

SOUTHERN CALIFORNIA EDISON COMPANY
WHOLESALE DISTRIBUTION ACCESS TARIFF

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SOUTHERN CALIFORNIA EDISON COMPANY
WHOLESALE DISTRIBUTION ACCESS TARIFF

1. Applicability

The Distribution Provider will provide Distribution Service pursuant to the applicable terms and conditions contained in this Tariff and Service Agreement. The Tariff is applicable for the transportation of capacity and energy either generated by a Distribution Customer or purchased by a Distribution Customer from generation sources, located outside of the Distribution Customer's Service Area, using the Distribution Provider's Distribution System. Distribution Service shall be provided between the Distribution Provider's interconnection with the ISO Grid and the Distribution Customer's interconnection with the Distribution Provider's Distribution System. The Distribution Customer shall obtain and pay for Transmission Service from the ISO for such generation delivered to the ISO Grid or for purchases from the ISO Grid pursuant to the terms and conditions of the ISO Tariff and the TO Tariff. Service hereunder shall not be available if the Commission would be prohibited from ordering such service under Section 212(h) of the Federal Power Act.

2. Definitions: Terms used in this Tariff with initial capitalization shall have the meanings set forth below. The singular of any definition shall include the plural and the plural shall include the singular.

2.1 Application: A request by an Eligible Customer for Distribution Service pursuant to the provisions of this Tariff.

2.2 Commission: The Federal Energy Regulatory Commission.

2.3 Completed Application: An Application that satisfies all of the information and other requirements of the Tariff, including any required deposit.

2.4 Curtailment: A reduction in Distribution Service in response to a Distribution System capacity shortage as a result of system reliability conditions or pursuant to a directive of the ISO.

1 2.5 Direct Assignment Facilities: Facilities or portions of facilities that
2 are constructed by the Distribution Provider for the sole use/benefit
3 of a particular Distribution Customer requesting service under the
4 Tariff. Direct Assignment Facilities shall be specified in the Service
5 Agreement that governs service to the Distribution Customer and
6 shall be subject to Commission approval.

7 2.6 Distribution Customer: Any Eligible Customer that (i) executes a
8 Service Agreement or (ii) requests in writing that the Distribution
9 Provider file with the Commission, a proposed unexecuted Service
10 Agreement to receive Distribution Service pursuant to the terms of
11 the Tariff.

12 2.7 Distribution Provider: Southern California Edison Company, the
13 public utility that owns, controls, and operates facilities used for the
14 distribution of electric energy and provides Distribution Service
15 under the Tariff.

16 2.8 Distribution Service: The wholesale distribution service provided
17 under the Tariff.

18 2.9 Distribution System: Those non-ISO transmission and distribution
19 facilities owned, controlled and operated by the Distribution Provider
20 that are used to provide Distribution Service under the Tariff.

21 2.10 Distribution System Upgrades: Modifications or additions to the
22 Distribution Provider's Distribution System for the general benefit of
23 all users of such Distribution System.

24 2.11 Eligible Customer: Any electric utility (including the Distribution
25 Provider and any power marketer), Federal power marketing agency,
26 or any person generating electric energy for sale for resale is an

1 Eligible Customer under the Tariff. Electric energy purchased or
2 generated by such entity may be electric energy produced in the
3 United States, Canada or Mexico. However, no entity is eligible for
4 service hereunder that the Commission is prohibited from ordering
5 by Section 212(h) of the Federal Power Act.

6 2.12 End-Use Customer: A customer that takes final delivery of electric
7 power and does not resell the power.

8 2.13 Facilities Study: An engineering study conducted by the
9 Distribution Provider to determine the required modifications to the
10 Distribution Provider's Distribution System, including the cost and
11 scheduled completion date for such modifications, that will be
12 required to provide the requested Distribution Service.

13 2.14 Generation: The capacity and energy delivered from a Resource.

14 2.15 Good Utility Practice: Any of the practices, methods and acts
15 engaged in or approved by a significant portion of the electric utility
16 industry during the relevant time period, or any of the practices,
17 methods and acts which, in the exercise of reasonable judgment in
18 light of the facts known at the time the decision was made, could
19 have been expected to accomplish the desired result at a reasonable
20 cost consistent with good business practices, reliability, safety and
21 expedition. Good Utility Practice is not intended to be limited to the
22 optimum practice, method, or act to the exclusion of all others, but
23 rather to be acceptable practices, methods, or acts generally accepted
24 in the Western Systems Coordinating Council region.

- 1 2.16 ISO: The California Independent System Operator Corporation, a
2 state-chartered, nonprofit, public benefit corporation that controls
3 certain transmission facilities of all Participating TOs and dispatches
4 certain generating units and loads.
- 5 2.17 ISO Grid: The system of transmission lines and associated facilities
6 of the Participating TOs that have been placed under the ISO's
7 operational control.
- 8 2.18 ISO Tariff: The California Independent System Operator Agreement
9 and Tariff, dated March 31, 1997, as it may be modified from time to
10 time, and accepted by the Commission.
- 11 2.19 Load Shedding: The systematic reduction of system demand by
12 temporarily decreasing load in response to Distribution System
13 capacity shortages, system instability, or voltage control
14 considerations under the Tariff or pursuant to a directive of the ISO.
- 15 2.20 Participating Transmission Owner (TO): An entity which (i) owns,
16 operates, and maintains transmission lines and associated facilities
17 and/or has entitlements to use certain transmission lines and
18 associated facilities and (ii) has transferred to the ISO operational
19 control of such facilities and/or entitlements to be made part of the
20 ISO Grid.
- 21 2.21 Parties: The Distribution Provider and the Distribution Customer
22 receiving service under the Tariff.
- 23 2.22 Point of Delivery: A point on the Distribution Provider's Distribution
24 System where wholesale capacity and energy generated by the
25 Distribution Customer's Resource will be delivered to the ISO Grid,
26 or where wholesale capacity and energy delivered by the Distribution
27 Provider will be made available to the Distribution Customer to

1 serve Wholesale Distribution Load. The Point of Delivery shall be
2 specified in the Service Agreement.

3 2.23 Point of Receipt: A point on the Distribution Provider's Distribution
4 System where wholesale capacity and energy generated by the
5 Distribution Customer's Resource will be delivered to the
6 Distribution Provider, or where wholesale capacity and energy
7 purchased by a Distribution Customer is delivered from the ISO Grid
8 to the Distribution Provider. The Point of Receipt shall be specified
9 in the Service Agreement.

10 2.24 Power Customers: The wholesale and retail power customers of the
11 Distribution Provider on whose behalf the Distribution Provider, by
12 statute, franchise, regulatory requirement, or contract, has
13 undertaken an obligation to construct and operate the Distribution
14 Provider's distribution system to meet the reliable electric needs of
15 such customers.

16 2.25 Resource: Any generating facility owned by a Distribution Customer
17 that is capable of producing and delivering energy to the ISO Grid.

18 2.26 Service Agreement: The initial agreement and any amendments or
19 supplements thereto entered into by the Distribution Customer and
20 the Distribution Provider for service under the Tariff. This
21 agreement contains the terms and conditions under which the
22 Distribution Customer shall operate its facilities and the technical
23 and operational matters associated with the implementation of
24 Distribution Service under the Tariff.

25 2.27 Service Area: An area in which an electric utility is obligated to
26 provide electric service to End-Use customers.

1 Provider shall include the Distribution Customer's Generation or
2 Wholesale Distribution Load in its Distribution System planning and
3 shall, consistent with Good Utility Practice, endeavor to construct
4 and place into service sufficient Distribution System facilities to
5 deliver the Distribution Customer's Generation to the ISO Grid or
6 the Distribution Customer's power to serve its Wholesale
7 Distribution Load on a basis comparable to the Distribution
8 Provider's delivery of power to the ISO Grid or to the Distribution
9 Provider's Power Customers.

10 3.3 Distribution Service: The Distribution Provider will provide
11 Distribution Service over its Distribution System for the
12 transportation of capacity and energy generated by a Distribution
13 Customer or purchased by a Distribution Customer from generation
14 sources located outside of the Distribution Customer's Service Area
15 using the Distribution Provider's Distribution System. Distribution
16 Service will be provided between the Point of Receipt and the Point
17 of Delivery on a basis that is comparable to the Distribution
18 Provider's use of the Distribution System to deliver power to the ISO
19 Grid or to reliably serve the Distribution Provider's Power
20 Customers.

21 3.4 Service Agreement: The Distribution Provider shall offer a standard
22 form Service Agreement for Wholesale Distribution Service
23 (Attachment A) to an Eligible Customer when it submits a
24 Completed Application for Distribution Service. Executed Service
25 Agreements that contain the information required under the Tariff
26 shall be filed with the Commission in compliance with applicable
27 Commission regulations.

