by providing adjustment information, updates to E-Tags, transmission limit adjustments, or outage and de-rate information, as applicable and in accordance with the EIM Entity business practices.

7.3.2. Manual Dispatch

The Transmission Provider may take corrective actions within its transmission system, including issuing a Manual Dispatch order to a Transmission Customer in the Transmission Providers Sub-BAA, outside of EIM optimization to address reliability or operational issues in the Transmission Providers Sub-BAA that the EIM is not able to address through normal economic dispatch and congestion management.

The Transmission Provider informs the EIM Entity and/or MO of a Manual Dispatch as soon as possible, and in accordance with the EIM Entity business practice.

8 Outages

The Transmission Provider communicates outage data regarding planned and unplanned outages of transmission facilities, and EIM Participating Resources, located within the Transmission Providers Sub-BAA in accordance with the outage data provisions of the EIM Entity business practices and procedures, as those may develop and evolve over time. The EIM Entity retains ultimate responsibility for establishing outage submission requirements for the BANC EIM Entity BAA, and for communicating planned and

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unplanned outages to the MO in accordance with the MO tariff.

8.1 Transmission Provider Transmission Outages

8.1.1. Planned Transmission Outages and Known Derates

The Transmission Provider submits information regarding planned transmission outages and known derates on the Transmission Providers Transmission System to the EIM Entity and/or MO in accordance with the EIM Entity business practices and procedures. The Transmission Provider updates the submittal if there are changes to the transmission outage plan.

8.1.2. Unplanned Transmission Outages

The Transmission Provider submits information regarding unplanned transmission outages or derates on the Transmission Providers Transmission System to the EIM Entity and/or MO in accordance with the EIM Entity business practices and procedures.

8.2 WAPA Sub-BAA Transmission Owner Outages

Unless agreed to otherwise by the Transmission Provider, Transmission Customers that are also Transmission Owners inside the Transmission Providers Sub-BAA shall provide the Transmission Provider with planned and unplanned transmission outage data in accordance with Transmission Provider business practices.

Transmission Provider may pass through outage information received to the EIM Entity and/or MO.

8.3 EIM Participating Resource Outages

8.3.1. Planned EIM Participating Resource Outages and Known Derates

Transmission Customers shall submit information regarding planned resource outages and known derates to the Transmission Provider and EIM Entity and/or MO in accordance with the Transmission Provider and EIM Entity business practices. Transmission Customers shall update outage submittals if there are any changes to the resource outage plan.

The Transmission Provider may pass through outage information received from the Transmission Customer to the EIM Entity and/or MO.

8.3.2. Unplanned EIM Participating Resource Outages or Derates

In the event of an unplanned outage or derate required to be reported under the MO Tariff or EIM Entity business practices, the Transmission

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Customer is responsible for notifying the Transmission Provider and EIM Entity and/or MO in accordance with the Transmission Provider and EIM Entity business practices and procedures.

The Transmission Provider may pass through outage information received from the Transmission Customer to the EIM Entity and/or MO.

9 EIM Settlements and Billing

The EIM Entity business practices, or other written instrument or schedule as determined by the EIM Entity, includes information on the specific charges applicable to EIM settlements for the BANC EIM Entity BAA, including those that may be incurred by the Transmission Provider. For EIM settlements incurred by the Transmission Provider, the Transmission Provider shall settle EIM related charges through the schedules promulgated in the addendums of this Attachment S.

The Transmission Provider shall also develop and maintain business practices detailing the settlement allocation practices associated with EIM charges, as details of such settlement allocation practices are subject to evolution based on the settlement decisions and practices of the EIM Entity. The Transmission Providers business practices for EIM settlements shall be posted on Transmission Providers OASIS. Revisions to the posted settlement practices shall be managed through public stakeholder processes.

9.1 EIM Transmission Charges

9.1.1. EIM Transmission Service

Unless subsequently imposed by the MO as part of the MO Tariff and promulgated by WAPA through rate proceedings, there shall be no incremental transmission charge assessed for transmission use related to the EIM. Transmission Customers must have transmission service rights, as provided in Section 4.

9.1.2. EIM Unreserved Use

EIM Participating Resources within the Transmission Provider's Sub-BAA will not incur unreserved use charges solely as a result of EIM Dispatch Instruction. For uses that exceed the EIM Dispatch Instruction, the Transmission Provider will assess unreserved use in accordance with the Transmission Provider's business practices, and settle such charges under Schedule 10 of the Tariff. Any ancillary service charges that are applicable to Schedule 10 charges shall apply and shall include Schedules 1 and Schedule 1S of this Tariff.

