

**AMENDMENT NO. 2 TO AGREEMENT NO. 47565
BETWEEN
LOS ANGELES DEPARTMENT OF WATER AND POWER
AND
POWER SETTLEMENTS CONSULTING AND SOFTWARE, LLC**

THIS AMENDMENT NO. 2 to Agreement No. 47565 is made and entered into by and between the City of Los Angeles, acting by and through the Los Angeles Department of Water and Power, a municipal corporation (hereinafter referred to as LADWP) and Power Settlements Consulting and Software, LLC (hereinafter referred to as "Consultant"), collectively the "Parties"; and

WHEREAS, the Parties have entered into Agreement No. 47565 (Agreement), as a result of a competitive solicitation process, under Request for Proposal no. 90478 wherein Consultant agreed to provide software, configuration, hosting, maintenance, and support services for the Merchant and Entity Settlement and Transmission Billing Systems for the Energy Imbalance Market (EIM), for a not-to-exceed amount of \$2,520,374 and a term of three years, effective October 9, 2019; and

WHEREAS, Amendment No. 1 to the Agreement added two one-year extension options, for a maximum term of five years, and increased the not-to-exceed amount by \$1,010,800, from \$2,520,374 to \$3,531,174, for total compensation that may be paid to the Consultant; and

WHEREAS, the Parties are amending the Agreement for the purpose of adding three years with two one-year extension options to the Agreement term, for a total term of up to ten years; adding new software and configuration and continuing hosting, maintenance, support, and services of the Agreement; and increasing the Agreement amount by \$5,959,710, to a new not-to-exceed amount of \$9,490,884.

NOW, THEREFORE, BE IT RESOLVED that for good value and consideration including mutual exchange of promises, the Parties agree to amend the Agreement as follows:

1. Subsection 12. i) Compensation as previously amended with Amendment No. 1 and read as the following:

"The total compensation that may be paid to the Consultant by LADWP for complete and satisfactory performance of services under this Agreement shall not exceed Three Million Five Hundred Thirty-One Thousand One Hundred Seventy-Four dollars (\$3,531,174)."

Subsection 12. i) Compensation is amended and now read as the following:

"The total compensation that may be paid to the Consultant by LADWP for complete and satisfactory performance of services under this Agreement shall not exceed Nine Million, Four Hundred Ninety Thousand, Eight Hundred Eighty-Four dollars (\$9,490,884)."

2. Subsection 13a.1) Extension Options as previously added with Amendment No. 1 and read as the following:

“At LADWP’s sole option, the term of this Agreement may be extended for up to an additional two years, exercisable in one-year increments, or any portion thereof.”

Subsection 13a.1) Extension Options is amended and now read as the following:

“At LADWP’s sole option, the term of this Agreement may be extended for up to an additional two years, exercisable in one-year increments, or any portion thereof. Thereafter, the term of this Agreement may be extended for an additional five years, exercisable in one three-year and two one-year increments, or any portion thereof.”

3. Exhibit C, Fee Schedule, is replaced in its entirety with Exhibit C, Fee Schedule (Revision No. 1), attached herein.
4. Exhibit H, Statement of Work, Attachment A, EIM Merchant Settlement System, Article 2, EIM Merchant Settlements System eDAM Requirements, is revised in its entirety to read as follows:

ID	Requirement Description
740	The Settlement validation system shall be able to validate the new settlement charge codes settling imbalance reserve products. The functional areas shall include but not limited; 1. Imbalance reserve capacity settlement; 2. Performance evaluation of the imbalance reserve capacity; 3. No Pay/Penalty for Imbalance reserve capacity; 4. Bid cost recovery for imbalance reserve capacity.
747	The system shall be able to validate the charge codes that settle the day-ahead corrective capacity.
752	The system shall be able to validate the charge code changes relevant to inter-tie bidding in EIM area if that becomes effective. This validation shall be consistent with the validation of charge codes for CAISO inter-tie bidding activities.
SIM1	Acquisition of new data from CAISO Market Portal
SIM2	Acquisition of new 1 st principle input defined by the client
SIM3	Shadow calculations of existing Chare Codes impacted
SIM4	Shadow calculations of new Charge Codes
SIM5	Changes to Sub-Allocation methods for existing Charge Codes impacted
SIM6	Sub-Allocation of new Charge Codes

