

EXHIBIT A

Summary of Major Modifications to the Pooling Agreement (Based on the 8/20/2008 redline version)

Article 1 - Definitions

Added definitions to address use of terminology arising from new regulatory and legislative obligations and deleted definitions associated with the PG&E IA that are no longer relevant to pooling operations

Article 2 - Commission

Added a section on the budget development and adoption process. Modified the right to establish a Pool Capability Responsibility and Pool Objective Capability and replaced with right to establish reliability standards.. Eliminated sections for Meetings, Designated Alternate, and Attendance at Other Meetings in concert with elimination of the Pooling Committee as described in Article 4 below.

Article 3 - General Manager and NCPA Staff

No changes

Article 4 - Pooling Committee

Deleted in its entirety and replaced with an ad-hoc committee that will meet from time to time for limited purposes and will be dissolved when the limited purpose has been met.

Article 5 - Resource Planning

Article renamed Load Forecasting and Resource Planning. A section on resource forecasts was added, requiring notice from Participants to NCPA regarding changes to the composition of participants' resource mix that could affect balance of month operations or resource adequacy demonstrations of the pool. Entire section was reconstructed to deal with mechanism for evaluating compliance with Resource Adequacy requirements and how costs would be assessed for non-compliance.

Article 6 - Resource Sale and Purchase

Article renamed Purchases and Sales. Eliminated sections on sales of resources and purchases of capacity from non-parties. Added section on Balance of Month and Long Term Transactions to clarify allowed transactions under the pooling agreement.

Article 7 - Resource Development

This section was deleted in its entirety. This section was previously the heart of the pooling concept, describing the process for working together to both acquire needed resources and to ensure that pool members were not doing anything that would reduce the value of existing pool planned resources. Deletion reflects changed nature of pool in this regard.

Article 8 - Central Dispatch and Scheduling Services

Modified 8.1 to include transmission. Largely unchanged from prior version of agreement. Added discussion of Western AAA agreement. Section dealing with Maintenance Repair, Energy Transactions with Non-Parties, and Classification of Services were eliminated.

Article 9 - Accounting

All previous sections eliminated except the section entitled Records and Accounts.

Article 10 – Metering

Inserted new section 10.2 related to individual member agreements that will specify operation and maintenance responsibilities as being assumed by the member or contracted through NCPA.

Article 11 – Billing

Payment of interest removed from dispute section of article (11.4).

Article 12 – Pooling Schedules

No change.

Article 13 – Other Agreements

Sections 13.1 dealing with Joint Powers Agreement and 13.3 dealing with the original Member Service Agreements were deleted. Section on precedence of agreements, and Special agreements were re-written slightly.

Article 14 – Western Systems Coordinating Council

Revised heading to be named Reliability Standards, Requirements, Criteria and Rules. Updated language to include references and obligations to NERC and CAISO.

Article 15 – Term of Agreement

Termination provision modified to include a two year termination notice, up from the previous 6 month termination notice, and limited termination to coincide with the end of a fiscal year.

Article 16 – Notices

Notice provisions updated to include procedure for notifications and the responsibility of NCPA to maintain a list of the authorized representatives for notification purposes.

Article 17 – Waiver of Defaults

No changes

Article 18 – Uncontrollable Forces

No changes

Article 19 – Liability

No changes

Article 20 – Reports and Records

The list of reports is updated to include a reference to the All Resource Bill.

Article 21 – Assignment of Agreement

Minor rewording.

Article 22 – Settlement of Disputes and Arbitration

Article has been completely updated to require informal resolution followed by mediation followed by binding arbitration for settlement of disputes. Goal is to facilitate settlement of

disputes in as informal a matter as possible. The Arbitration Process, which was previously Pooling Schedule 12.01 has been incorporated in this Article and includes the following discussion:

The Language for the overview of this Schedule was reworked to eliminate the attempt to settle a dispute through the intercessions of the Pooling Committee and the Commission and to rely on the process of discussion, negotiation and mediation.

Language was rework to tie this Schedule to the redrafted Article 22 and point to the appropriate sections of this Article.

Language for the Arbitration Rules, Selection of Arbitrator, and Arbitration Schedule were slightly reworked to read better.

Language for Arbitrator's Authority and Decision was modified from accepting one party's proposal to granting any remedy that is just and equitable (compromise). This is the most significant update to this Schedule.

Language for Binding Arbitration is reworked to emphasize that the decision of the arbitrator is final

Language for the Arbitration and Enforcement Expenses was reworked to emphasis that the arbitrator shall have no authority to award punitive damages.

Article 23 – Amendments

Clarified that amendments to the body of the agreement can only be made by amendments executed by the Parties and authorized by Parties governing boards and that amendments to the schedules can be made by the Commission without having to secure Party governing board approvals.

Article 24 – Severability

No changes

Article 25 – Governing Law

No Changes

Article 26 – Counterparts

No Changes

Pooling Schedules

Pooling Schedule 1.00 – Pool Billing Procedures

No changes.

Pooling Schedule – 1.01 Determination of Capability Responsibility

This Schedule was eliminated and rolled into Schedule 6.01 under the umbrella of Resource Adequacy

Pooling Schedule 1.03 – Determination of System Capability
Deleted

Pooling Schedule 2.01 – Pricing Interparty Sales of Capacity
The principle of facilitating sales of surplus capacity between the members has been retained in the update. The method for facilitating the sale and calculating the price of the sale has been modified slightly to reflect flexibility in procurement associated with Resource Adequacy criteria applicable to each individual member, the fact that any member can defer acquisition of RA capacity by relying on backstop CAISO procurement and the elimination of the old methodology associated with the terminated PG&E LA requirements. In general, this section reflects the transition from a mandatory capacity obligation that had to be met by a date certain to modified mandatory capacity obligation that allows for the obligation to be met after the fact, thus obviating the need to transact within the pool.

Pooling Schedule 2.02 - Principles for Sale of Pool Excess Energy
No changes

Pooling Schedule 3.01 - Economic Dispatch
Sections on Transaction with Non Parties, Monthly Operations Forecasts and Short Term Contracts were deleted. Short Term Contracts were deleted to comport with Commission direction that procurement contracts longer than one month (outside of the next operating month) need to be procured pursuant to a separate agreement.

Pooling Schedule 4.01 – Allocation of Pool Expenses
This section was for the most part eliminated as the Nexant study is expected to heavily influence the allocation of costs previously addressed in this section.

Pooling Schedule 5.01 – Load Forecast Reporting & Requirements
Section on Forecast Overview added language to include forecasting requirements expected by Resource Adequacy and NERC reporting.

Section on Data Requirements was reworded to include energy efficiency and load management programs adopted by the member utilities.

Section on Forecasts has added language to identify what NCPA will accomplish with the gather information which is mainly used for Plexos Model, budget process, and long-term resource planning.

Section on Long-Term Forecast Scenarios is significantly simplified mainly because none of the members were requesting the development of such scenarios.

Section on Long-Term Forecast Documentation was significantly simplified for members producing their own forecast to provide documentation on methodology on an as needed basis.

Section on Short-Term Forecasts was slightly modified to replace terminology from hour ahead to active day.

Pooling Schedule 5.02 – Load Management Principals

The entire Schedule was deleted as it was determined that it does not apply to members any longer. Ongoing CEC proceedings may result in need to establish a new schedule relating to load management programs.

Pooling Schedule 6.01 – Resource Allocation Procedures

This Schedule is now under Schedule 6.04 and renamed as Intraparty Capacity Transaction. It was slightly modified to point out that the adopted program is only for calendar year 2008.

New Pooling Schedule 6.01 (in redraft version) – NCPA Capacity Pool

This Schedule contains new language that describes participation in the NCPA Capacity Pool program in response to the need to comply with rules and criteria in meeting reliability standards set for Load Serving Entities. This Schedule details participation objectives, time lines for such participation; delegation of authority to NCPA upon election to participate in the Capacity Pool; rules and criteria to become compliant with the Capacity Pool program, NCPA's obligation in meeting resource demonstrations; and transfer of surplus capacity amongst Participants opting to participate in this program. Schedule 6.01 is integrated with other Articles and Schedules found throughout the Pooling Agreement.

Pooling Schedule 6.02 – NCPA Capacity Pool Resource Adequacy Program

The Pool Accounting Method Schedule is now found under Schedule 6.05. This Schedule contains new language describing applicability, compliance demonstration, demand forecast, planning reserve margin, and resource adequacy qualifying capacity rules & criteria, and compliance & enforcement. It clarifies requirement to meet both system and local area capacity demonstrations; discusses the CEC and the CAISO's role in providing monthly coincident peak demand determinations that will be used in NCPA's compliance demonstrations; and explains how the Demand Forecast data provided by NCPA and its members are used in determining peak Demand. In addition, discussion on requirement of capacity in planning reserve margin is included along with resource adequacy qualifying capacity rules and criteria. Lastly, a discussion on possible demonstration deficiency to meet compliance demonstration along with means to resolve such deficiency, and any associated penalties or sanctions incurred as a result is detailed.

Pooling Schedule 6.03 – NCPA Capacity Pool Capacity Transfer Process

This Schedule contains new language that describes the annual system and local capacity transfer process for participants who are surplus or deficient in capacity within the pool; the development of capacity transfer pricing; details of timing and settlement for any such transfer; the development of demand/capacity balance process; and lastly, disqualified capacity is addressed along with allocation of charges or penalties as a result.

Pooling Schedule 6.04 – Calendar Year 2008 Intraparty Capacity Transaction

This Schedule was previously called Resource Allocation Procedures under Schedule 6.01.

Pooling Schedule 6.05 – Pool Accounting Method

This Schedule was previously found under Schedule 6.02. Section C (Procedures for Allocating NCPA Pool/3rd Party Transactions) has been added to include In-month transactions involving buy-back of COTP capacity from OASIS along with calculations identifying COTP capacity shares for the implementation of the buy-back function.

In section dealing with Transactions Using Buy Back of Pool Posted COTP Transmission language was added to include Real Time schedules in the buy-back of COTP activities. The discussion on the amount of buy-back limitations has been eliminated.

In section dealing with Hourly Transmission Allocations and Transfers discussion on the purchase of wheeling rights from Third Partys and making use of appropriate OATT was deleted.

Pooling Schedule 7.01 – Load Following Allocation

This Schedule is renamed as Load Following Costs and Allocations. In the Overview of this Schedule language was added to draw attention to resources other than Collierville that will be instrumental in real time markets such as the CTs and COTP, which its owners will be compensated.

Language is added to include COTP Energy Costs.

Under Energy Adjustment section, language is added to identify a payment mechanism for idle capacity that may not have qualified for AS, however was used in load following.

Pooling Schedule 9.01 – Spinning Reserves

The title of this Schedule is renamed to Ancillary Services. This Schedule is simplified by referring to the Scheduling Coordinator Program Agreement for the allocation of costs and benefits of procuring Ancillary Services rather than duplicating this effort.

Pooling Schedule 9.02 – Transmission

Slightly reworded the Tables for Participant membership percentages for COTP and SOTT.

Pooling Schedule 10.01 – Scheduling of WAPA Allocations to Pool Members

This Schedule is simplified by referring to the AAA (Assignment Administration Agreement) for the allocation of capacity and energy rather than duplicating this effort in the Pooling Agreement.

Pooling Schedule 11.01 – Reserved

The new title for this Schedule is Member Meter Project and has been updated with a table with pool members identifying whether they choose to maintain and operate Western meter within their boundary or to have NCPA contract a Third Party to do so.