9.1.3. EIM Transmission Losses

Transmission Customers shall be assessed real power losses against the Transmission Customer Base Schedule as a product of the applicable loss factors provided in Sections 15.7 and 28.5 of the Tariff, and in accordance with the Transmission Provider's business practices.

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Settlement of real power losses associated with EIM Energy Imbalance Service shall be pursuant to Schedule 4S of this Tariff, and settlement of Real Power Losses associated with EIM Generator Imbalance Service shall be pursuant to Schedule 9S of this Tariff.

9.2 EIM Administrative Service

The Transmission Provider shall settle EIM administrative service costs with Transmission Customers through Schedule 1S. This settlement recovers the administrative costs for participation in the EIM by the Transmission Provider, including but not limited to such administrative charges as may be incurred by the Transmission Provider from the MO and/or EIM Entity.

9.3 EIM Energy Imbalance Service

Notwithstanding the provisions of Section 3.4 of the Tariff, the rates and/or methodology related to Energy Imbalance Service when the Transmission Provider is participating in the EIM are described in Schedule 4S. Otherwise, such rates and/or methodology related to Energy Imbalance Service are described in Sections 3.4 of the Tariff.

Energy Imbalance Service settlements incurred by the Transmission Provider during EIM participation shall be settled with Transmission Customers through Schedule 4S. Charges may include:

- (1) Uninstructed Imbalance Energy (UIE)
- (2) Under-Scheduling Load
- (3) Over-Scheduling Load
- (4) Distribution of Under-Scheduling and Over-Scheduling Proceeds

9.4 EIM Generator Imbalance Service

Notwithstanding the provisions of Section 3.7 of the Tariff, the rates and/or methodology related to Generator Imbalance Service when the Transmission Provider is participating in the EIM are described in Schedule 9S. Otherwise, such rates and/or methodology related to Generator Imbalance Service are described in Section 3.7 of the Tariff.

Generator Imbalance Service settlements incurred by the Transmission Provider during EIM participation shall be settled with Transmission Customers through Schedule 9S. Charges may include:

- (1) Instructed Imbalance Energy (IIE)
- (2) Uninstructed Imbalance Energy (UIE)

9.5 Other EIM Settlements

All additional EIM related settlements incurred by the Transmission Provider shall be allocated to Transmission Customers through EIM rates in accordance

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with the Transmission Provider’s business practices as posted on the Transmission Providers OASIS. Such charges may include:

- (1) Unaccounted for Energy (UFE)
- (2) EIM Uplifts
- (3) Allocation of Operating Reserves

9.6 MO Tax Liabilities

Any charges to the Transmission Provider from the EIM Entity pursuant to the MO Tariff for MO tax liability as a result of the EIM shall be sub-allocated to those Transmission Customers triggering the tax liability.

9.7 EIM Payment Calendar

The Transmission Provider will follow the payment calendar established by the EIM Entity.

9.8 Market Validation and Price Correction

If the MO or EIM Entity modifies the Transmission Provider’s EIM settlement statement in accordance with the MO’s market validation and price correction procedures in the MO Tariff, the Transmission Provider may make corresponding or similar changes to the charges and payments sub-allocated under this Attachment S.

10 Compliance

10.1 Provision of Data

Transmission Customers are responsible for complying with the EIM Entity business practices regarding information requests they receive directly from the EIM market monitor or regulatory authorities concerning EIM activities.

A Transmission Customer must provide the EIM Entity and/or Transmission Provider with all data necessary to respond to information requests received by the EIM Entity and/or the Transmission Provider from the MO, the EIM market monitor, or regulatory authorities concerning EIM activities.

If the Transmission Provider is required by applicable laws or regulations, or in the course of administrative or judicial proceedings, to disclose information that is otherwise required to be maintained in confidence, the Transmission Provider may disclose such information; provided, however, that upon the Transmission Provider learning of the disclosure requirement and, if possible, prior to making such disclosure, the Transmission Provider shall notify any affected party of the requirement and the terms thereof. The affected party can, at its sole discretion and own cost, direct any challenge to or defense against the disclosure requirement. The Transmission Provider shall cooperate, to the

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extent allowed by law, with the affected party to obtain proprietary or confidential treatment of confidential information by the person to whom such information is disclosed prior to any such disclosure.

The Transmission Provider shall treat Transmission Customer and Interconnection Customer market sensitive data as confidential, unless the Transmission Provider is otherwise allowed or required to disclose such information. The Transmission Provider shall continue to abide by the Commission's Standards of Conduct and handle customer information accordingly.