1 3.5 Real Power Losses: Real Power Losses are associated with all
2 Distribution Service. The Distribution Provider is not obligated to
3 provide Real Power Losses. The Distribution Customer is
4 responsible for replacing losses associated with Distribution Service
5 as calculated by the Distribution Provider. Such losses will be
6 replaced in accordance with the ISO Tariff. The applicable Real
7 Power Loss factors for Distribution Service over the Distribution
8 System shall be estimated by the Distribution Provider and will be
9 set forth in the Service Agreement.

10 4. Ancillary Services

11 Ancillary Services are needed with Transmission and Distribution Service to
12 maintain reliability within the ISO Grid and the Distribution System. The
13 Distribution Customer must declare in its schedules to the ISO which Ancillary
14 Services it will self-provide; otherwise the Ancillary Services will be deemed
15 purchased from the ISO's Ancillary Service market pursuant to the ISO Tariff.

16 5. Reciprocity

17 A Distribution Customer receiving Distribution Service under this Tariff
18 agrees to provide comparable distribution service that it is capable of providing to the
19 Distribution Provider on similar terms and conditions over facilities used for the
20 distribution of electric energy owned, controlled or operated by the Distribution
21 Customer and over facilities used for the distribution of electric energy owned,
22 controlled or operated by the Distribution Customer's corporate affiliates.

23 6. Initiating Service

24 6.1 Conditions Precedent for Receiving Service: Subject to the terms and
25 conditions of the Tariff, the Distribution Provider will provide
26 Distribution Service to any Eligible Customer, provided that (i) the
27 Eligible Customer completes an Application for service as provided

1 under the Tariff; (ii) the Eligible Customer meets the
2 creditworthiness criteria set forth in Section 16; (iii) the Eligible
3 Customer and the Distribution Provider complete the technical
4 arrangements set forth in Sections 6.4 and 6.5; (iv) the Eligible
5 Customer agrees to pay for any facilities constructed and chargeable
6 to such Eligible Customer, whether or not the Eligible Customer
7 takes service for the full term specified in its Service Agreement; and
8 (v) the Eligible Customer executes a Service Agreement pursuant to
9 Attachment A for service under the Tariff or requests in writing that
10 the Distribution Provider file a proposed unexecuted Service
11 Agreement with the Commission.

12 6.2 Application Procedures: An Eligible Customer requesting service
13 under the Tariff must submit an Application, with a deposit of \$2.00
14 per anticipated average monthly kilowatts of Generation or
15 Wholesale Distribution Load, to the Distribution Provider as far as
16 possible in advance of the month in which service is to commence.
17 Written applications should be submitted by mail or Telefax to the
18 Distribution Provider, Southern California Edison Company,
19 Manager, Grid Contracts and Business Development, P.O. Box 800,
20 2244 Walnut Grove Avenue, Rosemead, California 91770, telefax
21 number (818) 302-9292. A Completed Application shall provide all
22 applicable information required to evaluate a request for
23 Distribution Service, including but not limited to the following:
24 (i) The identity, address, telephone number and facsimile
25 number of the party requesting service;

- 1 (ii) A statement that the party requesting service is, or will
2 be upon commencement of service, an Eligible Customer
3 under the Tariff;
- 4 (iii) The location of the Point of Receipt or Point of Delivery;
- 5 (iv) A description of the Wholesale Distribution Load at the
6 Point of Delivery. This description should separately
7 identify and provide the Eligible Customer's best
8 estimate of the Wholesale Distribution Load to be
9 served and the distribution voltage level. The
10 description should include a five (5) year forecast of
11 monthly Wholesale Distribution Load requirements
12 beginning with the first year after the service is
13 scheduled to commence;
- 14 (v) The amount and location of any interruptible loads
15 included in the Wholesale Distribution Load. This shall
16 include the summer and winter capacity requirements
17 for each interruptible load (had such load not been
18 interruptible), that portion of the load subject to
19 interruption, the conditions under which an
20 interruption can be implemented and any limitations on
21 the amount and frequency of interruptions. An Eligible
22 Customer should identify the amount of interruptible
23 customer load (if any) included in the 5 year Wholesale
24 Distribution Load forecast provided in response to
25 (iv) above;
- 26 (vi) A written demonstration that the Eligible Customer has
27 secured capacity and energy from generation sources

1 sufficient to satisfy its Wholesale Distribution Load
2 during the first twelve (12) months of Distribution
3 Service under the Tariff;

4 (vii) A description of the Resource (current and 5-year
5 projection of monthly Generation), which shall include:

- 6 - Unit size and amount of capacity from that unit
- 7 - VAR capability (both leading and lagging) of all
8 generators
- 9 - Operating restrictions
- 10 - Any periods of restricted operations
11 throughout the year
- 12 - Maintenance schedules

13 (viii) A written demonstration that the Eligible Customer will
14 have the necessary contractual arrangements in place to
15 receive Transmission Service from the ISO prior to the
16 commencement of Distribution Service under the Tariff;

17 (ix) The Service Commencement Date and the term of the
18 requested Distribution Service; and

19 (x) Such other information the Distribution Provider
20 reasonably requires to process the Application.

21 Unless the parties agree to a different time frame, the Distribution
22 Provider must acknowledge the Application within ten (10) days of
23 receipt. The acknowledgment must include a date by which a
24 response, including a Service Agreement, will be sent to the Eligible
25 Customer. If an Application fails to meet the requirements of this
26 section, the Distribution Provider shall notify the Eligible Customer
27 requesting service within fifteen (15) days of receipt and specify the

1 reasons for such failure. Wherever possible, the Distribution
2 Provider will attempt to remedy deficiencies in the Application
3 through informal communications with the Eligible Customer. If
4 such efforts are unsuccessful, the Distribution Provider shall return
5 the Application to the Eligible Customer and shall refund the
6 deposit, with interest, less reasonable costs incurred by the
7 Distribution Provider in connection with the review of the
8 Application. The Distribution Provider will provide to the Eligible
9 Customer a complete accounting of all costs deducted from the
10 refunded deposit, which the Eligible Customer may contest if there is
11 a dispute concerning the deducted costs. Applicable interest shall be
12 computed in accordance with the Commission's regulations at
13 18 CFR § 35.19a(a)(2)(iii), and shall be calculated from the day the
14 deposit check is credited to the Distribution Provider's account. The
15 Distribution Provider shall treat all information provided by the
16 Eligible Customer consistent with the standards of conduct contained
17 in Part 37 of the Commission's regulations.

18 **6.3** Execution of Service Agreement: Whenever the Distribution
19 Provider determines that a System Impact Study is not required and
20 that the service can be provided, it shall notify the Eligible Customer
21 as soon as practicable but no later than thirty (30) days after receipt
22 of the Completed Application. If a Service Agreement is executed,
23 the deposit, with interest calculated pursuant to the provision of
24 Section 6.2, will be returned to the Distribution Customer upon
25 expiration or termination of the Service Agreement. Where a System
26 Impact Study is required, the provisions of Section 7 will govern the
27 execution of a Service Agreement. Failure of an Eligible Customer to

1 execute and return the Service Agreement or request the filing of an
2 unexecuted Service Agreement pursuant to Section 7.3, within
3 fifteen (15) days after it is tendered by the Distribution Provider will
4 be deemed a withdrawal and termination of the Application and any
5 deposit submitted shall be refunded with interest. Nothing herein
6 limits the right of an Eligible Customer to file another Application
7 after such withdrawal and termination.

8 6.4 Technical Arrangements to be Completed Prior to Commencement of
9 Service: Distribution Service shall not commence until the
10 Distribution Provider and the Distribution Customer, or a third
11 party, have completed installation of all equipment specified under
12 the Service Agreement consistent with Good Utility Practice and any
13 additional requirements reasonably and consistently imposed to
14 ensure the reliable operation of the Distribution System. The
15 Distribution Provider shall exercise reasonable efforts, in
16 coordination with the Distribution Customer, to complete such
17 arrangements as soon as practicable taking into consideration the
18 Service Commencement Date.

19 6.5 Distribution Customer Facilities: The provision of Distribution
20 Service shall be conditioned upon the Distribution Customer's
21 constructing, maintaining and operating the facilities on its side of
22 the Point of Receipt or Point of Delivery necessary to reliably deliver
23 capacity and energy to the Distribution Provider's Distribution
24 System or accept capacity and energy from the Distribution
25 Provider's Distribution System. The Distribution Customer shall be

1 solely responsible for constructing or installing all facilities on the
2 Distribution Customer's side of each such Point of Receipt or Point of
3 Delivery.

4 6.6 Filing of Service Agreement: The Distribution Provider will file the
5 Service Agreement with the Commission in compliance with
6 applicable Commission regulations.

