

**TRANSMISSION SYSTEM IMPACT AND FACILITIES CLUSTER
STUDY AGREEMENT FOR LONG-TERM FIRM POINT-TO-POINT
TRANSMISSION SERVICE REQUESTS OVER PATH 42**

This Study Agreement, dated as of _____, is made and entered by and between Imperial Irrigation District (the Transmission Provider), and _____ (the Applicant).

WHEREAS, the Transmission Provider is an irrigation district formed under the Water Code of the State of California; and

WHEREAS, the Applicant has been determined by the Transmission Provider to be an Eligible Transmission Customer under Part I of the Transmission Provider's Tariff and to have a Completed Application for Long Term Firm Point-To-Point Transmission Service over transmission facilities owned by Transmission Provider on Path 42;

WHEREAS, the Applicant has requested the Transmission Provider to perform a joint Transmission System Impact and Facilities Cluster Study (Study) to determine the adequacy of the Transmission Provider's Transmission System to accommodate the Applicant's request for transmission service, any required Network Upgrades, and any Direct Assignment Facilities, as well as the estimated costs of those Network Upgrades and Direct Assignment Facilities;

WHEREAS, the Transmission Provider conducted an Open Season process to solicit additional requests for Long-Term Firm Point-To-Point Transmission Service over Transmission Provider's transmission facilities on Path 42 and the window for this Open Season closed on October 1, 2009;

WHEREAS, the Applicant understands that, unless otherwise notified by the Transmission Provider, its transmission service request will be studied in a cluster along with the requests of other Eligible Transmission Customers for Long-Term Firm Point-to-Point Transmission Service over Transmission Provider's transmission facilities on Path 42;

WHEREAS, following the close of the Open Season window, Transmission Provider provided Applicant with a good faith estimate of: (a) the time required to perform the Study of all clustered transmission service requests, including the Applicant's request; (b) the total cost of this clustered Study; and (c) the Applicant's pro rata share of that total cost;

NOW THEREFORE, in consideration of the mutual agreements set forth below, the Applicant and the Transmission Provider agree as follows:

1.0 Performance of and Payment for the Study

1.1 The Transmission Provider shall provide all necessary labor, facilities, transportation and supervision necessary to perform the Study for the Applicant. The Transmission Provider shall use its sole discretion as to the details and methods used to perform the Study, including any information required to perform the Study in accordance with Good Utility Practice.

1.2 The Applicant shall compensate Transmission Provider for the performance of the Study in accordance with Sections 5.0 and 6.0 of Attachment M to Transmission Provider's Tariff. Study costs shall include, but not be limited to, current salary or wage rates, including overheads for the personnel performing the Study. Expenses that are directly chargeable to the Study shall be determined by the Transmission Provider. Typical expenses include, but are not limited to:

1. Subcontracted services.
2. Long distance telephone calls
3. Computer operating time at established rate
4. Printing and reproduction expense.
5. Reasonable travel and living expense.

1.3 Following the receipt of all completed Study Agreements and the required payments for the Study from Eligible Customers in the cluster, including the Applicant, the Transmission Provider shall commence the Study.

1.4 The Applicant shall provide the data requested in the attached Data Template to the Transmission Provider at the time it executes this Study Agreement with the Transmission Provider. To the extent the Transmission Provider subsequently determines that additional data are required to perform the Study, the Applicant shall provide any such data within seven (7) calendar days of the date of the Transmission Provider's request for the data.

1.5 Transmission Provider shall use reasonable efforts to complete the Study within one hundred fifty (150) calendar days. If the Transmission Provider is unable to complete the Study within this timeline, the Transmission Provider shall notify each Eligible Customer in the cluster, including the Applicant, and provide an estimate of the time needed to complete the Study, along with an explanation of the reasons that additional time is needed.

2.0 Scope of Study

2.1 The Study shall be performed based on data provided to the Transmission Provider by the Applicant and other Eligible Customers in the cluster pursuant to: (a) Completed Applications for Long-Term Firm Point-to-Point Transmission Service; (b) the Data Template attached to this Study Agreement, and (c) responses to any additional requests by the Transmission Provider for data. Transmission Provider shall have the right, in its discretion, to accept or reject any modification requested by an Eligible Customer, including the Applicant, to

the foregoing data based on the Transmission Provider's judgment as to whether the modification will materially affect the performance or timing of the Study.

