

MASTER MRTU AMENDMENT
RELATING TO
CERTAIN ELECTRICITY TRANSACTIONS
THAT REFERENCE PRICES AT SP15 AND NP 15
AS REPORTED BY ICE

This Master Amendment (this “**Amendment**”) is entered into on [●] by and between _____ and _____ (each, a “**Party**”, and collectively, “**Parties**”).

RECITALS

WHEREAS, the Parties have entered into one or more Covered Transaction(s) (defined below);

WHEREAS, as a result of the implementation of its Market Redesign and Technology Upgrade program (“**MRTU**”) by the California Independent System Operator (“**CAISO**”) pursuant to the CAISO MRTU Tariff (the “**Tariff**”), the CAISO will commence reporting, among other things, day ahead hourly locational marginal pricing information (“**Day-Ahead LMP Price**”) for various P-nodes and aggregation and hub points;

WHEREAS, as a result of the implementation of MRTU, the former zonal regions in the CAISO known as SP15 (“**SP15 Zone**”) and NP15 (“**NP15 Zone**”) will no longer exist and will be replaced with Existing Zone Generation Trading Hubs known as the SP15 EZ Gen Hub (“**SP15 EZ Gen Hub**”) and the NP15 EZ Gen Hub (“**NP15 EZ Gen Hub**”);

WHEREAS, prior to the implementation of MRTU, each Covered Transaction referenced the day-ahead peak or off-peak weighted average index price (“**ICE Day-Ahead Power Price**”) as published in the Day Ahead Power Price Report by the IntercontinentalExchange, Inc (“**ICE**”) for the SP15 Zone and/or the NP15 Zone, as applicable, for purposes of determining either the contract price (or other similar reference) for physical delivery of power or the relevant index price (or other similar reference) for financially-settled power; and

WHEREAS, with effect from and after the date on which MRTU is implemented, the Parties desire to amend the terms of each Covered Transaction, on the terms and subject to the conditions set forth in this Amendment in order to substitute the Day-Ahead LMP Prices at the SP15 EZ Gen Hub and/or the NP15 EZ Gen Hub, as applicable, for the ICE Day-Ahead Power Price for the SP15 Zone and/or the NP15 Zone, as applicable.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. DEFINITIONS

References in this Amendment to the following terms have the meaning indicated below:

“**Confirmation**” has the meaning given that term in the related Governing Master Agreement(s) (as defined below).

“**Covered Transaction**” means a transaction entered into prior to the Implementation Date (as defined below), whether documented under a Confirmation pursuant to a Governing Master Agreement or otherwise, that:

- (1) is a physically settled transaction at either the SP15 Zone or the NP15 Zone (or other similar reference), including without limitation the EEI-based definitions for such Delivery Points, for which the contract price (or other similar reference) is calculated by reference to the ICE Day-Ahead Power Price for the SP15 Zone and/or the NP15 Zone (or other similar reference), as applicable; or
 - (2) is a financially-settled transaction for which the commodity reference price or floating price (or other similar reference) is calculated by reference to the ICE Day-Ahead Power Price for the SP15 Zone and/or the NP15 Zone (or other similar reference), as applicable.
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For purposes of clarification, a Covered Transaction is a transaction that was originally intended to settle based on the ICE Day-Ahead Power Price for the SP15 Zone and/or the NP15 Zone, as applicable, but which from and after the Implementation Date the Parties desire to settle based on the Day-Ahead LMP Price for the SP15 EZ Gen Hub and/or the NP15 EZ Gen Hub, as applicable, with such changes to the terms of the Covered Transaction as is required to effect the foregoing intent.

“**Governing Master Agreement**” means, in respect of a Covered Transaction, the master agreement governing such Covered Transaction, whether executed by the Parties thereto or incorporated by reference in the Confirmation relating to such Covered Transaction, which may include (i) the ISDA 2002 Master Agreement; (ii) the 1992 ISDA Master Agreement (Multicurrency – Cross Border); (iii) the 1992 ISDA Master Agreement (Local Currency – Single Jurisdiction); (iv) the Edison Electric Institute Master Power Purchase and Sale Agreement; (v) the WSPP Agreement; or (vi) other similar agreement setting forth the terms and conditions governing a Covered Transaction.