7 6.7 Changes in Service Requests: Under no circumstances shall the
8 Distribution Customer's decision to change its requested Distribution
9 Service in any way relieve the Distribution Customer of its obligation
10 to pay the costs of facilities constructed by the Distribution Provider
11 and charged to the Distribution Customer as reflected in the Service
12 Agreement. However, the Distribution Provider must treat any
13 requested change in Distribution Service in a non-discriminatory
14 manner.

15 6.8 Annual Generation or Wholesale Distribution Load and Information
16 Updates: The Distribution Customer shall provide the ISO and the
17 Distribution Provider with annual updates of Generation or
18 Wholesale Distribution Load forecasts consistent with those included
19 in its Application for Distribution Service under the Tariff. The
20 Distribution Customer also shall provide the Distribution Provider
21 with timely written notice of material changes in any other
22 information provided in its Application relating to the Distribution
23 Customer's Generation or Wholesale Distribution Load or other
24 aspects of its facilities or operations affecting the Distribution
25 Provider's ability to provide reliable service.

1 7. Additional Study Procedures For Distribution Service Requests

2 7.1 Notice of Need for System Impact Study: After receiving an
3 Application from an Eligible Customer, the Distribution Provider
4 shall determine on a non-discriminatory basis whether a System
5 Impact Study is needed. A description of the Distribution Provider's
6 methodology for completing a System Impact Study is provided in
7 Attachment B. If the Distribution Provider determines that a
8 System Impact Study is necessary to accommodate the requested
9 service, it shall so inform the Eligible Customer, as soon as
10 practicable. In such cases, the Distribution Provider shall within
11 thirty (30) days of receipt of a Completed Application, tender a
12 System Impact Study Agreement pursuant to which the Eligible
13 Customer shall agree to reimburse the Distribution Provider for
14 performing the required System Impact Study. For a service request
15 to remain a Completed Application, the Eligible Customer shall
16 execute the System Impact Study Agreement and return it to the
17 Distribution Provider within fifteen (15) days. If the Eligible
18 Customer elects not to execute the System Impact Study Agreement,
19 its Completed Application shall be deemed withdrawn and its deposit
20 shall be returned with interest pursuant to the provisions of Section
21 6.2.

22 7.2 System Impact Study Agreement and Cost Reimbursement: The
23 System Impact Study Agreement will clearly specify the Distribution
24 Provider's estimate of the actual cost, and time for completion of the
25 System Impact Study. The charge shall not exceed the actual cost of
26 the study. In performing the System Impact Study, the Distribution
27 Provider shall rely, to the extent reasonably practicable, on existing

1 planning studies. The Eligible Customer will not be assessed a
2 charge for such existing studies; however, the Eligible Customer will
3 be responsible for charges associated with any modifications to
4 existing planning studies that are reasonably necessary to evaluate
5 the impact of the Eligible Customer's request for service on the
6 Distribution System.

7 7.3 System Impact Study Procedures: Upon receipt of an executed
8 System Impact Study Agreement, the Distribution Provider will use
9 due diligence to complete the required System Impact Study within a
10 sixty (60) day period. The System Impact Study shall identify any
11 system constraints, additional Direct Assignment Facilities or
12 Distribution System Upgrades required to provide the requested
13 service. In the event that the Distribution Provider is unable to
14 complete the required System Impact Study within such time period,
15 it shall so notify the Eligible Customer and provide an estimated
16 completion date along with an explanation of the reasons why
17 additional time is required to complete the required studies. A copy
18 of the completed System Impact Study and related work papers shall
19 be made available to the Eligible Customer. The Distribution
20 Provider will use the same due diligence in completing the System
21 Impact Study for an Eligible Customer as it uses when completing
22 studies for itself. The Distribution Provider shall notify the Eligible
23 Customer immediately upon completion of the System Impact Study
24 if the Distribution System will be adequate to accommodate all or
25 part of a request for service or that no costs are likely to be incurred
26 for new facilities or upgrades. In order for a request to remain a
27 Completed Application, within fifteen (15) days of completion of the

1 System Impact Study the Eligible Customer must execute a Service
2 Agreement or request the filing of an unexecuted Service Agreement,
3 or the Application shall be deemed terminated and withdrawn.

4 7.4 Facilities Study Procedures: If a System Impact Study indicates that
5 additions or upgrades to the Distribution System are needed to
6 supply the Eligible Customer's service request, the Distribution
7 Provider, within thirty (30) days of the completion of the System
8 Impact Study, shall tender to the Eligible Customer a Facilities
9 Study Agreement pursuant to which the Eligible Customer shall
10 agree to reimburse the Distribution Provider for performing the
11 required Facilities Study. For a service request to remain a
12 Completed Application, the Eligible Customer shall execute the
13 Facilities Study Agreement and return it to the Distribution Provider
14 within fifteen (15) days. If the Eligible Customer elects not to
15 execute the Facilities Study Agreement, its Completed Application
16 shall be deemed withdrawn and its deposit shall be returned with
17 interest pursuant to the provisions of Section 6.2. Upon receipt of an
18 executed Facilities Study Agreement, the Distribution Provider will
19 use due diligence to complete the required Facilities Study within a
20 sixty (60) day period. If the Distribution Provider is unable to
21 complete the Facilities Study in the allotted time period, the
22 Distribution Provider shall notify the Eligible Customer and provide
23 an estimate of the time needed to reach a final determination along
24 with an explanation of the reasons that additional time is required to
25 complete the study. When completed, the Facilities Study will
26 include a good faith estimate of (i) the cost of Direct Assignment
27 Facilities to be charged to the Eligible Customer, (ii) the Eligible

1 Customer's appropriate share of the cost of any required Distribution
2 System Upgrades, and (iii) the time required to complete such
3 construction and initiate the requested service. The Eligible
4 Customer shall provide the Distribution Provider with a letter of
5 credit or other reasonable form of security acceptable to the
6 Distribution Provider equivalent to the costs of new facilities or
7 upgrades consistent with commercial practices as established by the
8 Uniform Commercial Code. The Eligible Customer shall have
9 thirty (30) days to execute a Service Agreement or request the filing
10 of an unexecuted Service Agreement and provide the required letter
11 of credit or other form of security or the request no longer will be a
12 Completed Application and shall be deemed terminated and
13 withdrawn.

14 7.5 Facilities Study Modifications: Any change in design arising from
15 inability to site or construct facilities as proposed will require
16 development of a revised good faith estimate. New good faith
17 estimates also will be required in the event of new statutory or
18 regulatory requirements that are effective before the completion of
19 construction or other circumstances beyond the control of the
20 Distribution Provider that significantly affect the final cost of new
21 facilities or upgrades to be charged to the Distribution Customer
22 pursuant to the provisions of the Tariff.

23 7.6 Due Diligence in Completing New Facilities: The Distribution
24 Provider will use due diligence to install all necessary facilities or to
25 upgrade its Distribution System within a reasonable time. The
26 Distribution Provider will not upgrade its existing or planned
27 Distribution System in order to provide the requested Distribution

1 Service if doing so would impair system reliability or otherwise
2 impair or degrade existing distribution service. The costs of new
3 facilities required to interconnect a new Resource or a new Wholesale
4 Distribution Load shall be determined in accordance with the
5 procedures provided in Section 7.4 and shall be charged to the
6 Distribution Customer in accordance with Commission policies.

7 7.7 Procedures if the Distribution Provider is Unable to Complete New
8 Distribution Facilities for Distribution Service

9 7.7.1 Delays in Construction of New Facilities: If any event
10 occurs that will materially affect the time for completion of
11 new facilities, or the ability to complete them, the
12 Distribution Provider shall promptly notify the
13 Distribution Customer. In such circumstances, the
14 Distribution Provider shall within thirty (30) days of
15 notifying the Distribution Customer of such delays,
16 convene a technical meeting with the Distribution
17 Customer to evaluate the alternatives available to the
18 Distribution Customer. The Distribution Provider also
19 shall make available to the Distribution Customer studies
20 and work papers related to the delay, including all
21 information that is in the possession of the Distribution
22 Provider that is reasonably needed by the Distribution
23 Customer to evaluate any alternatives.

24 7.7.2 Alternatives to the Original Facility Additions: When the
25 review process of Section 7.7.1 determines that one or more
26 alternatives exist to the originally planned construction
27 project, the Distribution Provider shall present such

1 alternatives for consideration by the Distribution
2 Customer. If, upon review of any alternatives, the
3 Distribution Customer desires to maintain its Completed
4 Application subject to construction of the alternative
5 facilities, it may request the Distribution Provider to
6 submit a revised Service Agreement for Distribution
7 Service. In the event the Distribution Provider concludes
8 that no reasonable alternative exists and the Distribution
9 Customer disagrees, the Distribution Customer may seek
10 relief under the dispute resolution procedures pursuant to
11 Section 16 or it may refer the dispute to the Commission for
12 resolution.