10.2 Rules of Conduct

These rules of conduct are intended to provide fair notice of the conduct expected and to provide an environment in which all parties may participate in the EIM on a fair and equal basis.

Transmission Customers must:

- (1) Comply with Dispatch Instructions and the EIM Entity or Transmission Provider operating orders in accordance with Good Utility Practice. If some limitation prevents the Transmission Customer from fulfilling the action requested by the MO, EIM Entity, or Transmission Provider, the Transmission Customer must immediately and directly communicate the nature of any such limitation to the Transmission Provider and EIM Entity in accordance with the EIM Entity and Transmission Provider's business practices;
- (2) Submit bids for resources that are reasonably expected to both be and remain available and capable of performing at the levels specified in the bid, based on all information that is known or should have been known at the time of submission;
- (3) Notify the MO, EIM Entity, and/or the Transmission Provider, as applicable, of outages in accordance with Section 8 of this Attachment S;
- (4) Provide complete, accurate, and timely meter data in accordance with the metering and communication requirements of this Tariff, and associated EIM Entity and Transmission Provider's business practices, and maintain responsibility to ensure the accuracy of such data communicated by any customer-owned metering or communications systems. To the extent such information is not accurate or timely, the Transmission Customer shall be responsible for any consequence on settlement and billing;
- (5) Provide information, including the Outage, Base Schedule, and Compliance information requested in this Attachment S, by the applicable deadlines and in accordance with EIM Entity and Transmission Provider's business practices; and

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- (6) Utilize commercially reasonable efforts to ensure that forecasts are accurate and based on all information that is known or should have been known at the time of submission to the EIM Entity and/or MO.

10.3 Enforcement

The Transmission Provider may refer a violation of Section 10.2 of this Attachment S to the EIM Entity, and/or MO for further action.

11 Market Contingencies

11.1 Temporary Suspension by the MO or EIM Entity

In the event that the MO or EIM Entity implements a temporary suspension in accordance with the MO Tariff or EIM Entity business practices or procedures, the Transmission Provider shall utilize Schedules 4, 9, and Sections 15.7 and 28.5 of this Tariff until the temporary suspension is no longer in effect or, if the MO determines to extend the suspension, for a period of time sufficient to process termination of the Transmission Provider or EIM Entity participation in the EIM in accordance with applicable agreements and the EIM Entity business practices.

Any EIM related service charges that continue to be incurred by the Transmission Provider during temporary suspension, as provided by the EIM Entity business practices, shall be settled in accordance with the applicable schedules promulgated in the addendums of this Attachment S.

11.2 Termination of Participation in EIM by the EIM Entity

The Transmission Provider shall notify Transmission Customers if the EIM Entity submits a notice of termination of its participation in the EIM to the MO. In the event the EIM Entity terminates participation in the EIM, and no successor arrangements are established for the Transmission Providers continued participation in EIM, this Attachment S shall terminate concurrently with that termination and in accordance with the provisions defined in Section 2 of this Attachment S.

Transmission Customers shall remain obligated for settlement of any charges imposed by the MO or EIM Entity on the Transmission Provider subsequent to such notice of termination by the EIM Entity. Such settlement obligation shall continue until all MO and EIM Entity charges imposed on the Transmission Provider are finally settled.

11.3 Termination of Participation in EIM by the Transmission Provider

If the Transmission Provider submits a notice of termination of its participation in the EIM to the EIM Entity in accordance with the EIM PA and applicable

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agreements, the Transmission Provider shall continue to provide EIM transmission service under this Attachment S until such time that the termination is effective, with such effective date to be based on the EIM PA and applicable agreements.

If the Transmission Provider takes action under this Section 11.3, the Transmission Provider shall notify Transmission Customers, and provide notice of the effective date of termination. In the event the Transmission Provider terminates participation in the EIM, this Attachment S shall terminate concurrently with that termination and in accordance with the provisions defined in Section 2 of this Attachment S.

Transmission Customers shall remain obligated for settlement of any charges imposed by the MO or EIM Entity on the Transmission Provider, and those assessed by the Transmission Provider, in accordance with Section 9, subsequent to notice of termination. Such settlement obligation shall continue until all EIM related charges are finally settled by the MO, EIM Entity, and the Transmission Provider as such settlements may be subject to adjustment by the MO beyond the effective date of termination by the Transmission Provider.

