

ATTACHMENT M

**LARGE GENERATOR
INTERCONNECTION PROCEDURES (LGIP)**

including

**STANDARD LARGE GENERATOR
INTERCONNECTION AGREEMENT (LGIA)**

|

Standard Large Generator

Interconnection Procedures (LGIP)

(Applicable to Generating Facilities that exceed 20 MW)

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Section 1. Definitions

Adverse System Impact shall mean the negative effects due to technical or operational limits on conductors or equipment being exceeded that may compromise the safety and reliability of the electric system.

Affected System shall mean an electric system other than the Transmission Provider's Transmission System that may be affected by the proposed interconnection.

Affected System Operator shall mean the entity that operates an Affected System.

Affiliate shall mean, with respect to a corporation, partnership or other entity, each such other corporation, partnership or other entity that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such corporation, partnership or other entity.

Ancillary Services shall mean those services that are necessary to support the transmission of capacity and energy from resources to loads while maintaining reliable operation of the Transmission Provider's Transmission System in accordance with Good Utility Practice.

Applicable Laws and Regulations shall mean all duly promulgated applicable federal, state and local laws, regulations, rules, ordinances, codes, decrees, judgments, directives, or judicial or administrative orders, permits and other duly authorized actions of any Governmental Authority.

Applicable Reliability Council shall mean the reliability council applicable to the Transmission System to which the Generating Facility is directly interconnected.

Applicable Reliability Standards shall mean the requirements and guidelines of NERC, the Applicable Reliability Council, and the Control Area of the Transmission System to which the Generating Facility is directly interconnected.

Base Case shall mean the base case power flow, short circuit, and stability data bases used for the Interconnection Studies by the Transmission Provider or Interconnection Customer.

Breach shall mean the failure of a Party to perform or observe any material term or condition of the Standard Large Generator Interconnection Agreement.

Breaching Party shall mean a Party that is in Breach of the Standard Large Generator Interconnection Agreement.

Business Day shall mean Monday through Friday, excluding Federal Holidays.

Calendar Day shall mean any day including Saturday, Sunday or a Federal Holiday.

Cluster shall mean a group of Interconnection Requests (one or more) that are studied together for the purpose of conducting the Interconnection Studies.

Cluster Study shall mean an Interconnection Study evaluating a Cluster of one or more Interconnection Requests.

Clustering shall mean the process whereby a group of Interconnection Requests is studied together, instead of serially, for the purpose of conducting the Interconnection ~~System Impact~~ Studies.

Commercial Operation shall mean the status of a Generating Facility, or Replacement Generating Facility, that has commenced generating electricity for sale, excluding electricity generated during Trial Operation.

Commercial Operation Date of a unit shall mean the date on which the Generating Facility, or Replacement Generating Facility, commences Commercial Operation as agreed to by the Parties pursuant to Appendix E to the Standard Large Generator Interconnection Agreement.

Confidential Information shall mean any confidential, proprietary or trade secret information of a plan, specification, pattern, procedure, design, device, list, concept, policy or compilation relating to the present or planned business of a Party, which is designated as confidential by the Party supplying the information, whether conveyed orally, electronically, in writing, through inspection, or otherwise.

Contingent Facilities shall mean those unbuilt Interconnection Facilities and Network Upgrades upon which the Interconnection Request's costs, timing, and study findings are dependent, and if delayed or not built, could cause a need for Re-Studies of the Interconnection Request or reassessment of the Interconnection Facilities and/or Network Upgrades and/or costs and timing.

Control Area shall mean an electrical system or systems bounded by interconnection metering and telemetry, capable of controlling generation to maintain its interchange schedule with other Control Areas and contributing to frequency regulation of the interconnection. A Control Area must be certified by an Applicable Reliability Council. Control Area shall have the same meaning as Balancing Authority Area as defined by NERC.

Customer Engagement Window shall have the meaning set forth in Section 10.1 of the LGIP.

Default shall mean the failure of a Breaching Party to cure its Breach in accordance with Article 17 of the Standard Large Generator Interconnection Agreement.

Definitive Interconnection Study Process shall mean an Interconnection Study process adopted at Transmission Provider's option for purposes of administering a Cluster Study process inclusive of the Informational Interconnection Study Process, the Transitional Serial Study Process, the Transitional Cluster Study Process, the DISIS Request Window, Customer Engagement Window, the Definitive Interconnection System Impact Study, and the Interconnection Facilities Study. Both the Resource Solicitation Cluster and the DISIS Cluster are processed under the Definitive Interconnection Study Process.

Definitive Interconnection System Impact Study (“DISIS”) shall mean an engineering study that evaluates the impact of a Cluster of Interconnection Requests on the safety and reliability of the Transmission System and, if applicable, an Affected System.

Definitive Interconnection System Impact Study Agreement (“DISIS Agreement”) shall mean the form of agreement contained in Appendix 6-3 of the LGIP for conducting the Definitive Interconnection System Impact Study.

Definitive Interconnection System Impact Study Cluster (“DISIS Cluster”) shall mean a Cluster studied through a DISIS.

DISIS Request Window shall have the meaning set forth in Section 10.1 of the LGIP.

DISIS Verification Period shall have the meaning set forth in Section 10.1 of the LGIP.

Dispute Resolution shall mean the procedure for resolution of a dispute between the Parties in which they will first attempt to resolve the dispute on an informal basis.

Distribution System shall mean the Transmission Provider's facilities and equipment used to transmit electricity to ultimate usage points such as homes and industries directly from nearby generators or from interchanges with higher voltage transmission networks which transport bulk power over longer distances. The voltage levels at which distribution systems operate differ among areas.

Distribution Upgrades shall mean the additions, modifications, and upgrades to the Transmission Provider's Distribution System at or beyond the Point of Interconnection to facilitate interconnection of the Generating Facility and render the transmission service necessary to effect Interconnection Customer's wholesale sale of electricity in interstate commerce. Distribution Upgrades do not include Interconnection Facilities.

Effective Date shall mean the date on which the Standard Large Generator Interconnection Agreement becomes effective upon execution by the Parties subject to acceptance by FERC, or if filed unexecuted, upon the date specified by FERC.

Emergency Condition shall mean a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of a Transmission Provider, is imminently likely (as determined in a non-discriminatory manner) to

cause a material adverse effect on the security of, or damage to Transmission Provider's Transmission System, Transmission Provider's Interconnection Facilities or the electric systems of others to which the Transmission Provider's Transmission System is directly connected; or (3) that, in the case of Interconnection Customer, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, the Generating Facility or Interconnection Customer's Interconnection Facilities. System restoration and black start shall be considered Emergency Conditions; provided that Interconnection Customer is not obligated by the Standard Large Generator Interconnection Agreement to possess black start capability.

Energy Resource Interconnection Service shall mean an Interconnection Service that allows the Interconnection Customer to connect its Generating Facility to the Transmission Provider's Transmission System to be eligible to deliver the Generating Facility's electric output using the existing firm or non-firm capacity of the Transmission Provider's Transmission System on an as available basis. Energy Resource Interconnection Service in and of itself does not convey transmission service.

Engineering & Procurement (E&P) Agreement shall mean an agreement that authorizes the Transmission Provider to begin engineering and procurement of long lead-time items necessary for the establishment of the interconnection in order to advance the implementation of the Interconnection Request.

Environmental Law shall mean Applicable Laws or Regulations relating to pollution or protection of the environment or natural resources.

Existing Generating Facility shall mean a Generating Facility that is either in service or under construction with an unsuspended interconnection agreement.

Federal Power Act shall mean the Federal Power Act, as amended, 16 U.S.C. §§ 791a et seq.

FERC shall mean the Federal Energy Regulatory Commission (Commission) or its successor.

Force Majeure shall mean any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, any order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities, or any other cause beyond a Party's control. A Force Majeure event does not include acts of negligence or intentional wrongdoing by the Party claiming Force Majeure.

Generating Facility shall mean Interconnection Customer's device for the production and/or storage for later injection of electricity identified in the Interconnection Request, but shall not include the Interconnection Customer's Interconnection Facilities. A Generating Facility consists of one or more generating unit(s) and/or storage device(s) which usually can operate independently and be brought online or taken offline individually.

Generating Facility Capacity shall mean the net capacity, in kW or MW, as applicable, of the Generating Facility and the aggregate net capacity of the Generating Facility where it includes multiple energy production devices.

Generating Facility Modification shall mean modification to an Existing Generating Facility, including comparable replacement of only a portion of the equipment at the Existing Generating Facility.

Generation Replacement shall mean replacement of one or more generating units and/or storage devices at an Existing Generating Facility with one or more new generating units or storage devices at the same electrical Point of Interconnection as those being decommissioned and electrically disconnected.

Generator Replacement Interconnection Facilities Study shall mean a study to determine a list of facilities to grant an Interconnection Customer's request to interconnect a Replacement Generating Facility the cost of those facilities, and the time required to interconnect those facilities. The scope of the study is defined in Section 34.9.4 of the Standard Large Generator Interconnection Procedures.

Good Utility Practice shall mean any of the practices, methods and acts engaged in or approved by a significant portion of the electric industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region.

Governmental Authority shall mean any federal, state, local or other governmental regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, tribunal, or other governmental authority having jurisdiction over the Parties, their respective facilities, or the respective services they provide, and exercising or entitled to exercise any administrative, executive, police, or taxing authority or power; provided, however, that such term does not include Interconnection Customer, Transmission Provider, or any Affiliate thereof.

Hazardous Substances shall mean any chemicals, materials or substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "hazardous constituents," "restricted hazardous materials," "extremely hazardous substances," "toxic substances," "radioactive substances," "contaminants," "pollutants," "toxic pollutants" or words of similar meaning and regulatory effect under any applicable Environmental Law, or any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any applicable Environmental Law.

Informational Interconnection Study shall mean an analysis based on assumptions specified by Interconnection Customer in the **Informational Interconnection Study Agreement** as further described in Section 3.2.

Informational Interconnection Study Agreement shall mean the form of agreement contained in Appendix 2 of the LGIP for conducting the **Informational Interconnection Study**.

Initial Synchronization Date shall mean the date upon which the Generating Facility is initially synchronized and upon which Trial Operation begins.

In-Service Date shall mean the date upon which the Interconnection Customer reasonably expects it will be ready to begin use of the Transmission Provider's Interconnection Facilities to obtain back feed power.

Interconnection Customer shall mean any entity, including the Transmission Provider, Transmission Owner or any of the Affiliates or subsidiaries of either, that proposes to interconnect its Generating Facility with the Transmission Provider's Transmission System.

Interconnection Customer's Interconnection Facilities shall mean all facilities and equipment, as identified in Appendix A of the Standard Large Generator Interconnection Agreement, that are located between the Generating Facility and the Point of Change of Ownership, including any modification, addition, or upgrades to such facilities and equipment necessary to physically and electrically interconnect the Generating Facility to the Transmission Provider's Transmission System. Interconnection Customer's Interconnection Facilities are sole use facilities.

Interconnection Facilities shall mean the Transmission Provider's Interconnection Facilities and the Interconnection Customer's Interconnection Facilities. Collectively, Interconnection Facilities include all facilities and equipment between the Generating Facility and the Point of Interconnection, including any modification, additions or upgrades that are necessary to physically and electrically interconnect the Generating Facility to the Transmission Provider's Transmission System. Interconnection Facilities are sole use facilities (**i.e., for generator interconnection**) and shall not include Distribution Upgrades, Stand Alone Network Upgrades or Network Upgrades. **Interconnection Facilities may be shared by more than one Generating Facility.**

Interconnection Facilities Study shall mean a study conducted by the Transmission Provider or a third party consultant for the Interconnection Customer to determine a list of facilities (including Transmission Provider's Interconnection Facilities and Network Upgrades as identified in **either** the **Serial** Interconnection System Impact Study **or the Definitive Interconnection System Impact Study**), the cost of those facilities, and the time required to interconnect the Generating Facility with the Transmission Provider's Transmission System. The scope of the study is defined in Section **8-11** of the Standard Large Generator Interconnection Procedures.

Interconnection Facilities Study Agreement shall mean the form of agreement contained in Appendix 47 of the Standard Large Generator Interconnection Procedures for conducting the Interconnection Facilities Study.

Interconnection Feasibility Study shall mean a preliminary evaluation of the system impact and cost of interconnecting the Generating Facility to the Transmission Provider's Transmission System, the scope of which is described in Section 86 of the Standard Large Generator Interconnection Procedures.

Interconnection Feasibility Study Agreement shall mean the form of agreement contained in Appendix 24 of the Standard Large Generator Interconnection Procedures for conducting the Interconnection Feasibility Study.

Interconnection Request shall mean an Interconnection Customer's request, in the form of Appendix 13 to the Standard Large Generator Interconnection Procedures, in accordance with the Tariff, to interconnect a new Generating Facility, or to increase the capacity of, or make a Material Modification to the operating characteristics of, an existing Generating Facility that is interconnected with the Transmission Provider's Transmission System.

Interconnection Service shall mean the service provided by the Transmission Provider associated with interconnecting the Interconnection Customer's Generating Facility to the Transmission Provider's Transmission System and enabling it to receive electric energy and capacity from the Generating Facility at the Point of Interconnection, pursuant to the terms of the Standard Large Generator Interconnection Agreement and, if applicable, the Transmission Provider's Tariff.

Interconnection Study shall mean any of the following studies: the Replacement Impact Study, the Reliability Assessment Study, the Interconnection Feasibility Study, the Serial Interconnection System Impact Study, the Definitive Interconnection System Impact Study, and the Interconnection Facilities Study described in the Standard Large Generator Interconnection Procedures. The Transmission Provider shall undertake Interconnection Studies pursuant to either a Serial Interconnection Study Process or a Definitive Interconnection Study Process as described in these Large Generator Interconnection Procedures.

Interconnection Study Agreement shall mean any of the following agreements: the Interconnection Feasibility Study Agreement, the Definitive Interconnection System Impact Study Agreement, the Serial Interconnection System Impact Study Agreement or the Interconnection Facilities Study Agreement described in these Large Generator Interconnection Procedures.

~~**Interconnection System Impact Study** shall mean an engineering study that evaluates the impact of the proposed interconnection on the safety and reliability of Transmission Provider's Transmission System and, if applicable, an Affected System. The study shall identify and detail the system impacts that would result if the Generating Facility were interconnected without project modifications or system modifications, focusing on the Adverse System Impacts identified in the Interconnection Feasibility Study, or to study potential impacts, including but not limited to those~~

~~identified in the Scoping Meeting as described in the Standard Large Generator Interconnection Procedures.~~

~~—— **Interconnection System Impact Study Agreement** shall mean the form of agreement contained in Appendix 3 of the Standard Large Generator Interconnection Procedures for conducting the Interconnection System Impact Study.~~

IRS shall mean the Internal Revenue Service.

Joint Operating Committee shall be a group made up of representatives from Interconnection Customers and the Transmission Provider to coordinate operating and technical considerations of Interconnection Service.

Large Generating Facility shall mean a Generating Facility having a Generating Facility Capacity of more than 20 MW.

Loss shall mean any and all losses relating to injury to or death of any person or damage to property, demand, 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 other Party's performance, or non-performance of its obligations under the Standard Large Generator Interconnection Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnifying Party.

Material Modification shall mean: (1) in the Serial Interconnection Study Process a modification to an Interconnection Request in the queue that has a material adverse impact on the cost or timing of any other Interconnection Request with a later queue priority date; ~~or~~ (2) planned modification to an Existing Generating Facility that is undergoing evaluation for a Generating Facility Modification or Generation Replacement, and has a material adverse impact on the Transmission System, as compared to the impacts of the Existing Generating Facility prior to the modification or replacement, with respect to: i) steady-state thermal or voltage limits, ii) dynamic system stability and response, or iii) short-circuit capability limit; or (3) in the Definitive Interconnection Study Process, those modifications that have a material impact on the cost or timing of any Interconnection Request with (a) a later Queue Position or (b) a Queue Position which is included in the same Cluster.

Metering Equipment shall mean all metering equipment installed or to be installed at the Generating Facility pursuant to the Standard Large Generator Interconnection Agreement at the metering points, including but not limited to instrument transformers, MWh-meters, data acquisition equipment, transducers, remote terminal unit, communications equipment, phone lines, and fiber optics.

NERC shall mean the North American Electric Reliability Council or its successor organization.

Network Resource shall mean any designated generating resource owned, purchased, or leased by a Network Customer under the Network Integration Transmission Service Tariff. Network Resources do not include any resource, or any portion thereof, that is committed for sale to third parties or otherwise cannot be called upon to meet the Network Customer's Network Load on a non-interruptible basis.

Network Resource Interconnection Service shall mean an Interconnection Service that allows the Interconnection Customer to integrate its Large Generating Facility with the Transmission Provider's Transmission System (1) in a manner comparable to that in which the Transmission Provider integrates its generating facilities to serve native load customers; or (2) in an RTO or ISO with market based congestion management, in the same manner as Network Resources. Network Resource Interconnection Service in and of itself does not convey transmission service.

Network Upgrades shall mean the additions, modifications, and upgrades to the Transmission Provider's Transmission System required at or beyond the point at which the Interconnection Facilities connect to the Transmission Provider's Transmission System to accommodate the interconnection of the Large Generating Facility to the Transmission Provider's Transmission System.