13 7.7.3 Refund Obligation for Unfinished Facility Additions: If the
14 Distribution Provider and the Distribution Customer
15 mutually agree that no other reasonable alternatives exist
16 and the requested service cannot be provided out of
17 existing capability under the Tariff, the obligation to
18 provide the requested Distribution Service shall terminate
19 and any deposit made by the Distribution Customer shall
20 be returned with interest pursuant to Commission
21 regulations 35.19a(a)(2)(iii). However, the Distribution
22 Customer shall be responsible for all prudently incurred
23 costs by the Distribution Provider through the time
24 construction was suspended.

25 8. Operating Arrangements

26 8.1 Operation Under the Service Agreement: The Distribution Customer
27 shall plan, construct, operate and maintain its facilities in

1 accordance with Good Utility Practice and in conformance with the
2 Service Agreement.

3 8.2 Service Agreement: The terms and conditions under which the
4 Distribution Customer shall operate its facilities and the technical
5 and operational matters associated with the implementation of the
6 Tariff shall be specified in the Service Agreement. The Service
7 Agreement shall provide for the Parties to (i) operate and maintain
8 equipment necessary for interconnecting the Distribution Customer
9 with the Distribution Provider's Distribution System (including, but
10 not limited to, remote terminal units, metering, communications
11 equipment and relaying equipment), (ii) transfer data between the
12 Distribution Provider and the Distribution Customer, (iii) use
13 software programs required for data links and constraint
14 dispatching, (iv) exchange data on forecasted loads necessary for
15 long-term planning, and (v) address any other technical and
16 operational considerations required for implementation of the Tariff.

17 8.3 Power Factor: Unless otherwise agreed, the Distribution Customer is
18 required to maintain its power factor within a range of 0.95 lagging
19 to 0.95 leading pursuant to Good Utility Practices.

20 8.4 Scheduling of Transmission and Distribution Service: Schedules for
21 the Distribution Customer's Transmission Service and Distribution
22 Service shall be submitted to the ISO according to the requirements
23 set forth in the ISO Tariff.

24 9. Load Shedding and Curtailments

25 9.1 Procedures: Prior to the Service Commencement Date, the
26 Distribution Provider and the Distribution Customer shall establish
27 Load Shedding and Curtailment procedures pursuant to the Service

1 Agreement with the objective of responding to contingencies on the
2 Distribution System. The Parties will implement such programs
3 during any period when the Distribution Provider determines that a
4 Distribution System contingency exists and such procedures are
5 necessary to alleviate such contingency. The Distribution Provider
6 will notify the Distribution Customer in a timely manner of the
7 existence of such contingency.

8 9.2 Distribution Constraints: During any period when the Distribution
9 Provider determines that a constraint exists on all or a portion of its
10 Distribution System, and such constraint may impair the reliability
11 of its Distribution System, the Distribution Provider will take
12 whatever actions, consistent with Good Utility Practice, that are
13 reasonably necessary to maintain the reliability of the Distribution
14 Provider's Distribution System.

15 9.3 Curtailments of Scheduled Deliveries: If a constraint on the
16 Distribution Provider's Distribution System cannot be relieved
17 through the implementation of other procedures and the Distribution
18 Provider determines that it is necessary to Curtail ISO-scheduled
19 deliveries, the Parties shall Curtail such ISO schedules in accordance
20 with the Service Agreement.

21 9.4 Allocation of Curtailments: The Distribution Provider shall, on a
22 non-discriminatory basis, Curtail the transaction(s) that effectively
23 relieves the constraint. However, to the extent practicable and
24 consistent with Good Utility Practice, any Curtailment will be
25 proportionately shared by the Distribution Provider and Distribution
26 Customer. The Distribution Provider shall not direct the
27 Distribution Customer to Curtail ISO schedules to an extent greater

1 than the Distribution Provider would Curtail the Distribution
2 Provider's ISO schedules under similar circumstances.

3 9.5 Load Shedding: To the extent that a system contingency exists on
4 the Distribution Provider's Distribution System and the Distribution
5 Provider determines that it is necessary for the Distribution Provider
6 and the Distribution Customer to shed load, the Parties shall shed
7 load in accordance with previously established procedures under the
8 Service Agreement.

9 9.6 System Reliability: Notwithstanding any other provisions of this
10 Tariff, the Distribution Provider reserves the right, consistent with
11 Good Utility Practice and on a not unduly discriminatory basis, to
12 Curtail Distribution Service without liability on the Distribution
13 Provider's part for the purpose of making necessary adjustments to,
14 changes in, or repairs on its lines, substations and facilities, and in
15 cases where the continuance of Distribution Service would endanger
16 persons or property. In the event of any adverse condition(s) or
17 disturbance(s) on the Distribution Provider's Distribution System or
18 on any other system(s) directly or indirectly interconnected with the
19 Distribution Provider's Distribution System, the Distribution
20 Provider, consistent with Good Utility Practice, also may Curtail
21 Distribution Service in order to (i) limit the extent or damage of the
22 adverse condition(s) or disturbance(s), (ii) prevent damage to
23 distribution facilities, or (iii) expedite restoration of service. The
24 Distribution Provider will give the Distribution Customer as much
25 advance notice as is practicable in the event of such Curtailment.
26 Any Curtailment of Distribution Service will not be unduly
27 discriminatory relative to the Distribution Provider's use of the

1 Distribution System. The Distribution Provider shall specify in the
2 Service Agreement the rate treatment and all related terms and
3 conditions applicable in the event that the Distribution Customer
4 fails to respond to established Load Shedding and Curtailment
5 procedures.

6 **10. Rates and Charges**

7 **10.1 Charges Under the Tariff:** The Distribution Customer shall pay the
8 Distribution Provider the Monthly Charge for Distribution Service,
9 applicable study costs, and any penalties assessed pursuant to the
10 Service Agreement, consistent with Commission policy. Any charges
11 for Real Power Losses, Ancillary Services, and Transmission Service
12 shall be paid by the Distribution Customer pursuant to the ISO
13 Tariff or TO Tariff.

14 **10.2 Monthly Charge for Distribution Service:** The Distribution Customer
15 shall pay the Distribution Provider the applicable monthly Customer
16 Charge and Demand Charge set forth in the Service Agreement.

17 **10.2.1 Determination of the Monthly Charge for Distribution**
18 **Service to Serve Wholesale Distribution Load:** The rates
19 charged for Distribution Service from the ISO Grid to
20 Wholesale Distribution Load shall be based on the costs of
21 only those Distribution System facilities used to provide
22 Distribution Service to the Distribution Customer. Upon
23 receipt of a Completed Application, the Distribution
24 Provider will undertake an engineering study, and any
25 other studies pursuant to Section 7, if required, to identify
26 such facilities. The costs of the identified facilities,
27 including any Direct Assignment Facilities and

1 Distribution System Upgrades, shall be directly assigned or
2 allocated to the Distribution Customer based on the
3 Distribution Customer's proportionate share of the total
4 load served from the facilities. Such proportionate share
5 shall be based on the non-coincident peak demands served
6 by those facilities. A traditional revenue requirement will
7 be calculated for the costs of the identified facilities directly
8 assigned and allocated to the Distribution Customer. The
9 monthly Demand Charge shall be calculated by dividing
10 the Distribution Customer's annual revenue requirement
11 for the identified facilities allocated to the Distribution
12 Customer by the sum of the Distribution Customer's twelve
13 monthly maximum peak demands imposed on the
14 Distribution System. The monthly Facilities Charge shall
15 be calculated by dividing the Distribution Customer's
16 annual revenue requirement for the identified facilities
17 directly assigned to the Distribution Customer by twelve.
18 The monthly Customer Charge shall be based on the
19 annual revenue requirement for customer accounting
20 expenses attributable to the Distribution Customer.

21 10.2.2 Monthly Charge for Distribution Service for Generation:

22 The rate charged for Distribution Service for Generation
23 from the Resource to the ISO Grid shall be based only on
24 the costs of those Distribution System facilities which are
25 fully directly assigned to the Distribution Customer. Upon
26 receipt of a Completed Application, the Distribution
27 Provider will undertake an engineering study, and any

1 other studies pursuant to Section 7, if required, to identify
2 such facilities. The costs of the identified facilities shall
3 include any Direct Assignment Facilities and Distribution
4 System Upgrades. A traditional revenue requirement will
5 be calculated for the costs of the identified facilities. The
6 monthly Facilities Charge shall be calculated by dividing
7 the Distribution Customer's annual revenue requirement
8 for the identified facilities by twelve. The monthly
9 Customer Charge shall be based on the annual revenue
10 requirement for customer accounting expenses attributable
11 to the Distribution Customer.