11.4 Management of Contingencies and Emergencies

The Transmission Provider may declare a temporary contingency and notify the EIM Entity to invoke corrective actions for the EIM when in its judgment:

- (1) operational circumstances (including a failure of the EIM to produce feasible results in the Transmission Providers Sub-BA) have caused or are in danger of causing an abnormal system condition in the Transmission Providers Sub-BAA that requires immediate action to prevent loss of load, equipment damage, or tripping system elements that might result in cascading outages, or to restore system operation to meet the applicable Reliability Standards and reliability criteria established by NERC and WECC; or
- (2) communications between the MO and the EIM Entity or Transmission Provider are disrupted and prevent the Transmission Provider, EIM Entity, EIM Entity Scheduling Coordinator, or an EIM Participating Resource Scheduling Coordinator from accessing MO systems to submit or receive information.

11.4.1. Corrective Actions for Temporary Contingencies

If either of the above temporary contingencies occurs, the Transmission Provider may notify the EIM Entity of such condition and may request the EIM Entity invoke corrective actions through the MO, in accordance with EIM Entity business practices.

When corrective actions are implemented that result in suspension of EIM settlement charges for the EIM Entity, or if the MO Tariff requires

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the use of temporary schedules to set an administrative price, the Transmission Provider shall utilize Schedules 4, 9, and Sections 15.7 and 28.5 of this Tariff.

If the Transmission Provider takes action under this Section 11.4, and/or the EIM Entity implements corrective actions with the MO, the Transmission Provider shall notify Transmission Customers. The Transmission Provider, EIM Entity and the MO shall cooperate to resolve the temporary contingency event and restore full EIM operations as soon as is practicable.

Any EIM related service charges that continue to be incurred by the Transmission Provider during temporary suspension and/or contingency, as provided by the EIM Entity business practices, shall be settled in accordance with the applicable schedules promulgated in the addendums of this Attachment S.

12 EIM Disputes

12.1 Disputes Between the Transmission Provider and EIM Entity or Market Operator

The Transmission Provider may raise disputes with the Market Operator or the EIM Entity regarding the settlement statements it receives from the Market Operator or EIM Entity in accordance with the processes specified in the Market Operator's Tariff, EIM Participation Agreement, and EIM Entity business practices.

12.2 Disputes Related to Charges or Payments Allocated to the Transmission Provider from the EIM Entity

To the extent a dispute arises between the Transmission Provider and a Transmission Customer or Interconnection Customer regarding the Transmission Provider's implementation of this Tariff's provisions regarding the manner in which the Transmission Provider allocates charges or payments from the EIM Entity, the parties shall follow the dispute resolution procedures in Sections 12.1 to 12.3 of the Tariff.

12.3 Disputes Between Transmission Customers with EIM Participating Resources and the MO

Disputes involving settlement statements between the MO and EIM Participating Resources shall be resolved directly by the EIM Participating Resource Scheduling Coordinator in accordance with the EIM Entity business practice.

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Addendum 1 to Attachment S

SCHEDULE 1S
EIM Administrative Service

This Schedule 1S shall apply when the Sierra Nevada Region, as Transmission Provider, is participating in the EIM and when the EIM has not been suspended. Schedule 1S shall apply in addition to Schedule 1 of this Tariff. To the extent the Transmission Provider incurs EIM Administrative Service related charges during periods of market suspension or contingency, as described in Section 11 of this Tariff, this Schedule 1S shall also apply to ensure the Transmission Provider remains revenue neutral for its participation in the EIM.

This service recovers the administrative costs for participation in the EIM by the Transmission Provider, including but not limited to such administrative charges as may be incurred by the Transmission Provider from the MO and/or EIM Entity. Unless such charges are allocated to the Transmission Customer directly by the EIM Entity, all Transmission Customers purchasing Long Term Firm Point-to-Point Transmission Service, Short-Term Firm Point-to-Point Transmission Service, Non-Firm Point-to-Point Transmission Service, or Network Integration Transmission Service from the Transmission Provider shall be required to acquire EIM Administrative Service from the Transmission Provider.

The specific charges for EIM Administrative Service are set forth in the appropriate rate schedule attached to and made part of the applicable Service Agreement. The rates or rate methodology used to calculate the charges for service under this schedule were promulgated and may be modified pursuant to applicable Federal laws, regulations and policies.

The Transmission Provider may modify the charges under the Schedule upon written notice to the Transmission Customer. Any change to the charges to the Transmission Customer for this service shall be as set forth in a subsequent rate schedule promulgated pursuant to applicable Federal laws, regulations and policies and distributed to the Transmission Customer to become attached to and made part of the applicable Service Agreement. The Transmission Provider shall charge the Transmission Customer in accordance with the rate then in effect.