Notice of Dispute shall mean a written notice of a dispute or claim that arises out of or in connection with the Standard Large Generator Interconnection Agreement or its performance.

OASIS shall mean the Transmission Provider's Open Access Same-Time Information System.

Optional Interconnection Study shall mean a sensitivity analysis based on assumptions specified by the Interconnection Customer in the Optional Interconnection Study Agreement.

Optional Interconnection Study Agreement shall mean the form of agreement contained in Appendix 5-9 of the Standard Large Generator Interconnection Procedures for conducting the Optional Interconnection Study.

Party or Parties shall mean Transmission Provider, Transmission Owner, Interconnection Customer or any combination of the above.

Permissible Technological Advancement shall mean a change to technology of Generating Facility equipment that does not: (i) result in the Transmission Provider determining that the change is a Material Modification; (ii) require increasing the amount of originally requested Interconnection Service; or (iii) violate Applicable Reliability Standards or otherwise cause reliability concerns. A Permissible Technological Advancement may include changes in the types of turbines, inverters, plant supervisory controls, or other advancements, provided they do not change generation technology, fuel type, or electrical characteristics such as facility ratings, impedances, efficiencies, capabilities, or performance of the Generating Facility equipment under

steady state and/or dynamic conditions. A Permissible Technological Advancement does not constitute a Material Modification.

Phase (“Phase 1”, “Phase 2”, or “Phase 3”) shall mean a distinct part of the Definitive Interconnection System Impact Study Process as described in Section 10 herein.

Point of Change of Ownership shall mean the point, as set forth in Appendix A to the Standard Large Generator Interconnection Agreement, where the Interconnection Customer's Interconnection Facilities connect to the Transmission Provider's Interconnection Facilities.

Point of Interconnection shall mean the point, as set forth in Appendix A to the Standard Large Generator Interconnection Agreement, where the Interconnection Facilities connect to the Transmission Provider's Transmission System.

Provisional Interconnection Service shall mean Interconnection Service provided by Transmission Provider associated with interconnecting the Interconnection Customer's Generating Facility to Transmission Provider's Transmission System and enabling that Transmission System to receive electric energy and capacity from the Generating Facility at the Point of Interconnection, pursuant to the terms of the Provisional Large Generator Interconnection Agreement and, if applicable, the Tariff.

Provisional Large Generator Interconnection Agreement shall mean the interconnection agreement for Provisional Interconnection Service established between Transmission Provider and/or the Transmission Owner and the Interconnection Customer. This agreement shall take the form of the Large Generator Interconnection Agreement, modified for provisional purposes.
Provisional Large Generator Interconnection Agreements are not eligible for suspension.

Queue shall mean a queue for valid Interconnection Requests for the Serial Interconnection Study Process or the Definitive Interconnection Study Process.

Queue Position shall mean the order of a valid Interconnection Request, relative to all other pending valid Interconnection Requests, in either the Serial Interconnection Study Process or the Definitive Interconnection Study Process. In the Serial Interconnection Study Process, the Queue Position ~~that~~ is established based upon the date and time of receipt of the valid Interconnection Request by the Transmission Provider. Where a Transmission Provider is administering a Definitive Interconnection Study Process, all Interconnection Requests studied in a single Cluster shall be considered equally queued but Clusters initiated earlier in time shall be considered to have an earlier Queue Position than Clusters initiated later. The Queue Position of an Interconnection Request shall have no bearing on the allocation of the cost of the common Network Upgrades identified in the applicable Cluster Study (such costs will be allocated among Interconnection Requests in accordance with Section 10.4).

Readiness Milestone(s) shall have the meaning set forth in Section 10.11 of the LGIP.

Reasonable Efforts shall mean, with respect to an action required to be attempted or taken by a Party under the Standard Large Generator Interconnection Agreement, efforts that are timely and consistent with Good Utility Practice and are otherwise substantially equivalent to those a Party would use to protect its own interests.

Resource Plan shall mean any process authorized or required by Applicable Laws and Regulations for, inter alia, the selection of Generating Facilities interconnected to the Transmission System of Transmission Provider.

Resource Planning Entity shall mean any entity required to develop a Resource Plan or conduct a Resource Solicitation Process.

Resource Solicitation Cluster shall mean a Cluster Study associated with a Resource Plan or related process.

Resource Solicitation Process shall mean any process authorized or required by Applicable Laws and Regulations for the acquisition of Network Resources.

Reliability Assessment Study shall mean an engineering study that evaluates the impact of a proposed Generation Replacement on the reliability of the Transmission System during the time period between the date that the Existing Generating Facility ceases commercial operations and the expected Commercial Operation Date of the Replacement Generating Facility.

Replacement Generating Facility shall mean a Generating Facility that replaces an Existing Generating Facility, or a portion thereof, at the same electrical Point of Interconnection pursuant to Section 43.9 of the LGIP.

Replacement Impact Study shall mean an engineering study that evaluates the impact of a proposed Generation Replacement on the reliability of the Transmission System.

Scoping Meeting shall mean the meeting between representatives of the Interconnection Customer and Transmission Provider conducted for the purpose of discussing alternative interconnection options, to exchange information including any transmission data and earlier study evaluations that would be reasonably expected to impact such interconnection options, to analyze such information, and to determine the potential feasible Points of Interconnection.

Serial Interconnection Study Process shall mean the process of studying Interconnection Requests on a serial basis inclusive of the Interconnection Feasibility Study, the Serial Interconnection System Impact Study, the Interconnection Facilities Study, and the Optional Interconnection Study Process.

Serial Interconnection System Impact Study shall mean an engineering study that evaluates the impact of the proposed interconnection on the safety and reliability of Transmission Provider's Transmission System and, if applicable, an Affected System. The study shall identify and detail the system impacts that would result if the Generating Facility were interconnected

without project modifications or system modifications, focusing on the Adverse System Impacts identified in the Interconnection Feasibility Study, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Standard Large Generator Interconnection Procedures.

Serial Interconnection System Impact Study Agreement shall mean the form of agreement contained in Appendix 5 of the Standard Large Generator Interconnection Procedures for conducting the Interconnection System Impact Study.

Site Control shall mean the exclusive land right to develop, construct, operate, and maintain the Generating Facility over the term of expected operation of the Generating Facility. Site Control shall include the right to develop, construct, operate, and maintain Interconnection Customer's Interconnection Facilities. Site Control may be demonstrated by documentation establishing: (1) ownership of, a leasehold interest in, or a right to develop a site of sufficient size to construct and operate the Generating Facility and associated Interconnection Customer's Interconnection Facilities; (2) an option to purchase or acquire a leasehold interest in a site of sufficient size to construct and operate the Generating Facility and associated Interconnection Facilities; or (3) any other documentation that clearly demonstrates the right of the Interconnection Customer to exclusively occupy a site of sufficient size to construct and operate the Generating Facility. Site Control for any co-located project is demonstrated by a contract or other agreement demonstrating shared land use for all co-located projects that meet the aforementioned provisions of this Site Control definition.~~shall mean documentation reasonably demonstrating: (1) ownership of, a leasehold interest in, or a right to develop a site for the purpose of constructing the Generating Facility; (2) an option to purchase or acquire a leasehold site for such purpose; or (3) an exclusivity or other business relationship between Interconnection Customer and the entity having the right to sell, lease or grant Interconnection Customer the right to possess or occupy a site for such purpose.~~

Small Generating Facility shall mean a Generating Facility that has a Generating Facility Capacity of no more than 20 MW.

Stand Alone Network Upgrades shall mean Network Upgrades that are not part of an Affected System that an Interconnection Customer may construct without affecting day-to-day operations of the Transmission System during their construction. Both the Transmission Provider and the Interconnection Customer must agree as to what constitutes Stand Alone Network Upgrades and identify them in Appendix A to the Standard Large Generator Interconnection Agreement. If the Transmission Provider and Interconnection Customer disagree about whether a particular Network Upgrade is a Stand Alone Network Upgrade, the Transmission Provider must provide the Interconnection Customer a written technical explanation outlining why the Transmission Provider does not consider the Network Upgrade to be a Stand Alone Network Upgrade within 15 days of its determination.

Standard Large Generator Interconnection Agreement (LGIA) shall mean the form of interconnection agreement applicable to an Interconnection Request pertaining to a Large Generating Facility that is included in the Transmission Provider's Tariff.

Standard Large Generator Interconnection Procedures (LGIP) shall mean the interconnection procedures applicable to an Interconnection Request pertaining to a Large Generating Facility that are included in the Transmission Provider's Tariff.

Surplus Interconnection Service Customer shall mean any entity, including the Transmission Provider, Transmission Owner or any of the Affiliates or subsidiaries of either, that has submitted a request for Surplus Interconnection Service.

Surplus Interconnection Service shall mean any unneeded portion of Interconnection Service established in a Large Generator Interconnection Agreement, such that if Surplus Interconnection Service is utilized, the total amount of Interconnection Service at the Point of Interconnection would remain the same.

System Protection Facilities shall mean the equipment, including necessary protection signal communications equipment, required to protect (1) the Transmission Provider's Transmission System from faults or other electrical disturbances occurring at the Generating Facility and (2) the Generating Facility from faults or other electrical system disturbances occurring on the Transmission Provider's Transmission System or on other delivery systems or other generating systems to which the Transmission Provider's Transmission System is directly connected.

Tariff shall mean the Transmission Provider's Tariff through which open access transmission service and Interconnection Service are offered, as filed with FERC, and as amended or supplemented from time to time, or any successor tariff.

Transmission Owner shall mean an entity that owns, leases or otherwise possesses an interest in the portion of the Transmission System at the Point of Interconnection and may be a Party to the Standard Large Generator Interconnection Agreement to the extent necessary.

Transmission Provider shall mean the public utility (or its designated agent) that owns, controls, or operates transmission or distribution facilities used for the transmission of electricity in interstate commerce and provides transmission service under the Tariff. The term Transmission Provider should be read to include the Transmission Owner when the Transmission Owner is separate from the Transmission Provider.

Transmission Provider's Interconnection Facilities shall mean all facilities and equipment owned, controlled, or operated by the Transmission Provider from the Point of Change of Ownership to the Point of Interconnection as identified in Appendix A to the Standard Large Generator Interconnection Agreement, including any modifications, additions or upgrades to such facilities and equipment. Transmission Provider's Interconnection Facilities are sole use facilities and shall not include Distribution Upgrades, Stand Alone Network Upgrades or Network Upgrades. Transmission Provider's Interconnection Facilities may be shared by more than one Generating Facility.

Transmission System shall mean the facilities owned, controlled or operated by the Transmission Provider or Transmission Owner that are used to provide transmission service under the Tariff.

Trial Operation shall mean the period during which Interconnection Customer is engaged in on-site test operations and commissioning of the Generating Facility prior to Commercial Operation.

Withdrawal Penalty shall have the meaning set forth in Section 4.7.1 of the LGIP.

Section 2. Scope and Application

2.1 Application of Standard Large Generator Interconnection Procedures.

Sections 2 through 16~~3~~ apply to processing an Interconnection Request pertaining to a Large Generating Facility, including, but not limited to, a Generating Facility Modification that may constitute a Material Modification to the operating characteristics of an Existing Generating Facility, or a Replacement Generating Facility.

As provided in Attachment M to the Tariff, Small Generating Facilities that are not eligible for the fast track process (as defined therein) will be processed in a single Queue with Large Generating Facilities. Additionally, Small Generating Facilities requesting NRIS shall be processed under this LGIP.

The study process applicable to all Interconnection Requests subject to these Procedures is dependent upon whether the Transmission Provider is implementing a Serial Interconnection Study Process or has transitioned to a Definitive Interconnection Study Process, as provided for in Section 10 of the LGIP. Where the Transmission Provider transitions to a Definitive Interconnection Study Process, Interconnection Customers with Generating Facilities located in the Transmission Provider's Control Area and requesting Interconnection Service under this LGIP shall adhere to the Definitive Interconnection Study Process provisions of these Procedures and shall not be subject to the Serial Interconnection Study Process provisions herein.

The Informational Interconnection Study process in Section 3 is available only where the Transmission Provider is implementing a Definitive Interconnection Study Process. The Optional Interconnection Study Process in Section 13 is available only where the Transmission Provider is implementing a Serial Interconnection Study Process.

A request for a Replacement Generating Facility shall be evaluated pursuant to Section 34.9 of the LGIP.

A request for Generating Facility Modification for an Existing Generating Facility must be submitted to and coordinated with the Transmission Provider to allow the

Transmission Provider to determine whether the proposed modification constitutes a Material Modification. If the Transmission Provider determines that the proposed Generating Facility Modification is a Material Modification, then the Generating Facility Modification request shall be submitted as a separate Interconnection Request pursuant to Section 35.4 of the LGIP for that Generating Facility Modification. Such separate Interconnection Request shall be assigned a new Queue Position and proceed through the study process in the same manner as an Interconnection Request for a new Generating Facility.

2.2 Comparability.

Transmission Provider shall receive, process and analyze all Interconnection Requests in a timely manner as set forth in this LGIP. Transmission Provider will use the same Reasonable Efforts in processing and analyzing Interconnection Requests from all Interconnection Customers, whether the Generating Facilities are owned by Transmission Provider, its subsidiaries or Affiliates or others.

2.3 Base Case Data.

Transmission Provider shall maintain base power flow, short circuit and stability databases, including all underlying assumptions, and contingency list on either its OASIS site or a password-protected website, subject to confidentiality provisions in LGIP Section 136.1. In addition, Transmission Provider shall maintain network models and underlying assumptions on either its OASIS site or a password-protected website. Such network models and underlying assumptions should reasonably represent those used during the most recent interconnection study and be representative of current system conditions. If Transmission Provider posts this information on a password-protected website, a link to the information must be provided on Transmission Provider's OASIS site. Transmission Provider is permitted to require that Interconnection Customers, OASIS site users and password-protected website users sign a confidentiality agreement before the release of commercially sensitive information or Critical Energy Infrastructure Information in the Base Case data. Such databases and lists, hereinafter referred to as Base Cases, shall include all (1) generation projects and (2) transmission projects, including merchant transmission projects that are proposed for the Transmission System for which a transmission expansion plan has been submitted and approved by the applicable authority.

2.4 No Applicability to Transmission Service.

Nothing in this LGIP shall constitute a request for transmission service or confer upon an Interconnection Customer any right to receive transmission service.

Section 3. Definitive Interconnection Study Process—Informational Interconnection Study.

3.1 Informational Interconnection Study Agreement.

At any time, a prospective Interconnection Customer may request, and Transmission Provider (either itself or through a third-party subcontractor or consultant) authorized and opting to administer a Definitive Interconnection Study Process shall perform one

or more Informational Interconnection Studies. Interconnection Customer shall submit a separate Informational Interconnection Study Request for each site and may submit multiple Informational Interconnection Study Requests for different Generating Facility sizes or configurations at a single site. An Informational Interconnection Study Request to evaluate one site at two different voltage levels shall be treated as two Informational Interconnection Study Requests. Any one Interconnection Customer (including affiliates) shall have no more than five (5) requests for Informational Interconnection Study reports pending at one time. Interconnection Customer must submit a deposit with each Informational Interconnection Study Request even when more than one request is submitted for a single site.

The request shall use the form in Appendix 1 of the LGIP and shall describe the assumptions that Interconnection Customer wishes Transmission Provider to study within the scope described in Section 3.2 of the LGIP below. Within ten (10) Business Days after receipt of a request for an Informational Interconnection Study, Transmission Provider shall provide to Interconnection Customer an Informational Interconnection Study Agreement in the form of Appendix 2, including a non-binding good faith estimate of the timing and cost of completing the Informational Interconnection Study. Notwithstanding the above, the Utility Transmission Provider shall not be required as a result of an Informational Interconnection Study Request to conduct any additional Interconnection Studies with respect to any other Interconnection Request.

Interconnection Customer shall execute the Informational Interconnection Study Agreement within ten (10) Business Days of receipt of an agreed upon scope of work and deliver the Informational Interconnection Study Agreement, the technical data, and a \$10,000 deposit to Transmission Provider. The Transmission Provider shall then countersign and return the Informational Interconnection Study Agreement within ten (10) Business Days of receipt.

3.2 Scope of Informational Interconnection Study.

The intent of the Informational Interconnection Study is to aid Interconnection Customer in its business decisions related to interconnection of Generating Facilities prior to entering the Definitive Interconnection Study Process. Additionally, an Interconnection Customer must request an Informational Interconnection Study to request Provisional Interconnection Service, provided that (a) the Transmission Provider has completed the DISIS Phase 1 report that includes the Generating Facility requesting Provisional Interconnection Service or (b) the Interconnection Customer has an executed Interconnection Agreement. The Informational Interconnection Study shall consist of analysis based on the assumptions and scope of work specified by Interconnection Customer in the Informational Interconnection Study Agreement. The Informational Interconnection Study shall preliminarily identify the potential Transmission Provider's Interconnection Facilities and the Network Upgrades, and the estimated cost thereof, that may be required to provide transmission service or

Interconnection Service based upon the results and assumptions of the Informational Interconnection Study. The Informational Interconnection Study shall be performed solely for informational purposes and is non-binding and does not confer any rights, as the Interconnection Customer must still successfully apply to interconnect to the Transmission Provider's System. Transmission Provider shall utilize existing studies to the extent practicable in conducting the Informational Interconnection Study.