12 **11. Billing and Payment**

13 **11.1. Billing Procedure:** Within a reasonable time after the first day of
14 each month, the Distribution Provider shall submit an invoice to the
15 Distribution Customer for the charges for all services furnished
16 under the Tariff during the preceding month. The invoice shall be
17 paid by the Distribution Customer within twenty (20) days of receipt.
18 All payments shall be made in immediately available funds payable
19 to the Distribution Provider, or by wire transfer to a bank named by
20 the Distribution Provider.

21 **11.2. Interest on Unpaid Balances:** Interest on any unpaid amounts
22 (including amounts placed in escrow) shall be calculated in
23 accordance with the methodology specified for interest on refunds in
24 the Commission's regulations at 18 C.F.R. § 35.19a(a)(2)(iii).
25 Interest on delinquent amounts shall be calculated from the due date

1 of the bill to the date of payment. When payments are made by mail,
2 bills shall be considered as having been paid on the date of receipt by
3 the Distribution Provider.

4 11.3. Customer Default: In the event the Distribution Customer fails, for
5 any reason other than a billing dispute as described below, to make
6 payment to the Distribution Provider on or before the due date as
7 described above, and such failure of payment is not corrected within
8 thirty (30) calendar days after the Distribution Provider notifies the
9 Distribution Customer to cure such failure, a default by the
10 Distribution Customer shall be deemed to exist. Upon the occurrence
11 of a default, the Distribution Provider may initiate a proceeding with
12 the Commission to terminate service but shall not terminate service
13 until the Commission so approves any such request. In the event of
14 a billing dispute between the Distribution Provider and the
15 Distribution Customer, the Distribution Provider will continue to
16 provide service under the Service Agreement as long as the
17 Distribution Customer (i) continues to make all payments not in
18 dispute, and (ii) pays into an independent escrow account the portion
19 of the invoice in dispute, pending resolution of such dispute. If the
20 Distribution Customer fails to meet these two requirements for
21 continuation of service, then the Distribution Provider may provide
22 notice to the Distribution Customer of its intention to suspend
23 service in sixty (60) days, in accordance with Commission policy.

24 12. Regulatory Filings

25 Nothing contained in the Tariff or any Service Agreement shall be construed
26 as affecting in any way the right of the Distribution Provider to unilaterally make
27 application to the Commission for a change in rates, terms and conditions, charges,

1 classification of service, Service Agreement, rule or regulation under Section 205 of
2 the Federal Power Act and pursuant to the Commission's rules and regulations
3 promulgated thereunder.

4 Nothing contained in the Tariff or any Service Agreement shall be construed
5 as affecting in any way the ability of any Distribution Customer receiving service
6 under the Tariff to exercise its rights under the Federal Power Act and pursuant to
7 the Commission's rules and regulations promulgated thereunder.

8 13. Stranded Cost Recovery

9 The Distribution Provider may seek to recover stranded costs from the
10 Distribution Customer pursuant to this Tariff in accordance with the terms,
11 conditions and procedures set forth in Commission Order Nos. 888 and 888-A.
12 However, the Distribution Provider must separately file any proposal to recover
13 stranded costs under Section 205 of the Federal Power Act.

14 14. Force Majeure and Indemnification

15 14.1 Force Majeure: An event of Force Majeure means any act of God,
16 labor disturbance, act of the public enemy, war, insurrection, riot,
17 fire, storm or flood, explosion, breakage or accident to machinery or
18 equipment, any Curtailment, order, regulation or restriction imposed
19 by governmental military or lawfully established civilian authorities,
20 or any other cause beyond a Party's control. A Force Majeure event
21 does not include an act of negligence or intentional wrongdoing.
22 Neither the Distribution Provider nor the Distribution Customer will
23 be considered in default as to any obligation under this Tariff if
24 prevented from fulfilling the obligation due to an event of Force
25 Majeure. However, a Party whose performance under this Tariff is
26 hindered by an event of Force Majeure shall make all reasonable
27 efforts to perform its obligations under this Tariff.

1 14.2 Indemnification: The Distribution Customer shall at all times
2 indemnify, defend, and save the Distribution Provider harmless
3 from, any and all damages, losses, claims, including claims and
4 actions relating to injury to or death of any person or damage to
5 property, demands, suits, recoveries, costs and expenses, court costs,
6 attorney fees, and all other obligations by or to third parties, arising
7 out of or resulting from the Distribution Provider's performance of its
8 obligations under this Tariff on behalf of the Distribution Customer,
9 except in cases of negligence or intentional wrongdoing by the
10 Distribution Provider.

11 15. Creditworthiness

12 For the purpose of determining the ability of the Distribution Customer to
13 meet its obligations related to service hereunder, the Distribution Provider may
14 require reasonable credit review procedures. This review shall be made in
15 accordance with standard commercial practices. In addition, the Distribution
16 Provider may require the Distribution Customer to provide and maintain in effect
17 during the term of the Service Agreement, an unconditional and irrevocable letter of
18 credit as security to meet its responsibilities and obligations under the Tariff, or an
19 alternative form of security proposed by the Distribution Customer and acceptable to
20 the Distribution Provider and consistent with commercial practices established by
21 the Uniform Commercial Code that protects the Distribution Provider against the
22 risk of non-payment.

23 16. Dispute Resolution Procedures

24 16.1 Internal Dispute Resolution Procedures: Any dispute between a
25 Distribution Customer and the Distribution Provider involving
26 Distribution Service under the Tariff (excluding applications for rate
27 changes or other changes to the Tariff, or to any Service Agreement

1 entered into under the Tariff, which shall be presented directly to the
2 Commission for resolution) shall be referred to a designated senior
3 representative of the Distribution Provider and a senior
4 representative of the Distribution Customer for resolution on an
5 informal basis as promptly as practicable. In the event the
6 designated representatives are unable to resolve the dispute within
7 thirty (30) days by mutual agreement, such dispute may be
8 submitted to arbitration and resolved in accordance with the
9 arbitration procedures set forth below.

10 16.2 External Arbitration Procedures: Any arbitration initiated under the
11 Tariff shall be conducted before a single neutral arbitrator appointed
12 by the Parties. If the Parties fail to agree upon a single arbitrator
13 within ten (10) days of the referral of the dispute to arbitration, each
14 Party shall choose one arbitrator who shall sit on a three-member
15 arbitration panel. The two arbitrators so chosen shall within twenty
16 (20) days select a third arbitrator to chair the arbitration panel. In
17 either case, the arbitrators shall be knowledgeable in electric utility
18 matters, including electric transmission, distribution, and bulk
19 power issues, and shall not have any current or past substantial
20 business or financial relationships with any party to the arbitration
21 (except prior arbitration). The arbitrator(s) shall provide each of the
22 Parties an opportunity to be heard and, except as otherwise provided
23 herein, shall generally conduct the arbitration in accordance with the
24 Commercial Arbitration Rules of the American Arbitration
25 Association and any applicable Commission regulations.

1 16.3 Arbitration Decisions: Unless otherwise agreed, the arbitrator(s)
2 shall render a decision within ninety (90) days of appointment and
3 shall notify the Parties in writing of such decision and the reasons
4 therefor. The arbitrator(s) shall be authorized only to interpret and
5 apply the provisions of the Tariff and any Service Agreement entered
6 into under the Tariff and shall have no power to modify or change
7 any of the above in any manner. The decision of the arbitrator(s)
8 shall be final and binding upon the Parties, and judgment on the
9 award may be entered in any court having jurisdiction. The decision
10 of the arbitrator(s) may be appealed solely on the grounds that the
11 conduct of the arbitrator(s), or the decision itself, violated the
12 standards set forth in the Federal Arbitration Act and/or the
13 Administrative Dispute Resolution Act. The final decision of the
14 arbitrator must also be filed with the Commission if it affects
15 jurisdictional rates, terms and conditions of service or facilities.

16 16.4 Costs: Each Party shall be responsible for its own costs incurred
17 during the arbitration process and for the following costs, if
18 applicable:

19 (A) the cost of the arbitrator chosen by the Party to sit on the
20 three member panel and one half of the cost of the third
21 arbitrator chosen; or

22 (B) one half the cost of the single arbitrator jointly chosen by the
23 Parties.

24 16.5 Rights Under The Federal Power Act: Nothing in this section shall
25 restrict the rights of any party to file a Complaint with the
26 Commission under relevant provisions of the Federal Power Act.

