**DISTRIBUTED ENERGY RESOURCE PROVIDER AGREEMENT**

**THIS AGREEMENT** is dated this \_\_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_, \_\_\_\_\_\_ and is entered into, by and between:

1. **[Full legal name]**, having its registered and principal place of business located at **[legal address]** (the “Distributed Energy Resource Provide”);

and

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

The Distributed Energy Resource Provider and the CAISO are hereinafter referred to as the “Parties”.

**ARTICLE I**

**TERM AND TERMINATION**

* 1. **Effective Date.** This Agreement shall be effective as of the later of the date it is executed by the Parties or the date accepted for filing and made effective by FERC, if such FERC filing is required, and shall remain in full force and effect until terminated pursuant to Section 1.2 of this Agreement.
  2. **Termination**
     1. **Termination by CAISO.** The CAISO may terminate this Agreement by giving written notice of termination in the event that the DERP fails to pay an invoice, issued under Section 3.1 of this Agreement, by the due date or to provide energy according to the Dispatch Instruction. In case of failure in payment, the Distributed Energy Resource Provider should pay the invoice in 30 days after the CAISO gives the written notice in order for the termination to get revoked, otherwise the termination comes true.
     2. **Termination by Distributed Energy Resource Provider.** In the event that the Distributed Energy Resource Provider no longer wishes to submit Bids or transmit Energy over the CAISO Controlled Grid, it may terminate this Agreement, on giving the CAISO not less than ninety (90) days written notice.

**ARTICLE II**

**GENERAL TERMS AND CONDITIONS**

**2.1 Obligations Relating to Energy Services and Payment**

**2.1.1 Submission of Bids.** A Bid may be submitted no sooner than seven days prior to the Trading Day and no later than 10:00 a.m. on the day preceding the Trading Day. The information of a Bid must include Resource Location or Resource ID as appropriate, the CAISO Market to which the Bid applies, Trading Day to which the Bid applies, Energy Quantity, and Bid Price.

**2.1.2 Bid Acceptance.** The CAISO may accept a submitted Bid.

The CAISO may modify the Price of a submitted Bid, provided that the modified Price is higher than the submitted Price.

The CAISO may modify Energy Quantity in a submitted Bid, provided that the modified amount is less than the submitted amount.

If the CAISO doesn’t accept a Bid, the Bid is rejected

**2.1.3 Time-Frame and Currency for Payment.** Payments for each Trading Day shall be made four (4) Business Days after issuance of the Invoice which shall be in United States dollars and cents.

**2.1.4 Energy Supply Commitment.** As soon as a Bid comes into effect, the Distributed Energy Resource Provider shall supply and deliver energy according to the terms in the Bid and also in the Dispatch Instruction.

**2.1.5 Invoice issuance.** The CAISO must issue an invoice upon each Bid which comes into effect in three (3) days after the Bid’s date.

**ARTICLE III**

**PENALTIES AND SANCTIONS**

**3.1 Penalties.** If the Distributed Energy Resource Provider fails to comply with its energy supply commitment, the CAISO shall be entitled to impose penalties and sanctions on the Distributed Energy Resource Provider. The penalty shall be calculated as 50% of the associated Bid Price. The penalty shall appear in an invoice.

**ARTICLE IV**

**MISCELLANEOUS**

**4.1 Assignments.** Either Party may assign or transfer any or all of its rights and/or obligations under this Agreement with the other Party’s prior written consent in accordance with Section 22.2 of the CAISO Tariff. Such consent shall not be unreasonably withheld. Any such transfer or assignment shall be conditioned upon the successor in interest accepting the rights and/or obligations under this Agreement as if said successor in interest was an original Party to this Agreement.

**4.2 Waivers.** Any waiver at any time by either Party of its rights with respect to any default under this Agreement, or with respect to any other matter arising in connection with this Agreement, shall not constitute or be deemed a waiver with respect to any subsequent default or other matter arising in connection with this Agreement. Any delay, short of the statutory of limitations, in asserting or enforcing any right under this Agreement shall not constitute or be deemed a waiver of such right.

**IN WITNESS WHEREOF**, the Parties hereto have caused this Agreement to be duly executed on behalf of each by and through their authorized representatives as of the date hereinabove written.

**California Independent System Operator Corporation**

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: \_\_\_\_\_\_\_\_\_\_\_\_

Title: \_\_\_\_\_\_\_\_\_\_\_\_\_

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_

**Distributed Energy Resource Provider**

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: \_\_\_\_\_\_\_\_\_\_\_\_

Title: \_\_\_\_\_\_\_\_\_\_\_\_\_

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_