3.3 Informational Interconnection Study Procedures.

The executed Informational Interconnection Study Agreement, the deposit, and technical and other data called for therein must be provided to Transmission Provider within ten (10) Business Days of Interconnection Customer's receipt of the Informational Interconnection Study Agreement. Transmission Provider shall use Reasonable Efforts to complete the Informational Interconnection Study within a mutually agreed upon time period specified within the Informational Interconnection Study Agreement. If Transmission Provider is unable to complete the Informational Interconnection Study within such time period, it shall notify Interconnection Customer and provide an estimated completion date and an explanation of the reasons why additional time is required. Any difference between the study payment and the actual cost of the study shall be paid to Transmission Provider or refunded to Interconnection Customer, as appropriate. Upon request, Transmission Provider shall provide Interconnection Customer supporting documentation and work papers and databases or data developed in the preparation of the Informational Interconnection Study, subject to confidentiality arrangements consistent with Section 16.1.

4 Interconnection Requests

34.1 General.

4.1.1 Serial Interconnection Study Deposit and Process.

An Interconnection Customer shall submit to Transmission Provider an Interconnection Request in the form of Appendix 3 to this LGIP and a deposit as set forth in Section 34.4.1 of this LGIP where the Transmission Provider is administering a Serial Interconnection Study Process. Transmission Provider shall apply the deposit toward the cost of an Interconnection Study.

Interconnection Customer shall submit a separate Interconnection Request for each site and may submit multiple Interconnection Requests for a single site. Interconnection Customer must submit a deposit with each Interconnection Request even when more than one request is submitted for a single site. An Interconnection Request to evaluate one site at two different voltage levels shall be treated as two Interconnection Requests.

At Interconnection Customer's option, Transmission Provider and Interconnection Customer will identify alternative Point(s) of Interconnection and configurations at the Scoping Meeting to evaluate in this process and attempt to eliminate alternatives in a reasonable fashion given resources and information available. Interconnection Customer will select the definitive Point(s) of Interconnection to be studied no later than the execution of the Interconnection Feasibility Study Agreement.

Transmission Provider shall have a process in place to consider requests for Interconnection Service below the Generating Facility Capacity. These requests for Interconnection Service shall be studied at the level of Interconnection Service requested for purposes of Interconnection Facilities, Network Upgrades, and associated costs, but may be subject to other studies at the full Generating Facility Capacity to ensure safety and reliability of the system, with the study costs borne by the Interconnection Customer. If after the additional studies are complete, Transmission Provider determines that additional Network Upgrades are necessary, then Transmission Provider must: (1) specify which additional Network Upgrade costs are based on which studies; and (2) provide a detailed explanation of why the additional Network Upgrades are necessary. Any Interconnection Facility and/or Network Upgrade costs required for safety and reliability also will be borne by the Interconnection Customer. Interconnection Customers may be subject to additional control technologies as well as testing and validation of those technologies consistent with Article 6 of the LGIA. The necessary control technologies and protection systems shall be established in Appendix C of the executed, or requested to be filed unexecuted, LGIA.

The expected Commercial Operation Date of a Replacement Generating Facility shall be no more than three (3) years from the date of cessation of operation of the Existing Generating Facility. For an Existing Generating Facility that is in forced outage, the start date of such outage shall be considered the date of cessation of operation of the Existing Generating Facility for purposes of calculating the three (3) year limit. If the requested period of time between the cessation of operation of the Existing Generating Facility and the expected Commercial Operation Date of the Replacement Generating Facility is more than three (3) years, the request shall be treated as Interconnection Request for a new Generating Facility.

4.1.2 Definitive Interconnection Study Process Deposit.

Where the Transmission Provider is administering a Definitive Interconnection Cluster Study Process, an Interconnection Customer shall submit to Transmission Provider an Interconnection Request in the form of Appendix 3 to this LGIP, an application fee of \$5,000, and a study deposit in cash based upon the entire requested capacity of the Generating Facility (MW) (or

requested Interconnection Service amount if the requested Interconnection Service is less than the Generating Facility Capacity):

- a. \$20,000 plus one dollar (\$1.00) per kW for requests < 20 MW, or
- b. \$35,000 plus one dollar (\$1.00) per kW for requests \geq 20 MW < 50 MW, or
- c. \$50,000 plus one dollar (\$1.00) per kW for requests \geq 50 MW < 80MW, or
- d. \$150,000 for requests \geq 80 MW < 200 MW; or
- e. \$250,000 for requests \geq 200 MW.

Transmission Provider shall apply the deposit toward the cost of administering the Definitive Interconnection Study Process as well as any Network Upgrades and Interconnection Facilities, including overheads under a future Interconnection Agreement. Interconnection Customer shall submit a separate Interconnection Request for each site and may submit multiple Interconnection Requests for a single site. Interconnection Customer must submit a deposit with each Interconnection Request even when more than one request is submitted for a single site. Interconnection Customers evaluating different options (such as different sizes, sites, or voltages) are encouraged but not required to use the Informational Interconnection Process (Section 3) before entering the Definitive Interconnection Study Process.

34.2 Identification of Types of Interconnection Services.

4.2.1 Serial Interconnection Study Process.

At the time the Interconnection Request is submitted, Interconnection Customer must request either Energy Resource Interconnection Service or Network Resource Interconnection Service, as described; provided, however, any Interconnection Customer requesting Network Resource Interconnection Service may also request that it be concurrently studied for Energy Resource Interconnection Service, up to the point when an Interconnection Facility Study Agreement is executed. Interconnection Customer may then elect to proceed with Network Resource Interconnection Service or to proceed under a lower level of interconnection service to the extent that only certain upgrades will be completed.

4.2.2 Definitive Interconnection Study Process.

At the time the Interconnection Request is submitted, Interconnection Customer must request either Energy Resource Interconnection Service or Network Resource Interconnection Service, as described below; Interconnection Customer may designate only one type of Interconnection Service for each separate Interconnection Request in the Queue. The type of Interconnection Service must be finalized on

submission of the executed Definitive Interconnection System Impact Study Agreement and may only be changed after the start of the Definitive Interconnection Study Process between Phase 2 and Phase 3 of the Definitive Interconnection Study Process and only if a Cluster must be restudied in Phase 3 (See Section 10.8) and otherwise may not be changed.

34.2.31 Energy Resource Interconnection Service.

34.2.31.1 **The Product.** Energy Resource Interconnection Service allows Interconnection Customer to connect the Large Generating Facility to the Transmission System and be eligible to deliver the Large Generating Facility's output using the existing firm or non-firm capacity of the Transmission System on an "as available" basis. Energy Resource Interconnection Service does not in and of itself convey any right to deliver electricity to any specific customer or Point of Delivery.

34.2.31.2 **The Study.** The study consists of short circuit/fault duty, grounding, reactive power, regional transfer capability, nuclear plant off-site power (where applicable), steady state (thermal and voltage) and stability analyses. The short circuit/fault duty analysis would identify direct Interconnection Facilities required and the Network Upgrades necessary to address short circuit issues associated with the Interconnection Facilities. The stability and steady state studies would identify necessary upgrades to allow full output of the proposed Large Generating Facility and would also identify the maximum allowed output, at the time the study is performed, of the interconnecting Large Generating Facility without requiring additional Network Upgrades.

34.2.42 Network Resource Interconnection Service.

34.2.42.1 **The Product.** Transmission Provider must conduct the necessary studies and construct the Network Upgrades needed to integrate the Large Generating Facility (1) in a manner comparable to that in which Transmission Provider integrates its generating facilities to serve native load customers; or (2) in an ISO or RTO with market based congestion management, in the same manner as Network Resources. Network Resource Interconnection Service Allows Interconnection Customer's Large Generating Facility to be designated as a Network Resource, up to the Large Generating Facility's full output, on the same basis as existing Network Resources interconnected to Transmission Provider's Transmission System, and to be studied

as a Network Resource on the assumption that such a designation will occur.

34.2.24.2

The Study. The Interconnection Study for Network Resource Interconnection Service shall assure that Interconnection Customer's Large Generating Facility meets the requirements for Network Resource Interconnection Service and as a general matter, that such Large Generating Facility's interconnection is also studied with Transmission Provider's Transmission System at peak load, under a variety of severely stressed conditions, to determine whether, with the Large Generating Facility at full output, the aggregate of generation in the local area can be delivered to the aggregate of load on Transmission Provider's Transmission System, consistent with Transmission Provider's reliability criteria and procedures. This approach assumes that some portion of existing Network Resources' ~~output is~~ **is are** displaced by the output of Interconnection Customer's Large Generating Facility. Network Resource Interconnection Service in and of itself does not convey any right to deliver electricity to any specific customer or Point of Delivery. The Transmission Provider may also study the Transmission System under non-peak load conditions. However, upon request by the Interconnection Customer, the Transmission Provider must explain in writing to the Interconnection Customer why the study of non-peak load conditions is required for reliability purposes.

34.3 Utilization of Surplus Interconnection Service.

Transmission Provider must provide a process that allows an Interconnection Customer to utilize or transfer Surplus Interconnection Service at an existing Point of Interconnection. The original Interconnection Customer or one of its affiliates shall have priority to utilize Surplus Interconnection Service. If the existing Interconnection Customer or one of its affiliates does not exercise its priority, then that service may be made available to other potential Interconnection Customers.

43.3.1 Surplus Interconnection Service Requests.

Surplus Interconnection Service requests may be made by the existing Interconnection Customer whose Generating Facility is already interconnected or one of its affiliates. Surplus Interconnection Service requests also may be made by another Interconnection Customer. Transmission Provider shall provide a process for evaluating Interconnection Requests for Surplus Interconnection Service. Studies for Surplus Interconnection Service shall consist of reactive power, short circuit/fault duty, stability analyses, and any other appropriate studies. Steady-state (thermal/voltage) analyses may be performed as necessary to ensure that all required reliability conditions are

studied. If the Surplus Interconnection Service was not studied under off-peak conditions, off-peak steady state analyses shall be performed to the required level necessary to demonstrate reliable operation of the Surplus Interconnection Service. If the original System Impact Study is not available for Surplus Interconnection Service, both off-peak and peak analysis may need to be performed for the existing Generating Facility associated with the request for Surplus Interconnection Service. The reactive power, short circuit/fault duty, stability, and steady-state analyses for Surplus Interconnection Service will identify any additional Interconnection Facilities and/or Network Upgrades necessary.

34.3.1.1 Provision of Surplus Interconnection Service is at the Election of the Original Interconnection Customer.

The original Interconnection Customer may elect to offer Surplus Interconnection Service to either affiliates or non-affiliates. If the original Interconnection Customer elects to offer such service, the original Interconnection Customer must have Surplus Interconnection Service available at the Point of Interconnection for use as Surplus Interconnection Service. The Surplus Interconnection Service Customer shall interconnect to the original Interconnection Customer's Interconnection Facilities. The total allowable Surplus Interconnection Service is limited to the maximum level and type (NRIS or ERIS) allowed under the original Interconnection Customer's LGIA as set forth in Section 34.3.1.2.1 below. The original Interconnection Customer must stipulate how much of the original Interconnection Service may be used as Surplus Interconnection Service, when the Surplus Interconnection Service is available, and any other applicable terms and conditions associated with the provision of Surplus Interconnection Service.

34.3.1.2 Surplus Interconnection Service Customer Must Submit a Written Request for Surplus Interconnection Service.

34.3.1.2.1 Surplus Interconnection Service Customer's request for Surplus Interconnection Service shall include the following information in writing:

1. An affidavit from the original Interconnection Customer authorizing use of the Surplus Interconnection Service through the Interconnection Customer's Interconnection Facilities, including the amount of Surplus Interconnection Service the original Interconnection Customer is making available, the initial Queue Position number associated with the original Interconnection Service, as well as the name, address, telephone

- number, and email address of the original Interconnection Customer's contact person.
2. The amount of Surplus Interconnection Service capacity requested in megawatts, which must be less than or equal to the amount of Surplus Interconnection Service the original Interconnection Customer is making available.
 3. Type of service requested: ERIS or NRIS. If the original Interconnection Service is NRIS, the Surplus Interconnection Service Customer may elect ERIS or NRIS. If the original Interconnection Service is ERIS, the Surplus Interconnection Service Customer shall elect ERIS.
 4. The time period(s) for which Surplus Interconnection Service is requested.
 5. Whether the Surplus Interconnection Service Customer is an affiliate of the original Interconnection Customer.
 6. The Point of Interconnection for the existing Interconnection Service and a preliminary one-line diagram of the Surplus Interconnection Service Customer's proposed generating facility showing how it will connect to the original Interconnection Customer's Interconnection Facilities.
 7. Proposed commencement and conclusion dates for the requested Surplus Interconnection Service (day, month, and year).
 8. Name, address, telephone number, and email address of the Surplus Interconnection Service Customer's contact person.
 9. The technical information set forth in Attachment A of Appendix ~~34~~ and Attachment A of Appendix ~~3-5~~ of this LGIP.
 10. A study deposit of \$15,000.
 11. Any other information the Transmission Provider deems necessary to study the request for Surplus Interconnection Service.

A request for Surplus Interconnection Service shall be deemed complete when all the above information and deposit have been received by the Transmission Provider.

~~34.3.1.2.2~~ Surplus Interconnection Service Customer's request for Surplus Interconnection Service must be at the same Point of Interconnection as the original Interconnection Customer's Interconnection Facilities. If the Point of Interconnection differs from the original Point of Interconnection then the request for Surplus Interconnection Service will be denied.

~~34.3.1.3~~ Expedited Process for Evaluating Surplus Interconnection Service.

The process for evaluating Surplus Interconnection Service is separate and apart from the traditional FERC generator interconnection queue. The Transmission Provider will place requests for Surplus Interconnection Service in the Surplus Interconnection Service queue based upon a first come first serve basis based on the date that the Transmission Provider receives a complete Surplus Interconnection Service request.

Transmission Provider will conduct screening of all Surplus Interconnection Service requests to determine whether any of the following studies are required: system impact, stability, or short circuit. The Transmission Provider may be able to rely on existing studies to evaluate the Surplus Interconnection Service request.

If the results of a study require any modifications to the Transmission Provider's Transmission System, the Surplus Interconnection Service request will be denied. In this event, the Surplus Interconnection Service Customer will be withdrawn from the Surplus Interconnection Service queue.

34.3.1.4 Surplus Interconnection Service Impact Study Agreement.

Within twenty (20) Business Days following a completed request for Surplus Interconnection Service, Transmission Provider shall provide to the Surplus Interconnection Service Customer a non-binding good-faith estimate of the cost and timeframe for completing the necessary Surplus Interconnection Service studies and tender a Surplus Interconnection Service Impact Study Agreement to the Surplus Interconnection Service Customer. The Surplus Interconnection Service Impact Service Study Agreement shall provide that the Surplus Interconnection Service Customer shall compensate Transmission Provider for the actual cost of the Surplus Interconnection Service studies. The Surplus Interconnection Service Customer shall deliver the executed Surplus Interconnection Service Impact Study Agreement to Transmission Provider together with any required technical data required by the Transmission Provider, along with any estimated study cost that exceeds the previously collected deposit of \$15,000. If the actual study cost exceeds the estimates, then Surplus Interconnection Service Customer will be responsible for this excess cost. If the actual study cost is less than the deposited amounts, the difference shall be refunded to the Surplus Interconnection Service Customer.

34.3.2 Surplus Interconnection Service Agreement.

If the Transmission Provider approves the request for Surplus Interconnection Service, the Transmission Provider, the original Interconnection Customer, and

the Surplus Interconnection Service Customer shall enter into a Surplus Interconnection Service Agreement for the requested Surplus Interconnection Service. The Surplus Interconnection Service Agreement must reflect the: (i) term of operation; (ii) Interconnection Service limit; (iii) mode of operation for energy production; and (iv) roles and responsibilities of the parties for maintaining the operation of the Generating Facility within the parameters of the Surplus Interconnection Service Agreement. The Transmission Provider shall file the Surplus Interconnection Service Agreement with the FERC. If the Surplus Interconnection Service Customer disputes an issue in the Surplus Interconnection Service Agreement, the Transmission Provider must file the unexecuted Surplus Interconnection Service Agreement with the Commission, if requested to do so by the Surplus Interconnection Service Customer.

34.3.3 Termination of Surplus Interconnection Service.

Surplus Interconnection Service is dependent on the original Interconnection Customer's original Interconnection Service. If the original Interconnection Customer's Interconnection Service terminates, then the Surplus Interconnection Service Customer's Surplus Interconnection Service shall terminate. Surplus Interconnection Service shall not be offered if the original Interconnection Customer's Generating Facility is scheduled to retire and permanently cease commercial operation before the Surplus Interconnection Service Customer's generating facility begins commercial operations. Existing Surplus Interconnection Service may continue for up to one year after the original Interconnection Customer's Interconnection Service terminates if: (1) the Surplus Interconnection Service Customer makes a written request to the Transmission Provider to extend the Surplus Interconnection Service; (2) the Surplus Interconnection Service Customer's generation facility must have been studied by the Transmission Provider for sole operation at the Point of Interconnection at the time of interconnection of the Surplus Interconnection Service Customer; and (3) the original Interconnection Customer (whose Interconnection Service is now terminating) has agreed in writing that the Surplus Interconnection Service Customer may continue to operate at, or up to, the current Surplus Interconnection Service limit. If these conditions are not met, the Surplus Interconnection Service Agreement shall be deemed terminated effective as of the date that the original Interconnection Customer's Interconnection Service terminates. The Transmission Provider will make an appropriate filing at FERC to terminate the Surplus Interconnection Service Agreement.