ATTACHMENT A

FORM OF SERVICE AGREEMENT FOR WHOLESALE DISTRIBUTION SERVICE

1. This Service Agreement, dated as of _____, is entered into, by and between Southern California Edison Company ("Distribution Provider"), and _____ ("Distribution Customer").

2. The Distribution Customer has been determined by the Distribution Provider to have a Completed Application for Distribution Service under the Tariff.

3. The Distribution Customer has provided to the Distribution Provider an Application deposit in the amount of \$_____, in accordance with the provisions of Section 6.2 of the Tariff.

4. Service under this Service Agreement shall commence on the later of (1) _____, or (2) the date on which construction of any Direct Assignment Facilities and/or Distribution System Upgrades specified in Sections 8.0 and 9.0 of the attached Specifications For Wholesale Distribution Service are completed and all additional requirements are met pursuant to Section 7.4 of the Tariff, or (3) such other date as it is permitted to become effective by the Commission. Service under this Service Agreement shall terminate on _____.

1 5. The Distribution Provider agrees to provide and the Distribution Customer
2 agrees to take and pay for Distribution Service in accordance with the provisions of
3 the Tariff and this Service Agreement.

4 6. Any notice or request made to or by either Party regarding this Service
5 Agreement shall be made to the representative of the other Party as indicated below.

6 Distribution Provider:

7
8 Southern California Edison Company
9 Manager, Grid Contracts and Business Development
10 P. O. Box 800
11 2244 Walnut Grove Avenue
12 Rosemead, California 91770
13 Telefax No. (818) 302-9292
14 Telephone No. (818) 302-1771

15
16 Distribution Customer:

17
18 _____
19
20 _____
21
22 _____
23
24

1 7. The Tariff and attached Specifications For Wholesale Distribution Service are
2 incorporated herein and made a part hereof.

3
4 IN WITNESS WHEREOF, the Parties have caused this Service Agreement to be
5 executed by their respective authorized officials.

6
7 Distribution Provider:

8
9
10 By: _____
11 Name Title Date

12
13
14 Distribution Customer:

15
16
17 By: _____
18 Name Title Date

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SPECIFICATIONS FOR WHOLESALE DISTRIBUTION SERVICE

1. **Term of Transaction:** _____

Service Commencement Date: _____

Termination Date: _____

2. **Description of capacity and energy to be transmitted by Distribution Provider including the electric Control Area in which the transaction originates and, for a Resource connected to the Distribution Provider's Distribution System, a five year forecast of monthly Generation.** _____

3. **Point of Receipt:** _____

Point of Delivery: _____

Receiving Party: _____

1 4. Description of Wholesale Distribution Load at the Point of Delivery (including
2 a five year forecast of monthly load requirements): _____

3 _____
4 _____

5 5. Interruptible Load amount (summer and winter), location and
6 conditions/limitations (five year forecast): _____

7 _____

8 6. Maximum amount of capacity and energy to be transmitted: _____

9 _____

10 7. Designation of party(ies) subject to reciprocal service obligation:

11 _____
12 _____

13 8. Direct Assignment Facilities: _____

14 _____
15 _____

16 9. Distribution System Upgrades required prior to the commencement of service:

17 _____
18 _____

19 10. Real Power Loss Factors: _____

1 11. Distribution Service under this Agreement will be subject to the charges
2 detailed below.

3 11.1 Customer Charge : _____

4 _____

5 11.2 Demand Charge: _____

6 _____

7 11.3 Facilities Charge: _____

8 _____

9 11.4 System Impact and/or Facilities Study Charge(s): _____

10 _____

11 11.5 Failure to respond to load shedding and curtailment procedures
12 charge:

13 If the Distribution Customer fails to curtail its transactions or
14 shed load in accordance with this Service Agreement and Tariff, then
15 the Distribution Customer shall pay the Distribution Provider one
16 hundred mills per kilowatt-hour for each kilowatt-hour of Generation
17 or Wholesale Distribution Load it failed to curtail or shed.

1 12. Letter of credit or alternative form of security to be provided and maintained
2 by Distribution Customer pursuant to Sections 7.4 and 15 of the Tariff: _____
3 _____
4 _____

5 13. Technical and operational implementation of Tariff:

6 13.1 Metering And Communications Equipment:

7 13.1.1 Distribution Provider shall install, own, and maintain revenue
8 quality meters at the point of interconnection between the
9 Distribution Provider's Distribution System and the
10 Distribution Customer's Resource or Wholesale Distribution
11 Load. If feasible, such meters shall be installed at the high
12 voltage bus at each such point of interconnection. The meters
13 shall measure and record real power (watts) and reactive
14 power (vars) flow, if applicable, in both directions and shall
15 meet the requirements of the ISO. Meters not installed at the
16 high voltage bus or at the point of interconnection shall be
17 compensated for line losses and transformation losses to the
18 point of interconnection, if applicable.

19 13.1.1.1 Distribution Provider shall read or retrieve meter
20 data on the first normal business day after the end of
21 each billing cycle or such other date as may be
22 required to carry out the provisions of the Tariff.

1 Distribution Provider shall use the meter data for
2 determining accounting and billing information and
3 shall report the data to the ISO, Distribution
4 Customer's scheduling coordinator and Distribution
5 Provider's scheduling coordinator, as applicable.

6 13.1.1.2 The revenue meters shall be tested by the
7 Distribution Provider at least once a year and within
8 ten normal business days after a request by the
9 Distribution Customer. The Distribution Customer
10 shall pay for the cost of the requested test if the
11 meter has been tested within the previous twelve
12 months. The Distribution Customer will be afforded
13 the opportunity to be present during any meter test.
14 The Distribution Provider shall immediately repair,
15 adjust, or replace any meter or associated equipment
16 found to be defective or inaccurate.

17 13.1.1.3 The Distribution Provider shall adjust the recorded
18 data to compensate for the effect of an inaccurate
19 meter. Such adjustment shall be made for a
20 maximum period of thirty days prior to the date of
21 the test or for the period during which such
22 inaccuracy may be determined to have existed,
23 whichever period is shorter. No adjustment prior to

1 the beginning of the next preceding month shall be
2 made except by agreement of the parties. Should
3 any meter fail to register, the Distribution Provider
4 shall estimate, from the best information available,
5 the demand created, energy flow, and var flows
6 during the period of the failure. The Distribution
7 Provider shall, as soon as possible, correct the bills
8 rendered to the Distribution Customer by the
9 Distribution Provider which are affected by the
10 inaccurate meter. That correction, when made, shall
11 constitute full adjustment of any claim arising out of
12 the inaccurate meter for the period of the correction.

13 13.1.2 The Distribution Customer and the Distribution Provider shall
14 install communications facilities, equipment, and software to
15 schedule and monitor the Distribution Customer's Resource or
16 Wholesale Distribution Load connected to the Distribution
17 Provider's Distribution System, to exchange data, and for any
18 other purpose as reasonably required to implement this
19 Service Agreement and the Tariff in accordance with Good
20 Utility Practice.

21 13.1.3 All metering, communications, and data exchanges required to
22 implement this Service Agreement and the Tariff shall be
23 automated to the greatest extent practical. The Operating

1 Representatives shall coordinate standards and specifications
2 for metering and communications equipment as well as any
3 related hardware and software required to implement this
4 Service Agreement and the Tariff, provided such metering and
5 communications equipment and any related hardware and
6 software shall, if possible, be compatible with the Distribution
7 Provider's existing or planned facilities or software, meet all
8 applicable ISO, Western Systems Coordinating Council
9 ("WSCC") and North American Electric Reliability Council
10 ("NERC") requirements, and be consistent with Good Utility
11 Practice.

12 13.1.4 The Distribution Customer shall procure, install and
13 maintain, at its sole expense, communications equipment, and
14 any related hardware and software required to be installed on
15 its system in accordance with Section 13.1. The Distribution
16 Customer shall reimburse the Distribution Provider for all
17 expenses incurred by the Distribution Provider for any
18 metering and communications equipment, and related
19 hardware and software, including any modifications to

1 existing facilities or software required for the Distribution
2 Provider to provide service in accordance with this Service
3 Agreement and the Tariff.

4 13.2 Interconnection of Distribution Customer's Wholesale Distribution Load:

5 13.2.1 Facilities for the interconnection of the Distribution
6 Customer's Wholesale Distribution Load to the Distribution
7 Provider's Distribution System shall be installed, operated and
8 maintained in accordance with Good Utility Practice.

9 13.2.2 The Distribution Customer shall specify: (i) the voltage level of
10 service desired, provided such voltage shall be compatible with
11 standard voltages used on the Distribution Provider's system,
12 and (ii) any applicable service criteria of the Distribution
13 Customer, including, but not limited to, any redundancy
14 desired in elements available to service Wholesale Distribution
15 Load from Distribution Provider's Distribution System. If
16 technically feasible, the Distribution Provider shall provide
17 service at such voltage and in accordance with such criteria,
18 conditioned on the Distribution Provider obtaining any
19 necessary regulatory permits and complying with any other
20 federal, state, or local requirements for the construction of any
21 such facilities.