2.2 The scope of the Study shall include: (a) the projected system impacts resulting from the Completed Applications submitted by all Eligible Customers in the cluster for Long-Term Firm Point-to-Point Transmission Service over the Transmission Provider's transmission facilities on Path 42, including the Applicant's Completed Application; (b) the Network Upgrades necessary to be constructed as a result of those system impacts; (c) an estimate of the total cost of the Network Upgrades; (d) an estimate of each Eligible Customer's pro rata share of the Network Upgrade costs based on the kW of Reserved Capacity requested by each Eligible Customer, including the Applicant; and (e) an estimate of the time required to complete construction and initiate the service requested by each Eligible Customer, including the Applicant. To the extent needed, the Study also will include a description of any Direct Assignment Facility required to serve an Eligible Customer, an estimate of the cost of any such Direct Assignment Facility to the applicable Eligible Customer, and an estimate of the time required to complete construction of the Direct Assignment Facility and initiate service for that Eligible Customer, including potentially the Applicant.

2.3 Factors to be considered in determining the impact on the Transmission Provider's Transmission System may include, but not be limited, to:

1. Steady state power flow study results;
2. Stability study results;
3. NERC, WECC and the Transmission Provider's system design criteria;
4. Transmission transfer capability of the existing system;
5. Transmission transfer capability of the system after the request is added;
6. Reliability requirements of the Transmission Provider and the Applicant; and
7. Type and term of the Service requested.

2.4 Factors to be considered in determining the facilities to be added to the Transmission Provider's Transmission System may include, but not be limited to:

1. System Impact Study results;
2. Load characteristics;
 - a. Demand;
 - b. Pattern;
 - c. Harmonics;
 - d. Transients;
 - e. Flicker; and
 - f. Motor starting needs;
3. Transmission transfer capability of the existing system;
4. Transmission transfer capability on the system after the facilities are added;
5. Reliability of the existing system;
6. Reliability requirements of the Transmission Provider and the Applicant;
7. Power Quality;
8. Cost to the Transmission Provider and the Applicant;

9. Time required for construction of the facilities;
10. The Type and term of the service requested;
11. The Applicant's requested schedule; and
12. Requirements of any other entity whose facilities in the interconnected transmission network are materially affected by the service requested on Transmission Provider's Transmission System.

3.0 Report of Study Results

A formal report containing results of the Study shall be prepared by the Transmission Provider (Study Report). The Applicant understands and agrees that the Transmission Provider will disclose the Study results to all Eligible Customers in the cluster, including results based on underlying data provided by the Applicant.

4.0 Ownership of Study

The Study Reports, summaries, plans and other documents arising out of the Study shall become the property of the Transmission Provider. All studies, computer input and output data, planning, operating and other documents, work papers, assumptions, and any other material that forms the basis for determining the impacts on the Transmission Provider's Transmission System shall remain in the files of the Transmission Provider, but copies shall be made available and supplied to Eligible Customers, including the Applicant, if requested, subject to any necessary non-disclosure agreement.

5.0 Nondisclosure of Information

The Applicant shall consider all information provided by the Transmission Provider and all supporting work papers resulting from the Transmission Provider's performance of the services under this Agreement to be proprietary unless such information is available from public sources. The Applicant shall not publish or disclose proprietary information for any purpose without the prior written consent of the Transmission Provider.

6.0 Coordination with Affected Transmission Systems

Customer acknowledges that, in accordance with Section 9.0 of Attachment M to the Transmission Provider's Tariff, Transmission Provider is not responsible for making arrangements for any necessary engineering, permitting, and construction of transmission facilities of any entity owning or operating interconnected transmission facilities. The Transmission Provider will undertake reasonable efforts to assist Eligible Customers in the cluster, including the Applicant, in obtaining such arrangements, including providing any information or data required by such other affected transmission owners or operators. In the event that Transmission Provider is invoiced for any studies required by such affected owners or operators, the Applicant agrees to compensate Transmission Provider for its share of the costs of such studies.

7.0 Notices

All notices hereunder shall be in writing and shall be delivered to the parties at the following addresses:

Transmission Provider:

Imperial Irrigation District
Attention: Interconnect Transmission Contracts Administrator
333 East Barioni Boulevard
P.O. Box 937
Imperial, CA 92251

Applicant:

Such notices shall be deemed to have been served when personally delivered or upon receipt as evidenced by a U.S. Postal Service receipt of mail or evidence of delivery by a private express mail service.

8.0 Governing Law and Venue

This Agreement shall be interpreted in accordance with the substantive and procedural laws of the State of California. All actions or proceedings arising in connection with this Contract shall be tried and litigated exclusively in State court located in the County of Imperial, State of California and Federal court located in the County of San Diego, State of California. The aforementioned choice of venue is mandatory, thereby precluding the possibility of litigation between the parties with respect to or arising out of this Contract in any jurisdiction other than that specified in this paragraph. Each party hereby waives any right it may have to assert the doctrine of forum non conveniens or a similar doctrine or to object to venue with respect to any proceeding brought in accordance with this paragraph, and stipulates that the State and Federal courts located in the Counties of Imperial and San Diego, respectively, California, shall have in personam jurisdiction and venue over each of them for the purpose of litigating any dispute or proceeding arising out of or related to this Contract. Each party hereby authorizes service of process sufficient for personal jurisdiction in any action against it at the address and in the manner for the giving of notice as set forth in this Contract.