34.4 Valid Interconnection Request.

34.4.1 Initiating an Interconnection Request in the Serial Interconnection Study Process.

To initiate an Interconnection Request, Interconnection Customer must submit all of the following: (i) a \$10,000 deposit, (ii) a completed application in the form of Appendix 3, and (iii) demonstration of Site Control or a posting of an additional deposit of \$10,000. Such deposits shall be applied toward any Interconnection Studies pursuant to the Interconnection Request. If Interconnection Customer demonstrates Site Control within the cure period specified in Section 34.4.3 after submitting its Interconnection Request, the additional deposit shall be refundable; otherwise, all such deposit(s), additional and initial, become non-refundable.

An Interconnection Request for Generation Replacement shall be accompanied by: (i) a completed application in the form of Appendix 3 to the LGIP; and (ii) a study deposit in the amount of \$50,000.

The expected In-Service Date of the new Large Generating Facility or increase in capacity of the existing Generating Facility shall be no more than the process window for the regional expansion planning period (or in the absence of a regional planning process, the process window for Transmission Provider's expansion planning period) not to exceed seven years from the date the Interconnection Request is received by Transmission Provider, unless Interconnection Customer demonstrates that engineering, permitting and construction of the new Large Generating Facility or increase in capacity of the existing Generating Facility will take longer than the regional expansion planning period. The In-Service Date may succeed the date the Interconnection Request is received by Transmission Provider by a period up to ten years, or longer where Interconnection Customer and Transmission Provider agree, such agreement not to be unreasonably withheld.

4.4.2 Initiating an Interconnection Request in the Definitive Interconnection Study Process.

An Interconnection Customer wishing to join the Definitive Interconnection Study Process shall submit its Interconnection Request to the Transmission Provider within, and no later than the close of the annual DISIS Request Window. To initiate an Interconnection Request, the Interconnection Customer must submit all of the following:

- a. The study deposit described in Section 4.1.2.;
- b. A completed application in the form of Appendix 3 to the LGIP (including applicable technical information);
- c. A demonstration of Site Control as defined in Section 1 of the LGIP. Specifications for acceptable site size for the purposes of demonstrating Site Control are posted on Transmission Provider's OASIS website. Interconnection Customer may propose alternative specifications for site size

to those posted on OASIS for Transmission Provider's approval. In the event Transmission Provider and the Interconnection Customer cannot reach agreement related to adequacy of site size, Transmission Provider will accept a Professional Engineer (licensed in State of service) stamped site plan drawing that depicts the proposed generation arrangement and specifies the maximum facility output for that arrangement. Interconnection Customer may provide a cash deposit equal to \$20,000 plus \$500/MW in lieu of Site Control to enter Phase 1. A deposit in lieu of Site Control is not accepted for later Phases of the Definitive Interconnection Study Process;

d. A Point of Interconnection;

e. If the request is for NRIS and if Transmission Provider has not been notified pursuant to Section 29.2 of Part III of the Tariff that Interconnection Customer's proposed Generating Facility is to be designated as a Network Resource within Transmission Provider's Control Area, the point of delivery or the geographic location on Transmission Provider's system Transmission System at which Interconnection Customer intends to deliver output out of Transmission Provider's Control Area;

f. The requested capacity of the Generating Facility: size (MW) (and requested Interconnection Service amount if the requested Interconnection Service is less than the Generating Facility Capacity).

Interconnection Customer shall select the definitive Point of Interconnection to be studied no later than the execution of the Definitive System Impact Study Agreement. For purposes of clustering Interconnection Requests, Transmission Provider may make reasonable changes to the requested Point(s) of Interconnection to facilitate efficient interconnection of Interconnection Customers at common points of interconnection. Transmission Provider shall notify Interconnection Customer(s) in writing of any intended changes to the requested Point(s) of Interconnection and the Point(s) of Interconnection shall only change upon mutual agreement.

Transmission Provider shall have a process in place to consider requests for Interconnection Service below the Generating Facility Capacity. These requests for Interconnection Service shall be studied at the level of Interconnection Service requested for purposes of Interconnection Facilities and Network Upgrades, and associated costs, but may be subject to other studies at the full Generating Facility Capacity to ensure safety and reliability of the Transmission System, with the study costs borne by the Interconnection Customer. If after the additional studies are complete, Transmission Provider determines that additional Network Upgrades are necessary, then Transmission Provider must: (1) specify which additional Network Upgrade costs are based on which studies; and (2) provide a detailed explanation of why the additional

Network Upgrades are necessary. Any Interconnection Facility and/or Network Upgrade costs required for safety and reliability also will be borne by the Interconnection Customer. Interconnection Customers may be subject to additional control technologies as well as testing and validation of those technologies consistent with Article 6 of the LGIA. The necessary control technologies and protection systems shall be established in Appendix C of the executed, or requested to be filed unexecuted, LGIA.

The expected In-Service Date of the new Large Generating Facility or increase in capacity of the existing Generating Facility shall be no more than the process window for the regional expansion planning period (or in the absence of a regional planning process, the process window for Transmission Provider's expansion planning period) not to exceed (7) seven years from the date the Interconnection Request is received by Transmission Provider, unless Interconnection Customer demonstrates that engineering, permitting and construction of the new Large Generating Facility or increase in capacity of the existing Generating Facility will take longer than the regional expansion planning period. The In-Service Date may succeed the date the Interconnection Request is received by Transmission Provider by a period up to (10) ten years, or longer where Interconnection Customer and Transmission Provider agree, such agreement not to be unreasonably withheld.

34.4.23 Acknowledgment of Interconnection Request.

Transmission Provider shall acknowledge receipt of the Interconnection Request within five (5) Business Days of receipt of the request and attach a copy of the received Interconnection Request to the acknowledgement.

34.4.43 Deficiencies in Interconnection Request in the Serial Interconnection Study Process.

An Interconnection Request will not be considered to be a valid request until all items in Section 34.4.1 have been received by Transmission Provider. If an Interconnection Request fails to meet the requirements set forth in Section 43.4.1, Transmission Provider shall notify Interconnection Customer within five (5) Business Days of receipt of the initial Interconnection Request of the reasons for such failure and that the Interconnection Request does not constitute a valid request. Interconnection Customer shall provide Transmission Provider the additional requested information needed to constitute a valid request within ten (10) Business Days after receipt of such notice. Failure by Interconnection Customer to comply with this Section 34.4.43 shall be treated in accordance with Section 34.7.

4.4.5 Deficiencies in Interconnection Request in the Definitive Interconnection Study Process.

An Interconnection Request will not be considered to be a valid request until all items in Section 4.4.2 have been received by the Transmission Provider.

If an Interconnection Request fails to meet the requirements set forth in Section 4.4.2, Transmission Provider shall notify the Interconnection Customer within five (5) Business Days of receipt of the initial Interconnection Request of the reasons for such failure and that the Interconnection Request does not constitute a valid request. The Interconnection Customer shall provide Transmission Provider the additional requested information needed to constitute a valid request within ten (10) Business Days after receipt of such notice. At any time, if Transmission Provider identifies issues with technical data provided by the Interconnection Customer, Interconnection Customer and Transmission Provider shall work expeditiously and in good faith to remedy any data issues. Failure by the Interconnection Customer to comply with this Section 4.4.5 shall be treated in accordance with Section 4.7.

Transmission Provider shall determine if the information contained in the Interconnection Request is adequately sufficient to start the Definitive System Impact Study by the close of the Customer Engagement Window.

34.4.64 Scoping Meeting for Serial Interconnection Study Process.

Within ten (10) Business Days after receipt of a valid Interconnection Request, Transmission Provider shall establish a date agreeable to Interconnection Customer for the Scoping Meeting, and such date shall be no later than thirty (30) Calendar Days from receipt of the valid Interconnection Request, unless otherwise mutually agreed upon by the Parties.

The purpose of the Scoping Meeting shall be to discuss alternative interconnection options, to exchange information including any transmission data that would reasonably be expected to impact such interconnection options, to analyze such information and to determine the potential feasible Points of Interconnection. Transmission Provider and Interconnection Customer will bring to the meeting such technical data, including, but not limited to: (i) general facility loadings, (ii) general instability issues, (iii) general short circuit issues, (iv) general voltage issues, and (v) general reliability issues as may be reasonably required to accomplish the purpose of the meeting. Transmission Provider and Interconnection Customer will also bring to the meeting personnel and other resources as may be reasonably required to accomplish the purpose of the meeting in the time allocated for the meeting. On the basis of the meeting, Interconnection Customer shall designate its Point of Interconnection, pursuant to Section 86.1, and one or more available alternative Point(s) of Interconnection. The duration of the meeting shall be sufficient to accomplish its purpose.

4.4.7 Scoping Meeting for Definitive Interconnection Study Process.

Within twenty (20) Business Days after the close of the DISIS Request Window described in Section 10.1, Transmission Provider shall host an open

Scoping Meeting, for all Interconnection Requests received during that DISIS Request Window. If requested by the Interconnection Customer, Transmission Provider shall also hold individual customer specific Scoping Meetings, which must be requested no later than fifteen (15) business days after the close of the DISIS Request Window.

The purpose of the Scoping Meeting shall be to discuss alternative interconnection options, to exchange information, including any transmission data that would reasonably be expected to impact such interconnection options, to preliminarily analyze such information; and to determine the potential feasible Point(s) of Interconnection. Transmission Provider and Interconnection Customer will bring to the meeting such technical data, including, but not limited to: (i) general facility loadings, (ii) general instability issues, (iii) general short circuit issues, (iv) general voltage issues, and (v) general reliability issues as may be reasonably required to accomplish the purpose of the meeting. Transmission Provider and Interconnection Customer will also bring to the meeting personnel and other resources as may be reasonably required to accomplish the purpose of the meeting in the time allocated for the meeting. On the basis of the meeting, Interconnection Customer shall designate a single, definitive Point of Interconnection, pursuant to Section 4.4.2. The duration of the meeting shall be sufficient to accomplish its purpose.

At Interconnection Customer's option, the Transmission Provider and Interconnection Customer will identify alternative Point(s) of Interconnection and configurations at the Scoping Meeting to evaluate in the DISIS Cluster Study Process and attempt to eliminate alternatives in a reasonable fashion given resources and information available. Interconnection Customer shall select a single definitive Point of Interconnection to be studied no later than the execution of the DISIS Agreement and shall provide affirmation of Site Control to construct the entire Generating Facility and all required Interconnection Facilities to the designated Point of Interconnection or the deposit in lieu of Site Control prescribed in Section 4.4.2(c.) no later than commencement of the Phase 1 study process described in Section 10.8.

34.5 OASIS Posting.

3.5.1—Transmission Provider will maintain on its OASIS a list of all Interconnection Requests. The list will identify, for each Interconnection Request: (i) the maximum summer and winter megawatt electrical output; (ii) the location by county and state; (iii) the station or transmission line or lines where the interconnection will be made; (iv) the projected In-Service Date; (v) the status of the Interconnection Request, including Queue Position and Cluster (if applicable); (vi) the type of Interconnection Service being requested; and (vii) the availability of any studies related to the Interconnection Request; (viii) the date of the Interconnection Request; (ix) the type of Generating Facility to be

constructed (combined cycle, base load or combustion turbine and fuel type); and (x) for Interconnection Requests that have not resulted in a completed interconnection, an explanation as to why it was not completed. In addition, for a Generation Replacement, Transmission Provider will post the planned date of cessation of operation for the Existing Generating Facility or actual date if the Existing Generating Facility already has ceased commercial operations, the expected Commercial Operation Date of the Replacement Generating Facility, and the type of requested Interconnection Service. Except in the case of an Affiliate, the list will not disclose the identity of Interconnection Customer until Interconnection Customer executes an LGIA or requests that Transmission Provider file an unexecuted LGIA with FERC. Before holding a Scoping Meeting with its Affiliate, Transmission Provider shall post on OASIS an advance notice of its intent to do so. Transmission Provider shall post to its OASIS site any deviations from the study timelines set forth herein. Interconnection Study reports and Optional Interconnection Study reports shall be posted to Transmission Provider's OASIS site subsequent to the meeting between Interconnection Customer and Transmission Provider to discuss the applicable study results. Transmission Provider shall also post any known deviations in the Large Generating Facility's In-Service Date.

34.5.21 Requirement to Post Interconnection Study Metrics.

Transmission Provider will maintain on its OASIS or its website summary statistics related to processing Interconnection Studies pursuant to Interconnection Requests, updated quarterly. If Transmission Provider posts this information on its website, a link to the information must be provided on Transmission Provider's OASIS site. For each calendar quarter, Transmission Providers must calculate and post the information detailed in sections ~~34.5.2.1~~ through ~~34.5.2.43~~.

4.5.2 Serial Interconnection Study Processing Metrics

34.5.2.1 Interconnection Feasibility Studies processing time.

(A) Number of Interconnection Requests that had Interconnection Feasibility Studies completed within Transmission Provider's ~~coordinated region~~Control Area during the reporting quarter,

(B) Number of Interconnection Requests that had Interconnection Feasibility Studies completed within Transmission Provider's ~~coordinated region~~Control Area during the reporting quarter that were completed more than forty-five (45) Calendar Days after receipt by Transmission Provider of the

Interconnection Customer's executed Interconnection Feasibility Study Agreement,

(C) At the end of the reporting quarter, the number of active valid Interconnection Requests with ongoing incomplete Interconnection Feasibility Studies where such Interconnection Requests had executed Interconnection Feasibility Study Agreements received by Transmission Provider more than forty-five (45) Calendar Days before the reporting quarter end,

(D) Mean time (in days), Interconnection Feasibility Studies completed within Transmission Provider's ~~coordinated~~ regionControl Area during the reporting quarter, from the date when Transmission Provider received the executed Interconnection Feasibility Study Agreement to the date when Transmission Provider provided the completed Interconnection Feasibility Study to the Interconnection Customer,

(E) Percentage of Interconnection Feasibility Studies exceeding forty-five (45) Calendar Days to complete this reporting quarter, calculated as the sum of 34.5.2.1 (B) plus 34.5.2.1(C) divided by the sum of 34.5.2.1(A) plus 34.5.2.1(C).

34.5.2.2 Serial Interconnection System Impact Studies processing time.

(A) Number of Interconnection Requests that had Serial Interconnection System Impact Studies completed within Transmission Provider's ~~coordinated~~ regionControl Area during the reporting quarter,

(B) Number of Interconnection Requests that had Serial Interconnection System Impact Studies completed within Transmission Provider's ~~coordinated~~ regionControl Area during the reporting quarter that were completed more than ninety (90) Calendar Days after receipt by Transmission Provider of the Interconnection Customer's executed Interconnection System Impact Study Agreement,

(C) At the end of the reporting quarter, the number of active valid Interconnection Requests with ongoing incomplete System Impact Studies where such Interconnection Requests had executed Serial Interconnection System Impact Study Agreements received by Transmission Provider more than ninety (90) Calendar Days before the reporting quarter end,

(D) Mean time (in days), Interconnection System Impact Studies completed within Transmission Provider's ~~coordinated~~ region Control Area during the reporting quarter, from the date when Transmission Provider received the executed Serial Interconnection System Impact Study Agreement to the date when Transmission Provider provided the completed Interconnection System Impact Study to the Interconnection Customer,

(E) Percentage of Serial Interconnection System Impact Studies exceeding ninety (90) Calendar Days to complete this reporting quarter, calculated as the sum of 34.5.2.2(B) plus 34.5.2.2 (C) divided by the sum of 34.5.2.2(A) plus 34.5.2.2(C).

4.5.3 Definitive Interconnection Study Process Metrics.

4.5.3.1 DISIS Phase 1 Processing Time.

(A) Number of Interconnection Requests that had DISIS Phase 1 Studies completed within Transmission Provider's Control Area during the reporting quarter.

(B) At the end of the reporting quarter, number of Interconnection Requests that had DISIS Phase 1 Studies completed within Transmission Provider's Control Area during the reporting quarter that were completed more than ~~ninetyone~~ hundred and twenty (90/120) Calendar Days after Transmission Provider commenced the DISIS Phase 1 Study, the duration (in days) to complete the Phase 1 Study, and an explanation of why Transmission Provider's completion of the Phase 1 study exceeded the timeline set forth in Section 10.8(a.).

4.5.3.2 DISIS Phase 2 Processing Time.

(A) Number of Interconnection Requests that had DISIS Phase 2 studies completed within Transmission Provider's Control Area during the reporting quarter.

(B) At the end of the reporting quarter, number of Definitive Interconnection Requests that had DISIS Phase 2 Studies completed within Transmission Provider's Control Area during the reporting quarter that were completed more than one hundred fifty (150) Calendar Days after Transmission Provider commenced the DISIS Phase 2 Study, the duration (in days) to

complete the Phase 2 Study, and an explanation of why Transmission Provider's completion of the Phase 2 study exceeded the timeline set forth in Section 10.8(c.).

4.5.3.3 DISIS Phase 3 Processing Time.

(A) Number of Interconnection Requests that were required to undergo DISIS Phase 3 restudies and number of Phase 3 restudies completed within Transmission Provider's Control Area during the reporting quarter.