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Addendum 2 to Attachment S

SCHEDULE 4S
EIM Energy Imbalance Service

This Schedule 4S shall apply when the Sierra Nevada Region, as Transmission Provider, is participating in the EIM and when the EIM has not been suspended. In accordance with Section 11 of Attachment S of this Tariff, Schedule 4 of the Tariff shall apply when the Transmission Provider is not participating in the EIM or when the EIM has been suspended. To the extent the Transmission Provider incurs EIM Energy Imbalance Service related charges from the EIM Entity during periods of market suspension or contingency, as described in Section 11 of this Tariff, this Schedule 4S shall also apply to ensure the Transmission Provider remains revenue neutral for its participation in the EIM.

Energy Imbalance Service is provided when a difference occurs between the scheduled and the actual delivery of energy to a load located within the Transmission Providers Sub-BAA. The Transmission Provider must offer this service when transmission service is used to serve load within its Sub-BAA. The Transmission Customer must either purchase this service from the Transmission Provider or make alternative comparable arrangements, which may include use of non-generation resources capable of providing this service, to satisfy its Energy Imbalance Service obligation.

Unless such charges are allocated to the Transmission Customer directly by the EIM Entity, a Transmission Customer shall be charged or paid for Energy Imbalance Service charges allocated to the Transmission Provider for its participation in the CAISO EIM, in accordance with the specific methodology for cost assessment set forth in the appropriate rate schedule attached to and made part of the applicable Service Agreement. The rates or rate methodology used to calculate the charges and payments for service under this schedule were promulgated and may be modified pursuant to applicable Federal laws, regulations and policies.

The Transmission Provider may modify the compensation for this service upon written notice to the Transmission Customer. Any change to the compensation to the Transmission Customer for this service shall be as set forth in a subsequent rate schedule promulgated pursuant to applicable Federal laws, regulations and policies and distributed to the Transmission Customer to become attached to and made part of the applicable Service Agreement. The Transmission Provider shall charge the Transmission Customer in accordance with the rate then in effect.

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Addendum 3 to Attachment S

SCHEDULE 9S
EIM Generator Imbalance Service

This Schedule 9S shall apply when the Sierra Nevada Region, as Transmission Provider, is participating in the EIM and when the EIM has not been suspended. In accordance with Section 11 of Attachment S of this Tariff, Schedule 9 of the Tariff shall apply when the Transmission Provider is not participating in the EIM and when the EIM has been suspended. To the extent the Transmission Provider incurs EIM Generator Imbalance Service related charges from the EIM Entity during periods of market suspension or contingency, as described in Section 11 of this Tariff, this Schedule 9S shall also apply to ensure the Transmission Provider remains revenue neutral for its participation in the EIM.

Generally, Generator Imbalance Service is provided when a difference occurs between the output of a generator that is not an EIM Participating Resource located in the Transmission Providers Sub-BAA, as reflected in the resource component of the Transmission Customer Base Schedule, and the delivery schedule from that generator to (1) another Balancing Authority Area (BAA), (2) the Balancing Authority of Northern California BAA, or (3) a load within the Transmission Provider's Sub-BAA. The Transmission Provider must offer this service, to the extent it is physically feasible to do so from its resources or from resources available to it, when its transmission service is used to deliver energy from a generator located within its Sub-BAA. The Transmission Customer must either purchase this service from the Transmission Provider or make alternative comparable arrangements, which may include use of non-generation resources capable of providing this service, to satisfy its Generator Imbalance Service obligation.

Unless such charges are allocated to the Transmission Customer directly by the EIM Entity, a Transmission Customer shall be charged or paid for Generator Imbalance Service charges allocated to the Transmission Provider for its participation in the EIM, in accordance with the specific methodology for cost assessment set forth in the appropriate rate schedule attached to and made part of the applicable Service Agreement. Such charges may include those due to operational adjustments of any affected Interchange. The rates or rate methodology used to calculate the charges and payments for service under this schedule were promulgated and may be modified pursuant to applicable Federal laws, regulations and policies.

The Transmission Provider may modify the compensation for this service upon written notice to the Transmission Customer. Any change to the compensation to the Transmission Customer for this service shall be as set forth in a subsequent rate schedule promulgated pursuant to applicable Federal laws, regulations and policies and distributed to the Transmission Customer to become attached to and made part of the applicable Service Agreement. The Transmission Provider shall charge the Transmission Customer in accordance with the rate then in effect.

Applicability to Interconnection Customers: To the extent the Interconnection Customer is a different entity than the Transmission Customer and controls the output of a generator located in the Transmission Providers Sub-BAA, the Interconnection Customer may be subject to charges

for Generator Imbalance Service (rather than the Transmission Customer) in accordance with this Schedule 9S.

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