1 13.2.3 The Distribution Customer shall keep the Distribution
2 Provider informed on a timely basis of changes in Wholesale
3 Distribution Load and cooperate in planning any addition to or
4 upgrade of interconnection facilities to accommodate load
5 growth or additions. The Distribution Customer shall provide
6 to the Distribution Provider by September 1 of each year an
7 update of the information set forth in Sections 4 and 5 for the
8 following five calendar years.

9 13.2.4 The Distribution Provider shall own, operate, and maintain all
10 interconnection facilities on the Distribution Provider's side of
11 the Point of Delivery. The Distribution Customer shall pay all
12 costs and expenses for such interconnection facilities that are
13 used exclusively to provide Distribution Service to the
14 Distribution Customer including, but not limited to, the costs
15 of permitting, planning, procuring, constructing, owning,
16 maintaining, and operating any such facilities.

17 13.2.5 The Distribution Customer shall provide and maintain, at its
18 sole expense, facilities on its side of the Point of Delivery in
19 accordance with Good Utility Practice. The Distribution
20 Customer shall install protective equipment on its system and
21 take any other reasonable measures to protect the safe and
22 reliable operation of the Distribution Provider's system from

1 disturbances on the Distribution Customer's system in
2 accordance with Good Utility Practice.

3 13.2.6 If the Distribution Customer does not maintain its power
4 factor pursuant to Section 8.3 of the Tariff, then the
5 Distribution Provider may, at its option, install the necessary
6 distribution capacitors or other power factor correction devices
7 at the Distribution Customer's expense, including installation
8 and on-going costs of ownership.

9 13.2.7 The Distribution Customer shall provide the Distribution
10 Provider access to the Distribution Customer's interconnection
11 facilities to the extent necessary for the Distribution Provider
12 to construct, operate, or maintain interconnection facilities.
13 The Distribution Customer agrees to grant the Distribution
14 Provider all necessary easements and rights of way, including
15 adequate and continuing access rights, on the property of the
16 Distribution Customer to transport, install, operate, maintain,
17 replace, and remove the interconnection facilities, and any
18 equipment or line extension that may be provided, owned,
19 operated and maintained by the Distribution Provider on the
20 property of the Distribution Customer. The Distribution
21 Customer agrees to grant such easements and rights of way to
22 the Distribution Provider at no cost and in a form satisfactory

1 to the Distribution Provider and capable of being recorded in
2 the office of the county recorder.

3 13.2.8 The Parties shall cooperate with one another in scheduling
4 maintenance to any interconnection facility or in taking any
5 interconnection facility out of service, provided that in an
6 emergency the Distribution Provider may take facilities out of
7 service if necessary to protect the Distribution Provider's
8 system.

9 13.3 Interconnection of Distribution Customer's Resource:

10 13.3.1 The Distribution Customer shall interconnect its Resource
11 with the Distribution Provider's Distribution System in
12 accordance with all applicable ISO, WSCC and NERC criteria,
13 and Good Utility Practice.

14 13.3.2 The Distribution Customer, at its sole expense, shall design,
15 own, procure, install, operate and maintain all equipment and
16 facilities, including the Resource, on its side of the Point of
17 Receipt (Distribution Customer's Facilities). The Distribution
18 Provider shall design, own, install, and maintain all facilities
19 necessary to interconnect the Distribution Customer's
20 Resource on the Distribution Provider's side of the Point of
21 Receipt (Distribution Provider's Facilities) at the Distribution
22 Customer's sole expense to the extent permitted by

1 Commission policies. Such facilities shall include any
2 equipment necessary to protect the Distribution Provider's
3 electric system, employees, and customers from damage or
4 injury arising out of or connected with the operation of the
5 Distribution Customer's Facilities, including, but not limited
6 to, short circuit protection, breaker closing/reclosing control,
7 unit tripping, loss of synchronism, overcurrent/under current
8 devices such as relays, remote terminal units, circuit breakers,
9 and meters. The Distribution Customer's Facilities, and their
10 operation and maintenance, shall meet the Distribution
11 Provider's specifications and shall be subject to inspection and
12 testing by the Distribution Provider. The Distribution
13 Customer's Facilities shall be designed, constructed, operated
14 and maintained as follows:

15 13.3.2.1 Design

16 (a) Distribution Customer, at Distribution
17 Customer's sole expense, shall:

18 (1) Design Distribution Customer's Facilities ;

1 (2) Acquire all permits and other approvals
2 necessary for the construction, operation,
3 and maintenance of Distribution Customer's
4 Facilities; and

5 (3) Complete all environmental impact studies
6 necessary for the construction, operation,
7 and maintenance of Distribution Customer's
8 Facilities.

9 (b) At the Distribution Provider's request, the
10 Distribution Customer shall provide to the
11 Distribution Provider the Distribution
12 Customer's electrical specifications and design
13 drawings pertaining to Distribution Customer's
14 Facilities for the Distribution Provider's review
15 prior to finalizing the design of Distribution
16 Customer's Facilities and before beginning
17 construction work based on such specifications
18 and drawings. The Distribution Customer shall
19 provide to the Distribution Provider reasonable
20 advance written notice of any changes in
21 Distribution Customer's Facilities and provide to
22 the Distribution Provider specifications and
23 design drawings of any such changes for the

1 Distribution Provider's review and approval.

2 The Distribution Provider may require
3 modifications to such specifications and designs
4 as it deems necessary to allow the Distribution
5 Provider to operate the Distribution Provider's
6 electric system in accordance with Good Utility
7 Practice.

- 8 (c) The total installed capacity (net of Station Use)
9 of the Distribution Customer's Resources shall
10 not exceed the Nameplate Rating of _____.

11 13.3.2.2 Construction

- 12 (a) The Distribution Customer, at the Distribution
13 Customer's sole expense, shall construct
14 Distribution Customer's Facilities.
- 15 (b) The Distribution Provider shall have the right to
16 review and consult with the Distribution
17 Customer regarding the Distribution Customer's
18 construction schedule.
- 19 (c) The Distribution Provider shall have the right to
20 periodically inspect the Distribution Customer's
21 Facilities prior to initial operation upon advance
22 notice to the Distribution Customer. The

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Distribution Customer, at its option, may be present at such inspection.

13.3.2.3 Operation

- (a) The Distribution Customer shall operate Distribution Customer's Facilities in accordance with any applicable ISO, NERC or WSCC criteria and Good Utility Practice, including, but not limited to, following voltage schedules, free governor response, meeting power factor requirements at the Point of Receipt, equipment maintenance coordination, and communication of necessary data, information, or reports.
- (b) The Distribution Customer shall operate its Resource to generate such reactive power or provide individual power factor correction as necessary to maintain voltage levels and reactive power support as may be required by the Distribution Provider. The Distribution Customer shall not deliver excess reactive power to the Distribution Provider unless otherwise agreed upon between the Parties. If the Distribution Customer fails to provide reactive

1 power support, the Distribution Provider may do
2 so at the Distribution Customer's expense.

3 (c) The Distribution Customer's Resource shall be
4 designed and operated so as to prevent or protect
5 against the following adverse conditions on the
6 Distribution Provider's electric system:
7 inadvertent and unwanted re-energization of a
8 utility dead line or bus; interconnection while
9 out of synchronization, overcurrent, voltage
10 imbalance; ground faults; generated alternating
11 current frequency outside permitted safe limits,
12 poor power factor or reactive power outside
13 permitted limits; and abnormal waveforms.

14 (d) Distribution Customer's Facilities shall be
15 operated with all of the Distribution Customer's
16 protective apparatus in service whenever its
17 Resource is connected to, or is operated in
18 parallel with, the Distribution Provider's electric
19 system. Any deviation for brief periods of
20 emergency or maintenance shall only be by
21 agreement of the Parties.

22 (e) The Distribution Customer shall maintain
23 operating communications with the Distribution

1 Provider's designated switching center. The
2 operating communications shall include, but not
3 be limited to, system parallel operation or
4 separation, scheduled and unscheduled outages,
5 equipment clearances, protective relay
6 operations, and levels of operating voltage and
7 reactive power.

- 8 (f) The Distribution Provider may require the
9 Distribution Customer, at the Distribution
10 Customer's expense, to demonstrate to the
11 Distribution Provider's satisfaction the correct
12 calibration and operation of the Distribution
13 Customer's protective apparatus at any time the
14 Distribution Provider has reason to believe that
15 said protective apparatus may impair the
16 Distribution Provider's electric system integrity.