(B) At the end of the reporting quarter, number of Definitive Interconnection Requests that had DISIS Phase 3 restudies completed within Transmission Provider's Control Area during the reporting quarter that were completed more than one hundred fifty (150) Calendar Days after Transmission Provider commences the DISIS Phase 3 Restudy, the duration (in days) to complete the Phase 3 Restudy, and explanation of why Transmission Provider's completion of the Phase 3 Restudy exceeded the timeline set forth in Section 10.8(e.).

34.5.2.34

Interconnection Facilities Studies processing time.

(A) Number of Interconnection Requests that had Interconnection Facilities Studies that are completed within Transmission Provider's ~~coordinated region~~ Control Area during reporting quarter,

(B) Number of Interconnection Requests that had Interconnection Facilities Studies that are completed within Transmission Provider's ~~coordinated region~~ Control Area during the reporting quarter that were completed ~~more than (1) under the Serial Interconnection Study Process, more than (a)~~ ninety (90) or (b) one hundred eighty (180) Calendar Days, as specified in the executed Interconnection Facilities Study Agreement, after receipt by Transmission Provider of the Interconnection Customer's executed Interconnection Facilities Study Agreement, or (2) under the Definitive Interconnection Study Process, more than one hundred fifty (150) Calendar Days after receipt by Transmission Provider of the Interconnection Customer's executed Interconnection Facilities Study Agreement.

(C) At the end of the reporting quarter, the number of active valid Interconnection Service requests with ongoing incomplete

Interconnection Facilities Studies where such Interconnection Requests had executed Interconnection Facilities Studies Agreement received by Transmission Provider ~~more than (1)~~ under the Serial Interconnection Study Process, more than (a) ninety (90) or (b) one hundred eighty (180) Calendar Days, as specified in the executed Interconnection Facilities Study Agreement, before the reporting quarter end, or (2) under the Definitive Interconnection Study Process, more than one hundred fifty (150) Calendar Days after receipt by Transmission Provider of the Interconnection Customer's executed Interconnection Facilities Study Agreement.

(D) Mean time (in days), for Interconnection Facilities Studies completed within Transmission Provider's ~~coordinated~~ region Control Area during the reporting quarter, calculated from the date when Transmission Provider received the executed Interconnection Facilities Study Agreement to the date when Transmission Provider provided the completed Interconnection Facilities Study to the Interconnection Customer,

(E) Percentage of delayed Interconnection Facilities Studies this reporting quarter, calculated as the sum of ~~3.5.2.34.5.4(B)~~ plus ~~3.5.2.34.5.4(C)~~ divided by the sum of ~~3.5.2.34.5.4(A)~~ plus ~~3.5.2.34.5.4(C)~~.

34.5.52.4 Interconnection Service Requests Withdrawn from Interconnection Queue.

(A) Number of Interconnection Requests withdrawn from Transmission Provider's interconnection queue during the reporting quarter,

(B) Number of Interconnection Requests withdrawn from Transmission Provider's interconnection queue during the reporting quarter before completion of any interconnection studies or execution of any interconnection study agreements,

(C) Number of Interconnection Requests withdrawn from Transmission Provider's interconnection queue during the reporting quarter before completion of an Interconnection System Impact Study, or Definitive Interconnection System Impact Study Agreement, as applicable,

(D) Number of Interconnection Requests withdrawn from Transmission Provider's interconnection queue during the

reporting quarter before completion of an Interconnection Facilities Study,

(E) Number of Interconnection Requests withdrawn from Transmission Provider's interconnection queue after execution of a generator interconnection agreement or Interconnection Customer requests the filing of an unexecuted, new interconnection agreement,

(F) Mean time (in days), for all withdrawn Interconnection Requests, from the date when the request was determined to be valid to when Transmission Provider received the request to withdraw from the queue.

34.5.63 Requirement to Post Interconnection Study Metrics.

Transmission Provider is required to post on OASIS or its website the measures detailed in paragraph 34.5.2 (applicable to Transmission Providers administering Serial Interconnection Study Process only), 4.5.3 (applicable to Transmission Providers administering Definitive Interconnection Study Process only), 4.5.4, and 4.5.5 .1(A) through paragraph 34.5.2.4(F) for each calendar quarter within 30 days of the end of the calendar quarter. Transmission Provider will keep the quarterly measures posted on OASIS or its website for three calendar years with the first required report to be in the first quarter of 2020. If Transmission Provider retains this information on its website, a link to the information must be provided on Transmission Provider's OASIS site.

34.5.74 Reporting Requirement for Late Studies.

In the event that any of the values calculated in paragraphs 34.5.2.1(E), 34.5.2.2(E) or 34.5.2.34(E) exceeds the 25 percent for two consecutive calendar quarters, Transmission Provider will have to comply with the measures below for the next four consecutive calendar quarters and must continue reporting this information until Transmission Provider reports four consecutive calendar quarters without the values calculated in 34.5.2.1(E), 34.5.2.2(E) or 34.5.2.34(E) exceeding 25 percent for two consecutive calendar quarters:

(i) Transmission Provider must submit a report to the Commission describing the reason for each study or group of clustered studies pursuant to an Interconnection Request that exceeded its deadline (i.e., 45, 90 or 180 days) for completion (excluding any allowance for Reasonable Efforts). Transmission Provider must describe the reasons for each study delay and any steps taken to remedy these specific issues and, if applicable, prevent such delays in the future. The report must be filed at the Commission within 45 days of the end of the calendar quarter.

(ii) Transmission Provider shall aggregate the total number of employee-hours and third party consultant hours expended towards interconnection studies within its ~~coordinated region~~ Control Area that quarter and post on OASIS or its website. If Transmission Provider posts this information on its website, a link to the information must be provided on Transmission Provider's OASIS site. This information is to be posted within 30 days of the end of the calendar quarter.

34.6 Coordination with Affected Systems.

Transmission Provider will coordinate the conduct of any studies required to determine the impact of the Interconnection Request on Affected Systems with Affected System Operators and, if possible, include those results (if available) in its applicable Interconnection Study within the time frame specified in this LGIP. Transmission Provider will include such Affected System Operators in all meetings held with Interconnection Customer as required by this LGIP. Interconnection Customer will cooperate with Transmission Provider in all matters related to the conduct of studies and the determination of modifications to Affected Systems. A Transmission Provider which may be an Affected System shall cooperate with Transmission Provider with whom interconnection has been requested in all matters related to the conduct of studies and the determination of modifications to Affected Systems. It is the responsibility of the Affected System Operator to provide the requirements or potential impediments to providing the requested interconnection service, including a preliminary indication of the cost and length of time that would be necessary to (i) complete any interconnection studies and (ii) construct any necessary Interconnection Facilities and Network Upgrades needed to reliably interconnect at the requested service level.

34.7 Withdrawal.

Interconnection Customer may withdraw its Interconnection Request at any time by written notice of such withdrawal to Transmission Provider. In addition, if Interconnection Customer fails to adhere to all requirements of this LGIP, except as provided in Section ~~16.613.5~~ (Disputes), Transmission Provider shall deem the Interconnection Request to be withdrawn and shall provide written notice to Interconnection Customer of the deemed withdrawal and an explanation of the reasons for such deemed withdrawal. Upon receipt of such written notice, Interconnection Customer shall have fifteen (15) Business Days in which to either respond with information or actions that cures the deficiency or to notify Transmission Provider of its intent to pursue Dispute Resolution.

Withdrawal shall result in the loss of Interconnection Customer's Queue Position. If an Interconnection Customer disputes the withdrawal and loss of its Queue Position, then during Dispute Resolution, Interconnection Customer's Interconnection Request is eliminated from the queue until such time that the outcome of Dispute Resolution would restore its Queue Position. An Interconnection Customer that withdraws or is

deemed to have withdrawn its Interconnection Request shall pay to Transmission Provider all costs that Transmission Provider prudently incurs with respect to that Interconnection Request prior to Transmission Provider's receipt of notice described above. Interconnection Customer must pay all monies due to Transmission Provider before it is allowed to obtain any Interconnection Study data or results.

Transmission Provider shall (i) update the OASIS Queue Position posting and (ii) refund to Interconnection Customer any of the refundable portion of Interconnection Customer's study deposit or study payments that exceeds the share of the costs that Transmission Provider has incurred, including interest calculated in accordance with sSection 35.19a(a)(2) of FERC's regulations. In the event of such withdrawal, Transmission Provider, subject to the confidentiality provisions of Section 136.1, shall provide, at Interconnection Customer's request, all information that Transmission Provider developed for any completed study conducted up to the date of withdrawal of the Interconnection Request.

4.7.1 Definitive Interconnection Study Process—Withdrawal Penalty.

Where a Transmission Provider is administering a Definitive Interconnection Study Process and an Interconnection Customer notifies the Transmission Provider of its intended Interconnection Request withdrawal or it is deemed withdrawn, as provided for in Section 4.7, the Transmission Provider shall: (i) update the OASIS Queue Position posting; (ii) impose the Withdrawal Penalty described in this Section and calculated under the methodology in Section 4.7.1.1, (iii), refund any security after settling the final invoice as described in Section 10.11.6, (iv) refund to Interconnection Customer any of the refundable portion of Interconnection Customer's study deposit or study payments that exceeds the share of the costs that Transmission Provider has incurred, including interest calculated in accordance with Section 35.19a(a)(2) of FERC's regulations. In the event of such withdrawal, Transmission Provider, subject to the confidentiality provisions of Section 16.1, shall provide, at Interconnection Customer's request, all information that Transmission Provider developed for any completed study conducted up to the date of withdrawal of the Interconnection Request.

An Interconnection Customer shall be subject to a Withdrawal Penalty if it withdraws its Interconnection Request from the Queue or the Generating Facility does not otherwise reach Commercial Operation unless the Transmission Provider determines consistent with Good Utility Practice that (1) the withdrawal does not negatively affect the timing or cost of equal or lower queued projects; (2) the cost responsibility identified for that Interconnection Customer in the current study report associated with new Network Upgrades to the Transmission Provider's System increased by more than twenty-five percent (25%) compared to the costs identified in the previous report; or (3) if the customer withdraws after the Interconnection Facilities Study report is published and before providing M5, and the cost responsibility

for that Interconnection Customer identified in the Interconnection Facilities Study report increases by more than one hundred percent (100%) compared to the Phase 2 report.

4.7.1.1 Calculation of the Withdrawal Penalty.

If the Interconnection Customer provided a demonstration(s) of readiness at Readiness Milestones 1-4, as described in Sections 10.11.1, 10.11.2, 10.11.3, and 10.11.4, that Interconnection Customer's Withdrawal Penalty shall be equal to the higher of the study deposit or one (1) times its actual allocated cost of the Definitive Interconnection Study Process.

If the Interconnection Customer did not provide a demonstration(s) of readiness at Readiness Milestones 1-4, as described in Sections 10.11.1, 10.11.2, 10.11.3, and 10.11.4, that Interconnection Customer's Withdrawal Penalty shall be dependent on the Interconnection Customer's progression through the Section 10 Definitive Interconnection System Impact Study and the Section 11 Interconnection Facilities Study and shall be calculated as follows:

1. If the Interconnection Customer withdraws in DISIS Phase 1 (after M1, but before M2), the Withdrawal Penalty shall be the higher of the study deposit or two (2) times its actual allocated cost of the Definitive Interconnection Study Process. This amount shall be capped at one (1) million dollars.
2. If the Interconnection Customer withdraws in DISIS Phase 2 (after M2, but before M3), the Withdrawal Penalty shall be the higher of the study deposit or three (3) times its actual allocated cost of the Definitive Interconnection Study Process. This amount shall be capped at one and one half (1.5) million dollars.
3. If the Interconnection Customer withdraws after DISIS Phase 2 concludes but before the Interconnection Facilities Study commences (after M3, but before M4), the Withdrawal Penalty shall be the higher of the study deposit or five (5) times the Interconnection Customer's actual allocated cost of the Definitive Interconnection Study Process. This amount shall be capped at two (2) million dollars.
4. If the Interconnection Customer withdraws in the Interconnection Facilities Study (after M4, but before M5), the Withdrawal Penalty shall be the higher of the study deposit or seven (7) times the Interconnection Customer's actual allocated cost of the Definitive Interconnection Study Process. This amount shall be capped at two and a half (2.5) million dollars.

If the Interconnection Customer provided a deposit in lieu of Site Control for Phase 1 and withdraws before entering Phase 2, the Withdrawal Penalty is

increased by an amount equal to \$20,000 plus \$500/MW, which is in addition to the amounts described above.

The Withdrawal Penalty for any Interconnection Customer that has executed an LGIA is the higher of the study deposit or nine (9) times its actual allocated cost of the Definitive Interconnection Study Process.

4.7.1.2 Distribution of the Withdrawal Penalty.

Any Withdrawal Penalty revenues shall be used to fund generation interconnection studies. Withdrawal Penalty revenues shall first be applied, in the form of a bill credit, to not-yet-invoiced study costs for other Interconnection Customers in the same cluster, and to the extent that such studies are fully credited, shall be applied to study costs of future clusters in Queue order. Withdrawn Interconnection Customers shall not receive a bill credit associated with Withdrawal Penalties. Distribution of Withdrawal Penalty revenues to a specific study shall not exceed the total actual study costs. Allocation of Withdrawal Penalty revenues within a cluster to a specific customer shall be comparable to the allocation of study costs described in Section 10.3. Specifically, the Withdrawal Penalty revenue distribution to each customer in a specific cluster, shall be (1) ten percent (10%) on a per capita basis based on number of Interconnection Requests in the applicable Cluster; and (2) ninety percent (90%) to Interconnection Customers on a pro-rata basis based on requested megawatts included in the applicable Cluster. Distribution of Withdrawal Penalty revenue associated with Readiness Milestone 5 shall not be distributed to the remaining customers in that cluster until all customers in that cluster have reached Commercial Operation and thereafter shall be distributed as described above. Transmission Provider shall not change the distribution of Withdrawal Penalty revenue without authorization by the Commission. Transmission Provider shall post the Withdrawal Penalty balance on its OASIS site.

- 34.8 Identification of Contingent Facilities.** Transmission Provider shall post in this section a method for identifying the Contingent Facilities to be provided to Interconnection Customer at the conclusion of either the Serial Interconnection System Impact Study or the Definitive Interconnection System Impact Study, and as included in Interconnection Customer's Large Generator Interconnection Agreement. The method shall be sufficiently transparent to determine why a specific Contingent Facility was identified and how it relates to the Interconnection Request. Transmission Provider shall also provide, upon request of the Interconnection Customer, the estimated Interconnection Facility and/or Network Upgrade costs and estimated in-service completion time of each identified Contingent Facility when this information is readily available and not commercially sensitive.

34.8.1 Methodology for Identifying Contingent Facilities.

34.8.1.1 Contingent Facilities fall into one of the following categories: (a) facilities that were identified as part of the Transmission Provider's expansion plans; (b) facilities that were identified as part of a project with a higher-queued Interconnection Request, or (c) facilities that were identified as part of a project already studied for an Affected System study. Network Upgrades or Interconnection Facilities required solely by the Interconnection Customer's Interconnection Request are not considered to be Contingent Facilities. To determine which of the facilities described above, if delayed or not built, may impact the costs, timing, or need for restudy of the project, the Transmission Provider performs a set of studies, which may include steady-state, stability, and short circuit assessments. These studies determine if, without those system improvements in place, the project has a significant negative incremental impact on those same facilities. In the case of new facilities, were they to be delayed or not built, the studies determine if other upgrades would be needed.

The criteria used to determine what constitutes a significant negative incremental impact on contingent facilities are:

- (i) For steady-state analysis, a 1% or greater increase on the thermal loading of the facility under base-case or contingency conditions.
- (ii) For short-circuit analysis, a 0.1 kA or greater increase of the fault current on the facility in question as a result of the Interconnection Customer's Interconnection Request.

34.8.1.2 Transmission Provider will identify the Contingent Facilities in ~~the either the~~ Serial Interconnection System Impact Study report or the DISIS report, as applicable. Changes in Transmission Provider's expansion plans, or modifications, delays, or withdrawals of higher-queued Interconnection Requests, which impact the Contingent Facilities, could necessitate a restudy of the Interconnection Customer's Interconnection Request, and/or reassessment of their costs or timing. As a result of such reassessment, the Interconnection Customer could bear cost responsibility for the identified Contingent Facilities, in addition to its Network Upgrades or Interconnection Facilities costs.

34.8.1.3 The Serial Interconnection System Impact Study report or the DISIS report will identify: (a) the name of the Contingent Facility; (b) a description of the identified violations making the facility a Contingent Facility; (c) a description of the scope of work necessary for each Contingent Facility (including the relevant Interconnection Facilities and/or Network Upgrades); (d) upon request, the estimated costs of the Interconnection Facilities and/or Network Upgrades; (e) upon request, the estimated in-service completion time

of each Contingent Facility; and (f) the Queue Position, or entity, responsible for each identified Contingent Facility.

~~34.8.1.4~~—— The identified Contingent Facilities will be set forth in Appendix C to the LGIA.