SIM7	Portfolio & Business Rule Reporting for EIM DA market expansion enhancement analogous to existing Real-Time Market item
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5. Exhibit H, Statement of Work, Attachment B, EIM Entity Settlement and Transmission Billing System, Article 4, EIM Entity Settlements and Transmission Billing System eDAM Requirements, is revised in its entirety to read as follows:

ID	Requirement Description
741	<p>The settlement validation system shall be able to validate the charge code changes related to cost allocation changes in the day-ahead market enhancement. The functional areas shall include but not limited to,</p> <ol style="list-style-type: none"> 1. Changes due to the merging of IFM and RUC – Two tier cost allocation, 2. Changes due to the day-ahead imbalance reserve product.
742	<p>The settlement validation system shall be able to validate all existing charges and their changes related to the additional load serving entity and transmission provider settlement related to a new joint BAA if/when LADWP joins in the full market as part of the extended day-ahead market (eDAM) initiative. LADWP will be seen as an additional load serving entity (LSE) and participating transmission provider (PTO) in the full market. This would include the settlement charge codes for all the LSEs and PTOs in both day-ahead and real-time. (Essentially, similar to the settlement rules for Pacific Gas Electric or Southern California Edison.) The functional areas shall include but not limited to:</p> <ol style="list-style-type: none"> 1. Day-ahead and real-time load settlement in other BAAs; 2. Day-ahead energy and ancillary service settlement for non-participating resources which are self-schedule energy or ancillary service into the full market; 3. Day-ahead and real-time transmission access charge in other BAAs; 4. Day-ahead Congestion settlement in other BAAs; 5. Day-ahead and Real-time financial rights for transmission contracts in other BAAs; 6. Day-ahead and real-time reserve, energy, bid cost allocation charges; 7. Various new penalties.
SIE1	Acquisition of new data from CAISO Market Portal
SIE2	Acquisition of new 1 st principle input defined by the client
SIE3	Shadow calculations of existing Chare Codes impacted
SIE4	Shadow calculations of new Charge Codes
SIE5	Changes to Sub-Allocation methods for existing Charge Codes impacted

SIE6	Sub-Allocation of new Charge Codes
SIE7	Portfolio & Business Rule Reporting for EIM DA market expansion enhancement analogous to existing Real-Time Market item

Except as amended herein, all terms and conditions of Agreement No. 47565 shall remain in full force and effect.

Notwithstanding the date of its final approval, this Amendment No. 2 shall be effective on October 8, 2024.

This Amendment No. 2 may be executed in one or more counterparts, and by the parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same. The parties further agree that facsimile signatures or signatures scanned into .pdf (or signatures in another electronic format designated by LADWP) and sent by e-mail shall be deemed original signatures.

This Amendment consists of five (5) pages and Exhibit C, Fee Schedule (Revision No. 1).

[Signature Page follows.]

SIGNATURE PAGE

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment No. 2 to Agreement No. 47565 to be executed by their authorized representatives on the date written below.

DEPARTMENT OF WATER AND POWER
OF THE CITY OF LOS ANGELES BY
BOARD OF WATER AND POWER COMMISSIONERS

By signing below, the signatories of the Department of Water and Power attest that they have no personal, financial, beneficial, or familial interest in this contract.

Date: _____

By: _____

JANISSE QUIÑONES
Chief Executive Officer and Chief Engineer

APPROVED AS TO FORM AND LEGALITY
HYDEE FELDSTEIN SOTO, City Attorney

By

Bethany A. Burgess

BETHANY A. BURGESS

Deputy City Attorney

Date: August 13, 2024

And: _____

CHANTE L. MITCHELL
Board Secretary

POWER SETTLEMENTS CONSULTING
AND SOFTWARE, LLC

Date: August 14, 2024

By: _____

Pat Benner, Pat Benner, CFO

~~DAVID DAN~~
President

And: _____

Isaac Velander, Isaac Velander, CPO

~~JASON HEBERT~~
~~Senior Vice President~~