1 13.3.2.4 Maintenance

2 (a) The Distribution Customer shall maintain
3 Distribution Customer's Facilities in accordance
4 with Good Utility Practice.

5 (b) The Parties shall cooperate with one another in
6 scheduling maintenance to any interconnection
7 facility or in taking any interconnection facility
8 out of service, provided that in an emergency the
9 Distribution Provider may take facilities out of
10 service if necessary to protect the Distribution
11 Provider's system.

12 (c) The Distribution Customer shall notify the
13 Distribution Provider by January 1, May 1, and
14 September 1 of each year, of the estimated
15 scheduled maintenance for the succeeding four
16 months.

17 13.3.2.5 The Distribution Customer shall not commence
18 parallel operation of Distribution Customer's
19 Facilities with the Distribution Provider's electric
20 system until written approval for operation of the
21 interconnection facilities has been given by the
22 Distribution Provider. Such approval shall not be

1 unreasonably withheld. The Distribution Customer
2 shall notify the Distribution Provider of the
3 Distribution Customer's intent to energize the
4 interconnection facilities not less than forty-five (45)
5 calendar days prior to such energizing. The
6 Distribution Provider shall have the right to inspect
7 Distribution Customer's Facilities within thirty (30)
8 calendar days of receipt of such notice. If the
9 Distribution Customer's Facilities are not approved
10 by the Distribution Provider, the Distribution
11 Provider shall provide written notice to the
12 Distribution Customer stating the reasons for the
13 Distribution Provider's disapproval within five (5)
14 calendar days of the inspection.

15 13.3.2.6 The Distribution Customer shall provide written
16 notice to the Distribution Provider at least fourteen
17 (14) calendar days prior to the initial and
18 subsequent testing of the Distribution Customer's
19 protective apparatus. The Distribution Customer's
20 protective apparatus shall be tested thereafter at
21 intervals not to exceed four (4) years for system
22 voltages less than 66kV, two (2) years for system
23 voltages of 66kV to 200kV, and one (1) year for

1 system voltages of 200kV and above. All such tests
2 shall be performed using qualified personnel. The
3 Distribution Provider shall have the right to have a
4 representative present at the initial and subsequent
5 testing of the Distribution Customer's protective
6 apparatus and to receive copies of the test results.

7 13.3.2.7 The Distribution Provider shall not assume any
8 responsibility for protection of Distribution
9 Customer's Facilities. The Distribution Customer
10 shall be fully responsible for protecting Distribution
11 Customer's Facilities in such a manner that faults or
12 other disturbances on the Distribution Provider's
13 electric system do not cause damage to Distribution
14 Customer's Facilities.

15 13.3.2.8 Review by the Distribution Provider of the design,
16 construction, operation, or maintenance of
17 Distribution Customer's Facilities shall not
18 constitute any representation as to the economic or

1 technical feasibility, operational capability, or
2 reliability of such facilities. The Distribution
3 Customer shall in no way represent to any third
4 party that any such review by the Distribution
5 Provider of such facilities including, but not limited
6 to, any review of the design, construction, operation,
7 or maintenance of such facilities by the Distribution
8 Provider is a representation by the Distribution
9 Provider as to the economic or technical feasibility,
10 operational capability, or reliability of such facilities.
11 The Distribution Customer is solely responsible for
12 economic and technical feasibility, operational
13 capability, and reliability of Distribution Customer's
14 Facilities.

15 13.3.2.9 The Distribution Customer agrees to grant the
16 Distribution Provider all necessary easements and
17 rights of way, including adequate and continuing
18 access rights, on property of the Distribution
19 Customer to transport, install, operate, maintain,
20 replace, and remove the Distribution Provider's
21 interconnection facilities, and any equipment or line
22 extension that may be provided, owned, operated
23 and maintained by the Distribution Provider on the

1 property of the Distribution Customer. The
2 Distribution Customer agrees to grant such
3 easements and rights of way to the Distribution
4 Provider at no cost and in a form satisfactory to the
5 Distribution Provider and capable of being recorded
6 in the office of the county recorder.

7 13.3.3 The Distribution Customer shall keep the Distribution
8 Provider informed on a timely basis of changes in Generation
9 and cooperate in planning any addition to or upgrade of
10 interconnection facilities to accommodate additions to
11 Generation. The Distribution Customer shall provide to the
12 Distribution Provider by September 1 of each year an update
13 of the information set forth in Section 2 for the following five
14 calendar years.

15 13.4 Each party shall appoint an Operating Representative for the purpose of
16 facilitating communication between the parties, exchanging data on
17 forecasted Wholesale Distribution Load or Generation necessary for
18 long-term planning, coordinating operating criteria and activities,
19 developing detailed operating procedures as necessary, and addressing
20 other technical and operational considerations required for
21 implementation of this Service Agreement and Tariff. The Operating
22 Representatives shall not have any authority to modify, amend,
23 terminate, or supersede any provision of this Service Agreement or

1 Tariff; or to require any expansion of or addition to the Distribution
2 Provider's Distribution System. The Distribution Provider shall have
3 the authority to adopt rules or procedures for the implementation of the
4 Service Agreement and the Tariff that are consistent with such Service
5 Agreement and Tariff, provided that the Distribution Customer shall
6 not be deemed to have waived any right it may have to contest such
7 rules or procedures before the Commission or any other forum having
8 jurisdiction over the Service Agreement.

9 13.5 The Distribution Customer shall, upon request, provide the Distribution
10 Provider with such reports and information concerning its operation as
11 are reasonably necessary to enable the Distribution Provider to operate
12 the Distribution System safely and efficiently.

13 14. Load Shedding and Curtailment Procedures:

14 14.1 If a system contingency requires Curtailment of ISO schedules, the
15 Distribution Customer shall curtail its ISO schedules as requested by
16 the Distribution Provider. Such ISO schedule Curtailments shall be
17 implemented only to the extent that they effectively relieve the
18 constraint or that they are directed by the ISO, and to the extent
19 practical, shall be made on a pro-rata basis, based on the share of the
20 total load served from the constrained facility, with all other
21 distribution service users of the affected path, including the Distribution
22 Provider.

1 14.2 The Parties shall implement Load Shedding programs to maintain the
2 reliability and integrity of the electric system, as provided in Section 9 of
3 the Tariff.

4 14.2.1 Load Shedding shall include any combination of the following:

5 (i) automatic Load Shedding; (ii) manual Load Shedding; and
6 (iii) rotating interruption of customer load. The Distribution
7 Provider will order Load Shedding to maintain the relative
8 sizes of load served within the area requiring Load Shedding
9 to the extent practicable, unless otherwise required by
10 circumstances beyond the control of the Distribution Provider
11 or the Distribution Customer or unless otherwise directed by
12 the ISO.

13 14.2.2 Automatic load shedding devices will operate without notice.

14 When manual load shedding or rotating interruptions are
15 necessary, the Distribution Provider shall notify the
16 Distribution Customer's dispatchers or schedulers of the
17 required action and the Distribution Customer shall comply as
18 directed by the Distribution Provider.

19 14.2.3 The Distribution Customer shall, at its own expense, provide,

20 operate, and maintain in service high-speed, digital under-
21 frequency load-shedding equipment. The Distribution
22 Customer's equipment shall be: (i) compatible and coordinate
23 with the Distribution Provider's load shedding equipment; and

1 (ii) set for the amount of load to be shed, with frequency trips
2 and tripping time as determined by the Distribution Provider.
3 In the event the Distribution Provider modifies the load-
4 shedding system, the Distribution Customer shall, at its
5 expense, make changes to the equipment and setting of such
6 equipment, as required. The Distribution Customer shall test
7 and inspect the load-shedding equipment within ninety days
8 of taking Distribution Service under the Tariff and at least
9 once every two years thereafter and promptly provide a
10 written report to the Distribution Provider of the results of
11 such test. The Distribution Provider may request a test of the
12 load-shedding equipment with reasonable notice.

ATTACHMENT B

Methodology for Completing a System Impact Study

The Distribution Provider will assess the capability of the Distribution Provider's Distribution System to provide the service requested using Good Utility Practice. In determining the level of capacity available for new Distribution Service requests, the Distribution Provider may exclude, from capacity to be made available for new Distribution Service requests, capacity needed to meet (i) current and reasonably forecasted load of Power Customers, (ii) the Distribution Provider's obligations to Distribution Customers under existing Wholesale Distribution Access Tariff agreements, (iii) previously received pending Applications for Distribution Service, and (iv) the Distribution Provider's other firm contractual obligations, if any.

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ATTACHMENT C

Index Of Wholesale Distribution Service Customers

<u>Customer</u>	<u>Date of Service Agreement</u>
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