34.9 Additional requirements for Generation Replacement Requests.

34.9.1 Requirements for Generation Replacement Requests.

i) Any Replacement Generating Facility must connect to the Transmission System at the same electrical Point of Interconnection as the Existing Generating Facility.

ii) The request for Generation Replacement must be submitted to the Transmission Provider by the Interconnection Customer for its Existing Generating Facility at least one (1) year prior to the date that the Existing Generating Facility will cease operation unless the Existing Generating Facility is in forced outage. The request shall include the planned or actual date of cessation of operation for the Existing Generating Facility and the expected Commercial Operation Date for the Replacement Generating Facility.

iii) The Interconnection Customer shall request only ERIS for the Replacement Generating Facility if the Existing Generating Facility has only ERIS. The request for NRIS for the Replacement Generating Facility, when the Existing Generating Facility has only ERIS, shall be submitted as a separate Interconnection Request and shall proceed through the review process in the same manner as an Interconnection Request for a new Generating Facility. The Interconnection Customer may request either ERIS or NRIS for the Replacement Generating Facility if the Existing Generating Facility has NRIS. Requests for ERIS or NRIS that exceed the amount of Interconnection Service for the Existing Generating Facility shall be processed as a new Interconnection Request for the amount of such excess pursuant to Section ~~34.9.1.iv~~ of this LGIP.

iv) If the Replacement Generating Facility requires Interconnection Service (MW) in excess of that of the Existing Generating Facility that is being replaced, Interconnection Customer shall initiate a separate request for Interconnection Service in an amount (MW) equal to the excess pursuant to Section ~~34.4~~ of the LGIP. Such separate Interconnection Request shall be assigned a new Queue Position and proceed through the study process in the same manner as an Interconnection Request for a new Generating Facility.

v) If the request for Replacement Generating Facility requests less Interconnection Service (MW) than that of the Existing Generating Facility that is being replaced, then any future request for Interconnection Service for that Replacement Generating Facility shall be submitted as a separate Interconnection Request pursuant to Section ~~34.4~~ of the LGIP. Such separate Interconnection Request shall be assigned a new

Queue Position and proceed through the study process in the same manner as an Interconnection Request for a new Generating Facility.

vi) No request for Generation Replacement may be made until twelve (12) months have elapsed from: (1) the date of any assignment of the LGIA applicable to the Existing Generating Facility; or (2) the date of sale or other transfer of such Existing Generating Facility. Upon submission of a request for Generation Replacement, the Interconnection Customer shall not sell or otherwise transfer the Existing Generating Facility, the Replacement Generating Facility, nor assign the applicable LGIA until such time as the Transmission Provider completes evaluation of the request for Generation Replacement unless the Interconnection Customer first withdraws such request for Generation Replacement in writing. In the event that the Transmission Provider notifies Interconnection Customer that the request for Generation Replacement has been granted, the prohibition on sale, transfer, or assignment shall be extended in accordance with Section 34.9.5 of this LGIP. For purposes of this Section 34.9.1(vi), prohibited assignments include assignments to affiliates pursuant to Article 19.1 of the LGIA, or any analogous provision in an applicable interconnection agreement.

A transfer, sale, or assignment of the Existing Generating Facility, Replacement Generating Facility, or applicable LGIA that violates this Section 43.9.1(vi) of Attachment M shall void the request for Generation Replacement.

34.9.1.1 Requirements for modification of Generation Replacement Requests.

The request for Generation Replacement can be modified any time before the evaluation process is complete.

- 1) If the revised planned date of cessation of operation for the Existing Generating Facility is prior to the planned date of cessation of operation specified in the original request, a new request for Generation Replacement must be submitted at least one (1) year prior to the date that the Existing Generating Facility is planned to cease operation.
- 2) If the revised expected Commercial Operation Date for the Replacement Generating Facility is after the expected Commercial Operation Date for the Replacement Generating Facility in the original request, a new request for Generation Replacement must be submitted at least one (1) year prior to the date that the Existing Generating Facility is planned to cease operation, unless the Existing Generating Facility is in forced outage.

34.9.2 Evaluation Process for Generation Replacement Requests.

The Transmission Provider will place requests for Generation Replacement in a separate Generation Replacement queue on a first come first served basis based upon the date that the Transmission Provider receives a complete Generation Replacement

request. The Transmission Provider will evaluate Generation Replacement requests in the order in which they are submitted. The evaluation will consist of two studies: i) a Replacement Impact Study as set forth in Section 34.9.2.1 of the LGIP, and ii) a Reliability Assessment Study as set forth in Section 34.9.2.2 of the LGIP.

Transmission Provider shall use Reasonable Efforts to complete the Replacement Impact Study and Reliability Assessment Study and share results with the Interconnection Customer within one hundred eighty (180) Calendar Days of the request.

34.9.2.1 Generation Replacement—Replacement Impact Study.

The Replacement Impact Study will include analyses to determine if the Generation Replacement has a material adverse impact on the Transmission System when compared to Existing Generating Facility. The Replacement Impact Study may include steady-state (thermal/voltage), reactive power, short circuit/fault duty, and stability analyses, as necessary, to ensure that required reliability conditions are studied. If the Replacement Impact Study identifies any materially adverse impact from operating the Replacement Generating Facility when compared to the Existing Generating Facility, the Transmission Provider shall deem such impact as a Material Modification, and, in such an instance, if the Interconnection Customer wishes to move forward with its request, the Interconnection Customer must submit all information and milestone payments necessary for a valid Interconnection Request for a new Generating Facility pursuant to Section 34.4 of the LGIP.

34.9.2.2 Generation Replacement—Reliability Assessment Study.

The Reliability Assessment Study for the time period between the date that the Existing Generating Facility ceases commercial operations and the expected Commercial Operation Date of the Replacement Generating Facility shall evaluate the performance of the Transmission System to determine if thermal and/or voltage violations of Applicable Reliability Standards and Transmission Owner planning criteria are caused by removing the Existing Generating Facility from service prior to the expected Commercial Operation Date of the Replacement Generating Facility. This study shall compare the conditions on the Transmission System that would exist if the Existing Generating Facility is taken offline to the conditions on the Transmission System as they exist when the Existing Generating Facility is online. The scope of Reliability Assessment Study may include stability analysis as necessary. The Existing Generating Facility shall be responsible for mitigating any reliability violation identified in the Reliability Assessment Study and may not cease operations until all mitigations are implemented or are in service. Mitigation for this interim period may, as applicable, include: (i) redispatch/reconfiguration through operator instruction; and (ii) remedial action scheme or any other operating steps depending upon the type of reliability violation identified.

34.9.3 Generation Replacement—Notice to Proceed.

An Interconnection Customer requesting Generation Replacement shall inform Transmission Provider within thirty (30) Calendar Days of receiving the results of the Replacement Impact Study and Reliability Assessment Study of its election to proceed. If the Interconnection Customer provides the Transmission Provider notice to proceed, then the Transmission Provider will either: (i) initiate a Generator Replacement Interconnection Facilities Study; or (ii) tender a draft LGIA. If the Interconnection Customer fails to notify the Transmission Provider with its election to proceed within thirty (30) Calendar Days, then the Interconnection Request will be deemed withdrawn pursuant to Section 34.7 of this LGIP.

34.9.4 Scope of Generator Replacement Interconnection Facilities Study.

Within thirty (30) Calendar Days after the Interconnection Customer has notified the Transmission Provider of its intent to proceed, the Transmission Provider will determine whether it will conduct an Interconnection Facilities Study. The scope of such a Generator Replacement Interconnection Facilities Study will focus on the Interconnection Facilities for the Replacement Generating Facility. This Generator Replacement Interconnection Facilities Study will identify estimates for cost and the time required to construct the Interconnection Facilities. Transmission Provider shall use Reasonable Efforts to complete this portion of the Interconnection Facilities Study within ninety (90) Calendar Days.

34.9.5 LGIA for Generation Replacement.

Consistent with the process described in Section 14 of the LGIP, Transmission Provider shall tender a draft LGIA or, if deemed appropriate, an amended LGIA that conforms to the LGIA in effect at the time, within thirty (30) Calendar Days after the Interconnection Customer has notified the Transmission Provider of its intent to proceed if a Generator Replacement Interconnection Facilities Study is not required, or within thirty (30) Calendar Days after the final Interconnection Facilities Study report is provided to the Interconnection Customer. The draft LGIA shall include updated appendices describing the timing of Generation Replacement and a condition that the LGIA cannot be assigned and the Replacement Generating Facility cannot be transferred to any other Party, including an affiliate of the Interconnection Customer, until the Commercial Operation Date of the Replacement Generating Facility. A transfer, sale, or assignment of the Existing Generating Facility, Replacement Generating Facility, or applicable LGIA that violates this Section 34.9.5 shall be void and constitute a material breach of the LGIA.

Section 45. Queue Position and Queue Processing

45.1 Serial Interconnection Study Process Queue PositionGeneral.

Where the Transmission Provider is administering a Serial Interconnection Study Process, Transmission Provider shall assign a Queue Position based upon the date and time of receipt of the valid Interconnection Request; provided that, if the sole reason an Interconnection Request is not valid is the lack of required information on the

application form, and Interconnection Customer provides such information in accordance with Section ~~34~~.4.3, then Transmission Provider shall assign Interconnection Customer a Queue Position based on the date the application form was originally filed. Moving a Point of Interconnection shall result in a lowering of Queue Position if it is deemed a Material Modification under Section ~~54.4.3~~.

The Queue Position of each Interconnection Request will be used to determine the order of performing the Interconnection Studies and determination of cost responsibility for the facilities necessary to accommodate the Interconnection Request. A higher queued Interconnection Request is one that has been placed "earlier" in the queue in relation to another Interconnection Request that is lower queued.

Transmission Provider may allocate the cost of the common upgrades for clustered Interconnection Requests without regard to Queue Position.

5.2 Definitive Interconnection Study Process Queue Position.

Where the Transmission Provider is administering a Definitive Interconnection Study Process, the Transmission Provider shall assign a Queue Position to each Interconnection Request as follows: the Queue Position within the Queue shall be assigned based upon the date and time of receipt of all items required pursuant to the provisions of Section 4.4 during the annual DISIS Request Window described in Section 10.1. There is no queue for Informational Interconnection Studies.

A higher Queue Position assigned to an Interconnection Request is one that has been placed "earlier" in the Queue in relation to another Interconnection Request that is assigned a lower Queue Position. All requests studied in a single Cluster shall be considered equally queued but Clusters initiated earlier in time shall be considered to have a higher Queue Position than clusters initiated later. The Queue Position of an Interconnection Request shall have no bearing on the allocation of the cost of the common shared Network Upgrades and Transmission Provider's Interconnection Facilities identified in the applicable Cluster study (such costs will be allocated among Interconnection Requests in accordance with Section 10.4). Moving a Point of Interconnection shall result in the withdrawal of the Interconnection Request and loss of the corresponding Queue Position if it is deemed a Material Modification under Section 5.4.

45.2 Clustering.

~~At Transmission Provider's option, Interconnection Requests may be studied serially or in clusters for the purpose of the Interconnection System Impact Study.~~

~~Clustering shall be implemented on the basis of Queue Position. If Transmission Provider elects to study Interconnection Requests using Clustering, all Interconnection Requests received within a period not to exceed one hundred and eighty (180) Calendar Days, hereinafter referred to as the "Queue Cluster Window" shall be studied together~~

~~without regard to the nature of the underlying Interconnection Service, whether Energy Resource Interconnection Service or Network Resource Interconnection Service. The deadline for completing all Interconnection System Impact Studies for which an Interconnection System Impact Study Agreement has been executed during a Queue Cluster Window shall be in accordance with Section 7.4, for all Interconnection Requests assigned to the same Queue Cluster Window. Transmission Provider may study an Interconnection Request separately to the extent warranted by Good Utility Practice based upon the electrical remoteness of the proposed Large Generating Facility.~~

~~Clustering Interconnection System Impact Studies shall be conducted in such a manner to ensure the efficient implementation of the applicable regional transmission expansion plan in light of the Transmission System's capabilities at the time of each study.~~

~~The Queue Cluster Window shall have a fixed time interval based on fixed annual opening and closing dates. Any changes to the established Queue Cluster Window interval and opening or closing dates shall be announced with a posting on Transmission Provider's OASIS beginning at least one hundred and eighty (180) Calendar Days in advance of the change and continuing thereafter through the end date of the first Queue Cluster Window that is to be modified.~~

45.3 Transferability of Queue Position.

An Interconnection Customer may transfer its Queue Position to another entity only if such entity acquires the specific Generating Facility identified in the Interconnection Request and the Point of Interconnection does not change.

45.4 Modifications.

Interconnection Customer shall submit to Transmission Provider, in writing, modifications to any information provided in the Interconnection Request. Interconnection Customer shall retain its Queue Position if the modifications are in accordance with Sections 45.4.1, 45.4.2 or 45.4.53, or are determined not to be Material Modifications pursuant to Section 45.4.3.

Notwithstanding the above, during the course of the Interconnection Studies, either Interconnection Customer or Transmission Provider may identify changes to the planned interconnection that may improve the costs and benefits (including reliability) of the interconnection, and the ability of the proposed change to accommodate the Interconnection Request. Subject to the forgoing sentence, and provided, however, they do not result in a Material Modification, ~~To the extent the identified changes are acceptable to Transmission Provider, and~~ Interconnection Customer and potentially impacted Interconnection Customers in the same Cluster, such acceptance not to be unreasonably withheld, Transmission Provider shall modify the Point of Interconnection and/or configuration in accordance with such changes and proceed with any re-studies necessary to do so in accordance with Section 6.48.4,

Section 9.67-6, Section 10.10, Section 11.6, and Section 8-511.7, as applicable, and Interconnection Customer shall retain its Queue Position.

45.4.1 Material Modifications prior to System Impact Study Agreement execution.

Prior to (a) the return of the executed Serial Interconnection System Impact Study Agreement to Transmission Provider or (b) no later than forty (40) Calendar Days after the close of the DISIS Request Window and prior to the return of the executed Definitive Interconnection System Impact Study Agreement to Transmission Provider, modifications permitted under this Section shall include specifically: (a) a decrease of up to 60 percent of electrical output (MW) of the proposed project, through either (1) a decrease in plant size or (2) a decrease in Interconnection Service level (consistent with the processes described in Section 43.1) accomplished by applying Transmission Provider-approved-injection-limiting equipment; (b) modifying the technical parameters associated with the Large Generating Facility technology or the Large Generating Facility step-up transformer impedance characteristics; and (c) modifying the interconnection configuration. For plant increases, the incremental increase in plant output will go to the end of the queue for the purposes of cost allocation and study analysis.

45.4.2 Material Modifications prior to Facilities Study Agreement execution.

Prior to the return of the executed Serial Interconnection Facilities Study Agreement to Transmission Provider or Definitive Interconnection Facilities Study Agreement (as relevant), the modifications permitted under this Section shall include specifically: (a) additional 15 percent decrease of electrical output of the proposed project through either (1) a decrease in plant size (MW) or (2) a decrease in Interconnection Service level (consistent with the processes described in Section 34.1) accomplished by applying Transmission Provider-approved-injection-limiting equipment; (b) Large Generating Facility technical parameters associated with modifications to Large Generating Facility technology and transformer impedances; provided, however, ~~the any~~ incremental re-study costs or shifts in Network Upgrade costs associated with those modifications that would increase costs assigned to other Interconnection Customers within the same Cluster shall not be allocated pursuant to Sections 10.3 and 10.4 of this LGIP, and, instead, are the responsibility of and shall be fully assigned to the requesting Interconnection Customer; and (c) Permissible Technological Advancement for the Large Generating Facility after the submission of the Interconnection Request. Section 45.4.536 specifies a separate technological change procedure including the requisite information and process that will be followed to assess whether the Interconnection Customer's proposed technological advancement under Section 4.4.2(e)5.4.64 is a Material Modification. Section 1 contains a definition of Permissible Technological Advancement.

45.4.3 Modification Inquiry Process.

Prior to making any modification other than those specifically permitted by Sections 45.4.1, 4.5.4.2, 5.4.3, and 45.4.645, Interconnection Customer may first request that Transmission Provider evaluate whether such modification is a Material Modification. In response to Interconnection Customer's request, Transmission Provider shall evaluate the proposed modifications prior to making them and inform Interconnection Customer in writing of whether the modifications would constitute a Material Modification. Any change to the Point of Interconnection, except those deemed acceptable under Sections 45.4.1, 5.4.2, 9.2, 10.7 6.1, 7.2 or so allowed elsewhere, shall constitute a Material Modification. Interconnection Customer may then withdraw the proposed modification or proceed with a new Interconnection Request for such modification.

45.4.4 Upon receipt of Interconnection Customer's request for modification permitted under this Section 45.4, Transmission Provider shall commence and perform any necessary additional studies as soon as practicable, but in no event shall Transmission Provider commence such studies later than thirty (30) Calendar Days after receiving

notice of Interconnection Customer's request. Any additional studies resulting from such modification shall be done at Interconnection Customer's cost.

45.4.5 Extensions of less than three (3) cumulative years in the Commercial Operation Date of the Large Generating Facility to which the Interconnection Request relates are not material and should be handled through construction sequencing.

45.4.64 Technological Change Procedure.

An Interconnection Customer may propose a technological advancement for a Generating Facility it has in the interconnection queue by submitting a request to the Transmission Provider at any time prior to execution of the Interconnection Facilities Study Agreement. The Transmission Provider will review the technological advancement request and determine if the proposal meets the definition of a Permissible Technological Advancement.