2. AMENDMENT EFFECTIVE DATE

The provisions of Section 3 of this Amendment will have effect from and after the date on which MRTU is implemented (the “**Implementation Date**”); provided, however that the Parties recognize that pursuant to Section 44.1 of the Tariff, the CAISO has the ability for a period of 30 days after the Implementation Date to revert to pre-MRTU market operations (a “**Reversion Event**”). If a Reversion Event occurs, the Parties agree to work in good faith to determine the impact of such Reversion Event and the best then applicable index to be used for the Covered Transactions; provided, however, that if the Parties are not able to timely agree on the applicable index, then the ICE Day-Ahead Power Price for the SP15 Zone or NP15 Zone (as appropriate) shall be the applicable index until the Reversion Event ceases and MRTU is re-implemented.

3. AMENDMENTS

(a) Each Covered Transaction shall be amended by replacing, *mutatis mutandis*, where relevant:

- (i) the existing definition for “contract price” or other similar reference, in the related Confirmation or otherwise, with the following:

“With respect to each delivery period (or other similar reference), the contract price means the average of the hourly peak day-ahead locational marginal pricing and/or the hourly off-peak day-ahead locational marginal pricing, as applicable, per MWh of electricity for delivery during each peak hour and/or off-peak hour, as applicable, in such delivery period, stated in U.S. Dollars, published by the California Independent System Operator for the SP15 EZ Gen Hub or the NP15 EZ Gen Hub, as applicable.”; and

- (ii) the existing definition for “commodity reference price,” “floating price” or other similar reference, in the related Confirmation or otherwise, with the following:

“With respect to each calculation period, the commodity reference price and/or floating price, as applicable, means the average of the hourly peak day-ahead locational marginal pricing and/or the hourly off-peak day-ahead locational marginal pricing, as applicable, per MWh of electricity for delivery during each peak hour and/or off-peak hour, as applicable, in such calculation period (or other similar reference), stated in U.S. Dollars, published by the California Independent System Operator for the SP15 EZ Gen Hub or the NP15 EZ Gen Hub, as applicable.”

- (b) If a Covered Transaction references a “delivery point” of “SP15 Zone” or “NP15 Zone” (or other similar reference), then such “delivery point” term shall be deemed to be a reference to the SP15 EZ Gen Hub or the NP15 EZ Gen Hub, as applicable. For purposes of this Section 3(b), the term “Covered Transaction” shall mean all physically-settled transactions between the Parties that reference a “delivery point” of “SP15 Zone” or “NP15 Zone” (or other similar reference).

4. MISCELLANEOUS

- 4.1 **Entire Agreement.** This Amendment constitutes the entire agreement and understanding of the Parties with respect to its subject matter. Except as set forth herein, nothing amends or cancels a Governing Master Agreement or Confirmation thereunder.
- 4.2 **Non-reliance.** Each Party acknowledges that in agreeing to this Amendment it has not relied on any oral or written representation, warranty or other assurance and waives all rights and remedies which might otherwise be available to it in respect thereof, except that nothing in this Amendment will limit or exclude any liability of a Party for fraud.
- 4.3 **Headings.** The headings used in this Amendment are for convenience of reference only and are not to affect the construction of or to be taken into consideration in interpreting this Amendment.
- 4.4 **Governing Law.** This Amendment, as between the Parties and in respect of each Covered Transaction between them, will be governed by and construed in accordance with the law specified to govern that Covered Transaction in the applicable Governing Master Agreement and otherwise in accordance with applicable choice of law doctrine.
- 4.5 **Counterparts.** This Amendment (and each amendment, modification and waiver in respect of it) may be executed and delivered in any number of counterparts (including by facsimile transmission or PDF files) and all of such counterparts taken together shall be deemed to constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have caused this Amendment to be duly executed by their authorized officers or agents effective as of the date first referenced above.

[Party 1]	[Party 2]
By:	By:
Name:	Name:
Title:	Title: