



Business Practice

Energy Imbalance Market Application and Certification

1. General Policies

- 1.1** This Business Practice establishes processes and procedures necessary for participation in the Energy Imbalance Market ("EIM") pursuant to the Arizona Public Service Company Open Access Transmission Tariff ("OATT"), Attachment Q, which facilitates and implements the EIM Tariff Provisions in APS's Balancing Authority Area ("BAA").
- 1.2** The EIM Tariff Provisions and this Business Practice apply to all Customers taking service under APS's OATT, both Transmission and Interconnection, with new and existing service agreements under Parts II, III and IV of APS's OATT. If a contract between APS and a Customer explicitly contradicts one or more terms of the APS OATT pertaining to EIM, the OATT terms will take precedence.
- 1.3** This Business Practice also applies to Transmission Customers with non-OATT transmission agreements to the extent the provisions of this Business Practice are relevant to any expressly incorporated reference to APS's OATT in such agreements.
- 1.4** Disputes relating to EIM will be managed pursuant to APS's OATT, Part I, Section 12.5, its subsections, and the APS EIM Billing and Disputes Business Practice as applicable.
- 1.5** Communications with APS related to EIM will be the following:
Email: OASISADM@apsc.com
Phone: 602-250-4033
Physical Address: __PO Box 53999_____
 __Station 7659_____
 __Phoenix, AZ 85072-3999__

2. Definitions

Defined terms within this Business Practice have the same meaning as defined terms within APS's OATT or the NERC glossary. Where terms are defined in both the NERC Glossary and APS's OATT, the meaning for defined terms within the APS OATT shall control.

3. APS EIM Participating Resource – Application and Processing

3.1 Application Form and Deposit

3.1.1 Contact Information and Form

Application submittal and associated questions should be directed to the email address listed under section 1.5 of this Business Practice. The Application Form can be found on APS's OASIS site under the folder "Applications."

3.1.2 Submission of Form and Deposit

Upon submission of an electronic application, an applicant must submit the application to APS, executed in hard copy, with a \$1,500 deposit as required by section 3.3.1 of Attachment Q of the APS OATT. The deposit shall be in the form of a check.. The executed hard copy and application deposit shall be sent by certified



mail or other delivery service that provides tracking information to the address listed in section 1.5 of this Business Practice.

If an entity that would like to apply to become an APS EIM Participating Resource ("Participating Resource") is in the process of entering an interconnection agreement with APS for that resource, or has an interconnection agreement, but has not yet energized the facility for any reason, that entity shall inform its APS point of contact for interconnection issues of its intent. APS will then work with the entity to determine to the timing for submission of the application and deposit under this Business Practice to become a Participating Resource.

As provided in section 3.3.1 of Attachment Q of the APS OATT, APS shall charge and the applicant shall pay the actual costs of application processing. Any difference between the deposit and the actual costs of the application processing shall be paid by, or refunded with interest to, the applicant as appropriate and after APS's determination of actual costs upon completion of the application processing. Interest on refunds shall be calculated in accordance with the Federal Energy Regulatory Commission's regulations at 18 CFR § 35.19a(a)(2)(iii), from the day APS receives the refund check until the date APS directs the check to be cut and sent.

3.2 Application Processing

Upon receipt of the completed application and deposit check, APS shall date-stamp and begin processing the application. APS shall make best efforts to acknowledge, by electronic mail, its receipt of materials and information submitted by the applicant within five business days of receipt.

All notifications to the applicant will be sent to the applicant's designated contact specified in the Application Form.

While an application is pending processing or a certification pursuant to APS OATT Attachment Q, section 3.3.3, the resource that is the subject of the application shall be deemed a Non-Participating Resource.

3.2.1 Application Technical Review Period and Extensions

During the 45-day processing period, APS shall schedule a meeting with the applicant to discuss and review the technical details provided in the application, including resource characteristics, metering and telemetry configuration, and network model representation. Additional meetings may be required to discuss specific characteristics of the applicant's resource. During this process, APS shall notify the applicant of modifications to the resource that may be required to meet the standards of APS and the MO for certification as a Participating Resource. MO requirements for certification may be found in section 29.4(e) and 4.5.1 of its tariff.

APS shall also provide an initial assessment of the options for the applicant to provide meter data to the MO based on the meter and telecommunications configuration and ownership, as well as the applicant's election to perform the duties of either a Scheduling Coordinator Metered Entity ("SCME") or a CAISO Metered Entity ("CAISOME"). A CAISOME must accept and adopt certain technical requirements and equipment as specified by CAISO. A SCME must work with CAISO to adapt its own equipment, as necessary and including metering, to CAISO's satisfaction with respect to meeting metering and other technical requirements.

If any of the applicant's submitted information changes at any time during the application processing period, the applicant shall notify APS of such changes by electronic mail as soon as possible. In addition, prior to the end of the 45-day processing period, APS may request additional information in order to attempt to



resolve either any deficiencies in the application or any technical issues related to the resource(s).