The technological advancement request must be submitted in writing and include a description of the proposed technological advancement(s). The technological advancement request must demonstrate that the proposed incorporation of the technological advancement would result in electrical performance that is equal to or better than the electrical performance expected prior to the technology change and not cause any reliability concerns (i.e., materially impact the Transmission System with regard to short circuit capability limits, steady-state thermal and voltage limits, or dynamic system

stability and response). The request must provide sufficient details necessary for the Transmission Provider to evaluate whether the change is a Material Modification and should include, but not be limited to, an updated one-line diagram and an updated submittal of Attachment A of Appendix ~~34~~ and Attachment A of Appendix ~~53~~ to the LGIP.

If, after review of the request, the Transmission Provider is able to easily assess and determine that the proposed technological advancement will not change study outcomes, or otherwise change the Generating Facility's effect on the Transmission Provider's Transmission System, the request will be accepted and the change will be considered a Permissible Technological Advancement. If the Transmission Provider is not able to easily assess the proposed changes and determines that further studies are necessary, the Transmission Provider will notify the Interconnection Customer, who will be required to submit a formal application for evaluation under Section 4, as applicable. The Interconnection Customer must then within 5 days provide: 1) a study deposit of \$10,000, and 2) any additional information that may be requested by the Transmission Provider necessary to complete the studies. The application will be deemed complete when the Transmission Provider has received the study deposit and all requested information from the Interconnection Customer. The Transmission Provider will perform the studies within 30 Calendar Days (or as otherwise agreed upon with the Interconnection Customer) of receipt of the initial request and provide a report to the Interconnection Customer. The report will consider material impacts to the Transmission Provider's Transmission System with regard to short circuit capability limits, steady-state thermal and voltage limits, or dynamic system stability and whether the proposed technological advancement materially impacts the timing and costs of lower-queued interconnection customers.

If actual study costs exceed the deposit, the Interconnection Customer will be responsible for this excess cost. If actual study costs are less than the deposit, the Transmission Provider shall refund the difference to the Interconnection Customer.

The study report provided to the Interconnection Customer will contain sufficient information to explain why the Transmission Provider determined that the proposed technological advancement is either a Material Modification or a Permissible Technological Advancement. If, based on the study results, the Transmission Provider determines that the proposed technological advancement constitutes a Material Modification, then the application for the proposed technological advancement will be denied. In such instance, the Interconnection Customer may submit a new Interconnection Request. If, based on the study results, the Transmission Provider determines that the effects of the proposed technological advancement do not constitute a Material Modification, then the application will be accepted, and the proposed

technological advancement will be considered a Permissible Technological Advancement.

Section 56. Procedures for Interconnection Requests Submitted Prior to Effective Date of Standard Large Generator Interconnection Procedures

56.1 Queue Position for Pending Requests.

56.1.1 Any Interconnection Customer assigned a Queue Position prior to the effective date of this LGIP shall retain that Queue Position.

56.1.1.1 ———If an Interconnection Study Agreement has not been executed as of the effective date of this LGIP, then such Interconnection Study, and any subsequent Interconnection Studies, shall be processed in accordance with this LGIP.

56.1.1.2 If an Interconnection Study Agreement has been executed prior to the effective date of this LGIP, such Interconnection Study shall be completed in accordance with the terms of such agreement, except where Transmission Provider initiates a transition to a Definitive Interconnection Study Process as prescribed in Section 7. ~~With respect to any remaining studies for which an Interconnection Customer has not signed an Interconnection Study Agreement prior to the effective date of the LGIP, Transmission Provider must offer Interconnection Customer the option of either continuing under Transmission Provider's existing interconnection study process or going forward with the completion of the necessary Interconnection Studies (for which it does not have a signed Interconnection Studies Agreement) in accordance with this LGIP.~~

56.1.1.3 If an LGIA has been submitted to FERC for approval before the effective date of the LGIP, then the LGIA would be grandfathered.

~~5.1.2 Transition Period.~~

~~To the extent necessary, Transmission Provider and Interconnection Customers with an outstanding request (i.e., an Interconnection Request for which an LGIA has not been submitted to FERC for approval as of the effective date of this LGIP) shall transition to this LGIP within a reasonable period of time not to exceed sixty (60) Calendar Days. The use of the term "outstanding request" herein shall mean any Interconnection Request, on the effective date of this LGIP: (i) that has been submitted but not yet accepted by Transmission Provider; (ii) where the related interconnection agreement has not yet been submitted to FERC for~~

~~approval in executed or unexecuted form, (iii) where the relevant Interconnection Study Agreements have not yet been executed, or (iv) where any of the relevant Interconnection Studies are in process but not yet completed. Any Interconnection Customer with an outstanding request as of the effective date of this LGIP may request a reasonable extension of any deadline, otherwise applicable, if necessary to avoid undue hardship or prejudice to its Interconnection Request. A reasonable extension shall be granted by Transmission Provider to the extent consistent with the intent and process provided for under this LGIP.~~

56.2 New Transmission Provider.

If Transmission Provider transfers control of its Transmission System to a successor Transmission Provider during the period when an Interconnection Request is pending, the original Transmission Provider shall transfer to the successor Transmission Provider any amount of the deposit or payment with interest thereon that exceeds the cost that it incurred to evaluate the request for interconnection. Any difference between such net amount and the deposit or payment required by this LGIP shall be paid by or refunded to the Interconnection Customer, as appropriate. The original Transmission Provider shall coordinate with the successor Transmission Provider to complete any Interconnection Study, as appropriate, that the original Transmission Provider has begun but has not completed. If Transmission Provider has tendered a draft LGIA to Interconnection Customer but Interconnection Customer has not either executed the LGIA or requested the filing of an unexecuted LGIA with FERC, unless otherwise provided, Interconnection Customer must complete negotiations with the successor Transmission Provider.

Section 7. Transition Procedures for Definitive Interconnection Study Process.

Where the Transmission Provider publicizes its intent to transition to the Definitive Interconnection Study Process prescribed in Section 10 by posting notice to the OASIS website (the date of posting to be known as the “Cluster Study Transition Notice Date”), such notice not to be published until after approval of the revised LGIP by FERC, an Interconnection Customer that has received a Queue Number but has not executed an Interconnection Agreement with the Transmission Provider prior to the Cluster Study transition notice date may elect to be studied under the Transition Procedures set forth in this section by executing a transitional study agreement (as applicable under Section 7.2) and meeting the requirements to enter the Transition Procedures study process. An Interconnection Customer electing to complete the study process under this section must notify the Transmission Provider and meet all Transitional readiness milestone requirements within 60 Calendar Days of the delivery of notice of the Transmission Provider’s transition to the Definitive Interconnection Study Process, such notice to be provided by the Transmission Provider in writing. If an Interconnection Customer elects to continue with a Transitional Serial Interconnection Facilities Study or a Transitional Cluster Study as described below, Transmission Provider shall retain the current study deposits, and Interconnection Customer shall be responsible for the entire cost of all studies

pursuant to Sections 7.1, Section 7.2, and Section 10. An Interconnection Customer that does not meet the Transition Procedure requirements shall be deemed withdrawn pursuant to the Transition Procedures set forth in this section and then may submit a new Interconnection Request to be studied under the Definitive Interconnection Study Process.

7.1 Transitional Serial Process.

An Interconnection Customer that has a) a final System Impact Study Report that identifies the Interconnection Facilities and any Network Upgrades required to feasibly interconnect the proposed Generating Facility, and b) an Interconnection Facilities Study Agreement executed by the Interconnection Customer prior to the Cluster Study transition notice date, may opt to continue with the serial Facilities Study process if the Interconnection Customer provides notice in writing to the Transmission Provider and meets each of the following requirements that demonstrate readiness within the timeframe prescribed in Section 7.

a) Execute a Transitional Serial Interconnection Facilities Study Agreement, as provided in Appendix 8-1;

b) Provide security equal to the Transmission Provider's Interconnection Facilities and Network Upgrades identified in the System Impact Study Report. The deposit shall be equal to one hundred percent (100%) of the costs identified for Transmission Provider's Interconnection Facilities and Network Upgrades in the System Impact Study Report and will be reconciled to actual costs after the associated facilities are in-service. The security shall be in the form of (a) cash where cash deposits will be treated according to Section 10.11.6 or (b) an irrevocable letter of credit in a form reasonably acceptable to the Transmission Provider and upon which the Transmission Provider may draw or cash where cash deposits will be treated according to Section 10.11.6. If the Interconnection Customer withdraws prior to executing an LGIA, the Transmission Provider shall be entitled to use the financial security as payment for (a) the final invoice for study costs and (b) the Withdrawal Penalty, after which any remaining amount of security shall be returned to Interconnection Customer. If the Interconnection Customer does not withdraw and executes an LGIA, the amount of financial security shall be increased or decreased as needed in order to reflect the cost estimate for Transmission Provider's Interconnection Facilities and Network Upgrades set forth in Appendix B to the LGIA. Once the LGIA is fully executed, the terms of the LGIA shall govern such security. Transmission Provider shall draw down on the provided financial security and apply such funds towards deposit shall be reconciled with and applied towards future construction costs described in the LGIA. If the Interconnection Customer withdraws or otherwise does not reach Commercial Operation, the Transmission Provider shall return the provided financial security once the final invoice deposit is fully refundable once the final invoice for study costs and Withdrawal Penalty is settled. The deposit shall be in the form of an irrevocable letter of credit upon which

the Transmission Provider may draw on cash where cash deposits will be treated according to Section 10.11.6.

c) Demonstrate exclusive Site Control for the entire Generating Facility and any Interconnection Customer's Interconnection Facilities.

d) Interconnection Customer shall provide one following:

i. A contract, binding upon the parties to the contract, for sale of the Generating Facility's energy, or the entire constructed Generating Facility, where the term of sale is not less than five (5) years, or

ii. Reasonable evidence that the Generating Facility is included in a Resource Planning Entity's Resource Plan or has received a contract award in a Resource Solicitation Process, or

iii. An executed Provisional Large Generator Interconnection Agreement filed with FERC. Such an agreement shall not be suspended and shall include a commitment to construct the Generating Facility.

The Transmission Provider shall complete the Transitional Serial Interconnection Facilities Study pursuant to Section 11 except that the Readiness Milestone 4 requirement in Section 11.4(d) shall not apply.

All LGIA negotiations shall be completed and the LGIA executed (or filed unexecuted) within sixty (60) Calendar Days of the publication of the final Interconnection Facilities Study Report or the Interconnection Request shall be deemed withdrawn pursuant to Section 4.7 unless extended by mutual agreement of Transmission Provider and Interconnection Customer. A change in the Commercial Operation Date shall not delay the construction of facilities if such delay negatively affects lower or equal queued projects.

If the Interconnection Customer elects to proceed under this Transitional Serial Process and subsequently withdraws its Interconnection Request or the Generating Facility otherwise does not reach Commercial Operation, a Withdrawal Penalty equal to nine (9) times the Interconnection Request's total study cost is imposed.

7.2 Transitional Cluster Process.

7.2.1 Transitional Cluster Eligibility Requirements.

An Interconnection Customer with an assigned Queue Position prior to the Cluster Study transition notice date, may opt to enter the transitional cluster study ("Transitional Cluster Study") if the Interconnection Customer meets the requirements detailed below pursuant to the process established in Section 7. All Interconnection Customers who enter the Transitional Cluster Study shall be

considered to have an equal Queue Position, and identified Network Upgrade costs shall be allocated according to Section 10.4 of this LGIP. The Transitional Cluster Study costs shall be allocated according to the method described in Section 10.3.

A Transitional Cluster Study general informational meeting open to all eligible Interconnection Customers shall be held within thirty (30) calendar days of the Cluster Study transition notice date. To join the Transitional Cluster Study, the Interconnection Customer must meet all of the following requirements within the timeframe prescribed in Section 7:

- a) Execute a Transitional Cluster Study Agreement, as provided in Appendix 8-2;
- b) Choice of requesting either ERIS or NRIS;
- c) Make a supplemental Interconnection Request study deposit in cash, if necessary, to increase the Interconnection Customer's total study deposit to equal the amount required under Section 4.1.2 of the LGIP;
- d) Demonstrate that Interconnection Customer has exclusive Site Control for the entire Generating Facility and all required Interconnection Facilities to the Point of Interconnection to the Transmission Provider's System. Interconnection Customer may provide a cash deposit equal to \$20,000 plus \$500/MW in lieu of Site Control to enter Transitional Cluster Study Phase 1. A deposit in lieu of Site Control is not accepted for later Phases of the Transitional Cluster Study Process; and
- e) Interconnection Customer shall provide one of the following:
 - i. Executed term sheet (or comparable evidence) related to a contract, binding upon the parties to the contract, for sale of the Generating Facility's energy, or the entire constructed Generating Facility, where the term of sale is not less than five (5) years; or
 - ii. Reasonable evidence that the Generating Facility is included in a Resource Planning Entity's Resource Plan or Resource Solicitation Process; or
 - iii. Evidence that Interconnection Request was accepted by the Transmission Provider and its Queue Position was initially established at least 365 days prior to the Transmission Provider's initiation of the Transitional Cluster Study; or
 - iv. An executed Provisional Large Generator Interconnection Agreement filed with FERC that is not in suspension with 1) a commitment to construct the facility, 2) a Commercial Operation Date no later than 2024 and 3) a security deposit in addition to amount required under

Section 4.1.2 where the total security deposit represents a reasonable estimation of the potential costs that could be ultimately allocated to the project in the Transitional Cluster Study; or

- v. Security equal to three million dollars (\$3,000,000). The security shall be in the form of (a) cash or (b) an irrevocable letter of credit in a form reasonably acceptable to Transmission Provider. If the Interconnection Customer withdraws prior to executing an LGIA, the Transmission Provider shall be entitled to use the security as payment for (a) the final invoice for study costs and (b) the Withdrawal Penalty, after which any remaining amount of security shall be returned to Interconnection Customer. If the Interconnection Customer does not withdraw and executes an LGIA, the amount of security shall be increased or decreased as needed in order to reflect the cost estimate for Transmission Provider's Interconnection Facilities and Network Upgrades set forth in Appendix B to the LGIA. Once the LGIA is fully executed, the terms of the LGIA shall govern such security.

7.2.2 Transitional Cluster Expedited Customer Engagement Process and Phase 1.

If one or more valid requests are received into the Transitional Cluster Study, the Transmission Provider shall undertake an expedited thirty (30) Calendar Day customer engagement process as provided for in Section 10.1 and shall then initiate a Phase 1 study under the procedures prescribed in Section 10.8 ("Transitional Cluster Study Phase 1") to evaluate the impact of the proposed interconnection(s) within the Transitional Cluster Study on the reliability of the Transition Provider's System. The Transmission Provider shall use Reasonable Efforts to complete the Transitional Cluster Study Phase 1 consisting of a power flow and voltage analysis within one hundred and twenty (120) Calendar Days. The Transitional Cluster Study Phase 1 Report shall identify the Interconnection Facilities and Network Upgrades that are expected to be required as a result of the Interconnection Request(s) and provide a non-binding good-faith indicative estimate of cost responsibility and a non-binding good-faith estimated time to construct. The Transmission Provider will host a meeting to discuss the results of Transitional Cluster Study Phase 1 within ten (10) Calendar Days of issuing the Transitional Cluster Study Phase 1 Report.

An Interconnection Customer that withdraws the Interconnection Request from the Transitional Cluster during the Phase 1 study or within thirty (30) Calendar Days of the Transmission Provider's publication of the Transitional Cluster Study Phase 1 Report shall be assigned its allocated Phase 1 Study Costs calculated pursuant to Section 10.3 and shall not be allocated a Withdrawal Penalty. At any time after Phase 2 commences, the Interconnection Customer shall be subject to the Withdrawal Penalty identified in Section 7.2.6 and the collected amount shall be distributed to fund Transitional Cluster Study or future Cluster Study costs pursuant to Section 4.7.1.2, unless the Transmission Provider determines consistent with Good Utility Practice that a Withdrawal Penalty should not be assigned pursuant to Section 4.7.1.

If the Interconnection Customer withdraws its Interconnection Request or the Generating Facility otherwise does not reach Commercial Operation, the deposit(s) required by Section 7.2.3 are fully refundable once the final invoice for study costs and Withdrawal Penalty is settled.