9.0 Force Majeure

The Transmission Provider shall not be considered to be in default of the provisions of this Agreement if delays in or failure of performance shall be due to uncontrollable forces, the effect of which, by the exercise of reasonable diligence, the Transmission Provider could not avoid. The term uncontrollable forces shall mean any event which results in the prevention or delay of performance by the Transmission Provider of its obligations under this Agreement and which is beyond the control of the Transmission Provider. The term uncontrollable forces includes, but is not limited to, fire, acts of God, flood, earthquakes, storms, lightning, epidemic, war, riot, civil disturbance, sabotage, inability to procure permits, licenses, or authorizations from any state, local, or federal agency, or person for any of the supplies, materials, accesses, or services required to be provided by the Transmission Provider under this Agreement, strikes, work slowdowns, or other labor disturbances, and judicial constraint. The provisions of this article shall not be interpreted or construed to require the Transmission Provider to prevent, settle, or otherwise avoid a strike, work slowdown, or other labor action. The Transmission Provider shall give timely written notice to the Applicant describing the circumstances of uncontrollable forces which prevent the fulfillment of obligation of this Agreement. The Transmission Provider shall give timely written notice to the Applicant that the uncontrollable forces which prevented the fulfillment of obligations of this Agreement are no longer present and work has resumed on those obligations.

10.0 Indemnity

The Applicant shall at all times indemnify, defend, and save the Transmission Provider harmless from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demands, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the Transmission Provider's performance of its obligations under this agreement on behalf of the Applicant, except in cases of negligence or intentional wrongdoing by the Transmission Provider.

11.0 Representations, Warranties, and Covenants. Each Party makes the following representations, warranties and covenants:

11.1. Good Standing. Such Party is duly organized, validly existing and in good standing under the laws of the state in which it is organized, formed, or incorporated, as applicable; that it is qualified to do business in the state or states in which it is located, and that it has the corporate power and authority to own its properties, to carry on its business as now being conducted and to enter into this Agreement and carry out the transactions contemplated hereby and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.

11.2 Authority. Such Party has the right, power and authority to enter into this Agreement, to become a Party hereto and to perform its obligations hereunder. This Agreement is a legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms, except as the enforceability thereof may be limited by

applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by general equitable principles (regardless of whether enforceability is sought in a proceeding in equity or at law).

11.3. No Conflict. The execution, delivery and performance of this Agreement does not violate or conflict with the organizational or formation documents, or bylaws or operating agreement, of such Party, or any judgment, license, permit, order, material agreement or instrument applicable to or binding upon such Party or any of its assets.

11.4 Consent and Approval. Such Party has sought or obtained, or, in accordance with this Agreement will seek or obtain, each consent, approval, authorization, order, or acceptance by any Governmental Authority in connection with the execution, delivery and performance of this Agreement, and it will provide to any Governmental Authority notice of any actions under this Agreement that are required by Applicable Laws and Regulations.

12.0 Miscellaneous

12.1 Binding Effect. This Agreement and the rights and obligations hereof, shall be binding upon and shall insure to the benefit of the successors and assigns of the Parties hereto.

12.2 Conflicts. In the event of a conflict between the body of this Agreement and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this Agreement shall prevail and be deemed the final intent of the Parties.

12.3 Rules of Interpretation. This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder; (5) unless expressly stated otherwise, reference to any Attachment is to an Attachment to this Agreement; (6) "hereunder", "hereof", "herein", "hereto" and words of similar import shall be deemed references to this Agreement as a whole and not to any particular Section or other provision hereof or thereof; (7) "including" (and with correlative meaning "include") means including without limiting the generality of any description preceding such term; and (8) relative to the determination of any period of time, "from" means "from and including", "to" means "to but excluding" and "through" means "through and including".

12.4 Entire Agreement. This Agreement constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.

12.5 No Third Party Beneficiaries. This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.

12.6 Waiver. The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party. Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement.

12.5 Headings. The descriptive headings of the various Sections of this Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Agreement.

12.6 Multiple Counterparts. This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

12.7 Amendment. The Parties may by mutual agreement amend this Agreement by a written instrument duly executed by the Parties.

12.8 No Partnership. This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

13.0 Assignment.

This Agreement may be assigned by a Party only with the written consent of the other Party; provided that a Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that the Applicant shall have the right to assign this Agreement, without the consent of the other Party, for collateral security purposes to aid in providing financing for the generating unit, provided that the Applicant will require any secured party, trustee or mortgagee