APS may, at its discretion, extend the 45-day processing period as reasonably required to process any revised or updated information or to accommodate appropriate resolution of application or resource deficiencies. APS will notify the applicant's designated contact specified in the Application Form of the fact and length of the extension by electronic mail promptly and at least five business days prior to the end of the initial 45-day period, except and unless the issue(s) that causes an extension arises within five business days of the 45-day processing period, in which case APS will make the notification as promptly as practicable.

An extension of the 45-day processing period to allow time for resolution of application or resource deficiencies shall not exceed 6 months from APS's initial application receipt date-stamp. If the additional requested information is not provided or if the deficiencies are not resolved within that 6-month period, APS shall deem the application rejected and notify the applicant's designated contact specified in the Application Form no later than five business days following the date of the expiration of the 6-month period.

3.2.2 Application Outcome Notification and Processing Costs

APS shall notify the applicant's designated contact specified in the Application Form of acceptance or rejection of the application by electronic mail. If the application is accepted, APS shall also promptly notify the MO. If the application is rejected, APS shall, in its notice to the applicant, state the grounds for rejection and include a detailed accounting of costs associated with the application processing. Notice of rejection and costs shall be not later than five business days after the expiration of the 45-day period or any extension of the 45-day period.

Any difference between actual processing costs and the deposit shall be charged to the applicant or, if appropriate, refunded with interest. Interest shall be calculated in the manner set forth in section 3.1.2 of this Business Practice, and delivered by mail to the applicant's designated contact on the application form.

Following notice of application rejection, the applicant may resubmit the application with a new \$1,500 processing deposit.

- 3.3** Failure to complete any of the above requirements will result in an application rejection. The applicant may resubmit the application with a new \$1,500 processing deposit.

4. EIM Participating Resource Certification

4.1 Verification and Certification Process

Upon verification that the application to become a Participating Resource is complete, APS shall begin the certification process. The purpose of the certification process is to enable APS to make a final determination regarding any modifications or upgrades to the resource that are necessary to satisfy the requirements set forth in section 3.3.3 of Attachment Q of the APS OATT. If APS requires modifications or upgrades, it shall communicate those requirements by electronic mail to the designated contact specified on the application. APS shall arrange meetings as necessary to discuss the details of any required modifications or upgrades to the resource. Upon mutual agreement between the parties of such modifications or upgrades, APS shall draft any necessary agreements to facilitate the implementation of the modifications or upgrades.

If the applicant has elected to perform the duties of a SCME, and APS owns the required revenue meters and related telecommunications equipment located at the resource, the applicant may elect to use the APS-owned infrastructure to facilitate the Participating



Resource Scheduling Coordinator’s provision of settlement quality meter data to the MO. The applicant shall enter into a Meter Data Services Agreement with APS, with such agreement defining the roles and responsibilities of the parties to facilitate the Participating Resource Scheduling Coordinator’s provision of settlement quality meter data to the MO. APS shall arrange meetings as necessary to discuss the details of any required agreements.

Upon APS’s verification that the required resource modifications and upgrades are complete and meet its standards for Participating Resource eligibility as described in the APS OATT, Attachment Q, section 3, APS shall seek confirmation from the MO that the Participating Resource has satisfied the criteria set forth in the APS OATT, Attachment Q, section 3.3.3. Upon receiving confirmation from the MO, APS shall promptly notify the Transmission Customer and the MO by electronic mail to the designated point of contact that the Participating Resource is certified. Upon notification, the applicant is eligible to participate in the EIM as a Participating Resource.

4.1.1 EIM Participating Resource Applicant Information Changes During Certification Process

If any of the applicant’s submitted information changes at any time during the certification process, the applicant shall notify APS of such changes by electronic mail as soon as possible.

Once certified, and as required by APS’s OATT, Attachment Q, section 3.3.5, the Participating Resource must notify APS of any changes in information submitted as part of the application and certification processes, consistent with the timing below.

Within 15 calendar days of such change in any information, the Transmission Customer with a Participating Resource shall resubmit its application form, including a clear description of the information that has changed, to APS at the email address provided in section 1.5 of this Business Practice.

APS shall make best efforts to acknowledge, by electronic mail, its receipt of the materials and information submitted by the Transmission Customer within five business days of receipt. APS shall schedule a meeting with the Transmission Customer to review the technical details provided in the update and discuss how any changed technical details affect the technical requirements originally agreed to by the parties, and amend any other agreements between the parties as necessary.

This Business Practice describes general conditions and practices. There may be specific circumstances that require some variation from or are not addressed by this Business Practice.

Version	Effective Date	Change Tracking	Reviewed By	Approved By	Standard No.
Original	10/1/2016		Thomas McCall	Bob Bean / Twyana Blair	N/A