7.2.3 Transitional Cluster Study Phase 2.

Within thirty (30) Calendar Days of the Transmission Provider's publication of the Transitional Cluster Study Phase 1 Report, each Interconnection Customer electing to proceed with Phase 2 of the Transitional Cluster Study must meet all of the following requirements:

- a) Provide security equal to three million dollars (\$3,000,000) inclusive of any security previously required by Section 7.2.1(e.). The security shall be in the form of (a) cash or (b) an irrevocable letter of credit in a form reasonably acceptable to Transmission Provider. If the Interconnection Customer withdraws prior to executing an LGIA, the Transmission Provider shall be entitled to use the security as payment for (a) the final invoice for study costs and (b) the Withdrawal Penalty, after which any remaining amount of security shall be returned to Interconnection Customer. If the Interconnection Customer does not withdraw and executes an LGIA, the amount of security shall be increased or decreased as needed in order to reflect the cost estimate for Transmission Provider's Interconnection Facilities and Network Upgrades set forth in Appendix B to the LGIA. Once the LGIA is fully executed, the terms of the LGIA shall govern such security.
- b) Demonstrate exclusive Site Control for the entire Generating Facility and all required Interconnection Facilities to the Point of Interconnection to the Transmission Provider's Transmission System.
- c) Interconnection Customer shall provide one of the following:
 - i. A contract binding upon the parties to the contract, for sale of the Generating Facility's energy, or the entire constructed Generating Facility, where the term of sale is not less than five (5) years, or
 - ii. Reasonable evidence that the Generating Facility is included in an Resource Planning Entity's Resource Plan and, if required, has filed an application for a Certificate of Public Convenience and Necessity to construct the Generating Facility or has been selected in a Resource Solicitation Process, or
 - iii. An executed Provisional Large Generator Interconnection Agreement filed with FERC that is not in suspension with 1) a

commitment to construct the Generating Facility, 2) a Commercial Operation Date no later than 2024 and 3) a security deposit in addition to amount required under Section 4.1.2 where the total security deposit represents a reasonable estimation of the potential costs that could be ultimately allocated to the project in the transitional cluster study, or

- iv. Provide additional security equal to three million dollars (\$3,000,000). The security shall be in the form of (a) cash or (b) an irrevocable letter of credit in a form reasonably acceptable to Transmission Provider. If the Interconnection Customer withdraws prior to executing an LGIA, the Transmission Provider shall be entitled to use the security as payment for (a) the final invoice for study costs and (b) the Withdrawal Penalty, after which any remaining amount of security shall be returned to Interconnection Customer. If the Interconnection Customer does not withdraw and executes an LGIA, the amount of security shall be increased or decreased as needed in order to reflect the cost estimate for Transmission Provider's Interconnection Facilities and Network Upgrades set forth in Appendix B to the LGIA. Once the LGIA is fully executed, the terms of the LGIA shall govern such security.

Once Transitional Cluster Study Phase 2 commences, the Transmission Provider shall complete an updated power flow/voltage analysis (if necessary), stability analysis and short circuit analysis for the Generating Facilities remaining in the Transitional Cluster Study pursuant to the procedures in Section 10.8(c.). The Transmission Provider shall use Reasonable Efforts to complete the Phase 2 analysis within one hundred fifty (150) Calendar Days. The results of this analysis shall identify the Interconnection Facilities and Network Upgrades expected to be required to reliably interconnect the Generating Facilities proceeding in the Transitional Cluster Study and shall provide a non-binding good-faith estimate of cost responsibility and a non-binding good-faith estimated time to construct. The Phase 2 Report shall identify each Interconnection Customer's estimated allocated costs for the Interconnection Facilities and Network Upgrades that would be borne by the Interconnection Customer under a future Interconnection Agreement. If the Interconnection Customer withdraws the Interconnection Request at any time after Phase 2 commences, the Interconnection Customer shall be subject to the Withdrawal Penalty identified in Section 7.2.6 and the collected amount shall be distributed to fund future Cluster Study costs pursuant to Section 4.7.1.2, unless the Transmission Provider determines consistent with Good Utility Practice that a Withdrawal Penalty should not be assigned pursuant to Section 4.7.1.

7.2.4 Transitional Cluster Facilities Study.

If any Interconnection Customer within the Transitional Cluster Study withdraws its Interconnection Request after the Phase 2 Report is issued, the withdrawing Interconnection Customer shall be subject to the Withdrawal Penalty identified in Section 7.2.6 and the collected amount shall be distributed to fund re-study or future Cluster Study costs pursuant to Section 4.7.1.2, unless the Transmission Provider determines consistent with Good Utility Practice that a Withdrawal Penalty should not be assigned pursuant to Section 4.7.1. The Transmission Provider shall determine whether re-study of the Transitional Cluster Generating Facilities is required pursuant to Section 10.10 prior to executing the Facilities Study Agreement and returning it to the Interconnection Customers.

The Transmission Provider shall complete the Facilities Study for all Generating Facilities in the Transitional Cluster Study within one hundred fifty (150) Calendar Days pursuant to Section 11 except that the Readiness Milestone 4 requirement in Section 10.11.4 shall not apply to Interconnection Customers participating in the Transitional Cluster Study.

7.2.5 Transitional Cluster LGIA.

After the Facility Study Report is published, the remaining process shall proceed according to Section 14 of this LGIP with the exception of the security required in item (b) of Section 14.4 (posting Readiness Milestone 5), which shall not apply. If the Interconnection Customer withdraws its Interconnection Request or if the Generating Facility otherwise does not reach Commercial Operation, the security is fully refundable once the final invoice for study costs and Withdrawal Penalty is settled.

All LGIA negotiations shall be completed and the LGIA executed (or filed unexecuted) within sixty (60) Calendar Days of the tender of the draft LGIA or the Interconnection Request is deemed withdrawn unless extended by mutual agreement of Transmission Provider and Interconnection Customer. A change in the Commercial Operation Date shall not delay the construction of Transmission Provider's Interconnection Facilities or Network Upgrades if such delay negatively affects lower or equal queued projects. The Withdrawal Penalty for Interconnection Customers participating in the Transitional Cluster Process and have executed an LGIA is listed in Section 7.2.6, and the collected amount shall be distributed to fund future Cluster Study costs pursuant to Section 4.7.1.2, unless the Transmission Provider determines consistent with Good Utility Practice that a Withdrawal Penalty should not be assigned pursuant to Section 4.7.1. If the Interconnection Customer withdraws its Interconnection Request or its Generating Facility or otherwise does not reach Commercial Operation, the deposit is fully refundable once the final invoice for study costs and Withdrawal Penalty is settled.

7.2.6 Transitional Cluster Withdrawal Penalty.

The Withdrawal Penalty for Interconnection Customers electing to proceed to Phase 2 of the Transitional Cluster Study is equal to nine (9) times the Interconnection Request's total study cost is imposed.

Section 68. Serial Interconnection Feasibility Study

A Transmission Provider shall administer a Serial Interconnection Study Process under Section 8 (Feasibility Study), Section 9 (System Impact Study), and Section 11 (Facilities Study), unless and until the Transmission Provider has elected to transition to the Definitive Interconnection Study Process as described in Section 10. A Transmission Provider will provide notice on OASIS upon transitioning to the Definitive Interconnection Study Process pursuant to the process described in Section 7.

68.1 Serial Interconnection Feasibility Study Agreement.

Where a Transmission Provider administers the Serial Interconnection Study Process, Transmission Provider shall provide to Interconnection Customer an Interconnection Feasibility Study Agreement in the form of Appendix 4, s~~Simultaneously with the acknowledgement of a valid Interconnection Request Transmission Provider shall provide to Interconnection Customer an Interconnection Feasibility Study Agreement in the form of Appendix 2.~~ The Interconnection Feasibility Study Agreement shall specify that Interconnection Customer is responsible for the actual cost of the Interconnection Feasibility Study. Within five (5) Business Days following the Scoping Meeting Interconnection Customer shall specify for inclusion in the attachment to the Interconnection Feasibility Study Agreement the Point(s) of Interconnection and any reasonable alternative Point(s) of Interconnection. Within five (5) Business Days following Transmission Provider's receipt of such designation, Transmission Provider shall tender to Interconnection Customer the Interconnection Feasibility Study Agreement signed by Transmission Provider, which includes a good faith estimate of the cost for completing the Interconnection Feasibility Study. Interconnection Customer shall execute and deliver to Transmission Provider the Interconnection Feasibility Study Agreement along with a \$10,000 deposit no later than thirty (30) Calendar Days after its receipt.

On or before the return of the executed Interconnection Feasibility Study Agreement to Transmission Provider, Interconnection Customer shall provide the technical data called for in Appendix ~~13~~, Attachment A.

If the Interconnection Feasibility Study uncovers any unexpected result(s) not contemplated during the Scoping Meeting, a substitute Point of Interconnection identified by either Interconnection Customer or Transmission Provider, and acceptable to the other, such acceptance not to be unreasonably withheld, will be substituted for the designated Point of Interconnection specified above without loss of Queue Position, and Re-studies shall be completed pursuant to Section 68.4 as applicable. For the purpose of this Section 68.1, if Transmission Provider and Interconnection

Customer cannot agree on the substituted Point of Interconnection, then Interconnection Customer may direct that one of the alternatives as specified in the Interconnection Feasibility Study Agreement, as specified pursuant to Section ~~4.1.13.4.4~~, shall be the substitute.

If Interconnection Customer and Transmission Provider agree to forgo the Serial Interconnection Feasibility Study, Transmission Provider will initiate ~~an~~ Serial Interconnection System Impact Study under Section ~~7.9~~ of this LGIP and apply the \$10,000 deposit towards the Serial Interconnection System Impact Study.

86.2 Scope of Serial Interconnection Feasibility Study.

The Interconnection Feasibility Study shall preliminarily evaluate the feasibility of the proposed interconnection to the Transmission System.

The Interconnection Feasibility Study will consider the Base Case as well as all generating facilities (and with respect to (iii), any identified Network Upgrades) that, on the date the Interconnection Feasibility Study is commenced: (i) are directly interconnected to the Transmission System; (ii) are interconnected to Affected Systems and may have an impact on the Interconnection Request; (iii) have a pending higher queued Interconnection Request to interconnect to the Transmission System; and (iv) have no Queue Position but have executed an LGIA or requested that an unexecuted LGIA be filed with FERC. The Interconnection Feasibility Study will consist of a power flow and short circuit analysis. The Interconnection Feasibility Study will provide a list of facilities and a non-binding good faith estimate of cost responsibility and a non-binding good faith estimated time to construct.

68.3 Serial Interconnection Feasibility Study Procedures.

Transmission Provider shall utilize existing studies to the extent practicable when it performs the study. Transmission Provider shall use Reasonable Efforts to complete the Interconnection Feasibility Study no later than forty-five (45) Calendar Days after Transmission Provider receives the fully executed Interconnection Feasibility Study Agreement. At the request of Interconnection Customer or at any time Transmission Provider determines that it will not meet the required time frame for completing the Interconnection Feasibility Study, Transmission Provider shall notify Interconnection Customer as to the schedule status of the Interconnection Feasibility Study. If Transmission Provider is unable to complete the Interconnection Feasibility Study within that time period, it shall notify Interconnection Customer and provide an estimated completion date with an explanation of the reasons why additional time is required. Upon request, Transmission Provider shall provide Interconnection Customer supporting documentation, workpapers and relevant power flow, short circuit and stability databases for the Interconnection Feasibility Study, subject to confidentiality arrangements consistent with Section ~~163.1~~.

Transmission Provider shall study the Interconnection Request at the level of service requested by the Interconnection Customer, unless otherwise required to study full Generating Facility Capacity due to safety or reliability concerns.

68.3.1 Meeting with Transmission Provider.

Within ten (10) Business Days of providing a ~~an~~ Serial Interconnection Feasibility Study report to Interconnection Customer, Transmission Provider and Interconnection Customer shall meet to discuss the results of the Serial Interconnection Feasibility Study.

68.4 Re-Study.

If Re-Study of the Interconnection Feasibility Study is required due to a higher queued project dropping out of the queue, or a modification of a higher queued project subject to Section 45.4, or re-designation of the Point of Interconnection pursuant to Section 68.1 Transmission Provider shall notify Interconnection Customer in writing. Such Re-Study shall take not longer than forty-five (45) Calendar Days from the date of the notice. Any cost of Re-Study shall be borne by the Interconnection Customer being re-studied.

Section 97. Serial Interconnection System Impact Study

79.1 Serial Interconnection System Impact Study Agreement.

Unless otherwise agreed, pursuant to the Scoping Meeting provided in Section 4.4.63-4.4, simultaneously with the delivery of the Serial Interconnection Feasibility Study to Interconnection Customer, Transmission Provider shall provide to Interconnection Customer a ~~an~~ Serial Interconnection System Impact Study Agreement in the form of Appendix 3-5 to this LGIP. The Serial Interconnection System Impact Study Agreement shall provide that Interconnection Customer shall compensate Transmission Provider for the actual cost of the Serial Interconnection System Impact Study. Within three (3) Business Days following the Serial Interconnection Feasibility Study results meeting, Transmission Provider shall provide to Interconnection Customer a non-binding good faith estimate of the cost and timeframe for completing the Serial Interconnection System Impact Study.

79.2 Execution of Serial Interconnection System Impact Study Agreement.

Interconnection Customer shall execute the Serial Interconnection System Impact Study Agreement and deliver the executed Serial Interconnection System Impact Study Agreement to Transmission Provider no later than thirty (30) Calendar Days after its receipt along with demonstration of Site Control, and a \$50,000 deposit.

If Interconnection Customer does not provide all such technical data when it delivers the Serial Interconnection System Impact Study Agreement, Transmission Provider shall notify Interconnection Customer of the deficiency within five (5) Business Days of the receipt of the executed Serial Interconnection System Impact Study Agreement and Interconnection Customer shall cure the deficiency within ten (10) Business Days

of receipt of the notice, provided, however, such deficiency does not include failure to deliver the executed Serial Interconnection System Impact Study Agreement or deposit.

If the Serial Interconnection System Impact Study uncovers any unexpected result(s) not contemplated during the Scoping Meeting and the Serial Interconnection Feasibility Study, a substitute Point of Interconnection identified by either Interconnection Customer or Transmission Provider, and acceptable to the other, such acceptance not to be unreasonably withheld, will be substituted for the designated Point of Interconnection specified above without loss of Queue Position, and restudies shall be completed pursuant to Section 79.6 as applicable. For the purpose of this Section 79.2, if Transmission Provider and Interconnection Customer cannot agree on the substituted Point of Interconnection, then Interconnection Customer may direct that one of the alternatives as specified in the Serial Interconnection Feasibility Study Agreement, as specified pursuant to Section 3.4.44.4.6, shall be the substitute.

79.3 Scope of Serial Interconnection System Impact Study.

The Serial Interconnection System Impact Study shall evaluate the impact of the proposed interconnection on the reliability of the Transmission System. The Serial Interconnection System Impact Study will consider the Base Case as well as all generating facilities (and with respect to (iii) below, any identified Network Upgrades associated with such higher queued interconnection) that, on the date the Serial Interconnection System Impact Study is commenced: (i) are directly interconnected to the Transmission System; (ii) are interconnected to Affected Systems and may have an impact on the Interconnection Request; (iii) have a pending higher queued Interconnection Request to interconnect to the Transmission System; and (iv) have no Queue Position but have executed an LGIA or requested that an unexecuted LGIA be filed with FERC.

The Serial Interconnection System Impact Study will consist of a short circuit analysis, a grounding review, reactive power analysis, regional transfer capability, nuclear plant off-site power (where applicable), a stability analysis, and a power flow analysis. The Interconnection System Impact Study will state the assumptions upon which it is based; state the results of the analyses; and provide the requirements or potential impediments to providing the requested interconnection service, including a preliminary indication of the cost and length of time that would be necessary to correct any problems identified in those analyses and implement the interconnection. For purposes of determining necessary Interconnection Facilities and Network Upgrades, the Serial Interconnection System Impact Study shall consider the level of Interconnection Service requested by the Interconnection Customer, unless otherwise required to study the full Generating Facility Capacity due to safety or reliability concerns. The Serial Interconnection System Impact Study will provide a list of facilities that are required as a result of the Interconnection Request and a non-binding good faith estimate of cost responsibility and a non-binding good faith estimated time to construct.

79.4 Serial Interconnection System Impact Study Procedures.

Transmission Provider shall coordinate the Serial Interconnection System Impact Study with any Affected System that is affected by the Interconnection Request pursuant to Section ~~43~~.6 above. Transmission Provider shall utilize existing studies to the extent practicable when it performs the study. Transmission Provider shall use Reasonable Efforts to complete the Serial Interconnection System Impact Study within ninety (90) Calendar Days after the receipt of the Serial Interconnection System Impact Study Agreement or notification to proceed, study payment, and technical data. ~~If Transmission Provider uses Clustering, Transmission Provider shall use Reasonable Efforts to deliver a completed Interconnection System Impact Study within ninety (90) Calendar Days after the close of the Queue Cluster Window.~~

At the request of Interconnection Customer or at any time Transmission Provider determines that it will not meet the required time frame for completing the Serial Interconnection System Impact Study, Transmission Provider shall notify Interconnection Customer as to the schedule status of the Serial Interconnection System Impact Study. If Transmission Provider is unable to complete the Serial Interconnection System Impact Study within the time period, it shall notify Interconnection Customer and provide an estimated completion date with an explanation of the reasons why additional time is required. Upon request, Transmission Provider shall provide Interconnection Customer all supporting documentation, workpapers and relevant pre-Interconnection Request and post-Interconnection Request power flow, short circuit and stability databases for the Serial Interconnection System Impact Study, subject to confidentiality arrangements consistent with Section ~~163~~.1.

79.5 Meeting with Transmission Provider.

Within ten (10) Business Days of providing a Serial Interconnection System Impact Study report to Interconnection Customer, Transmission Provider and Interconnection Customer shall meet to discuss the results of the Serial Interconnection System Impact Study.

79.6 Re-Study.

If Re-Study of the Serial Interconnection System Impact Study is required due to a higher queued project dropping out of the queue, or a modification of a higher queued project subject to Section ~~45~~.4, or re-designation of the Point of Interconnection pursuant to Section ~~79~~.2 Transmission Provider shall notify Interconnection Customer in writing. Such Re-Study shall take no longer than sixty (60) Calendar Days from the date of notice. Any cost of Re-Study shall be borne by the Interconnection Customer being re-studied.

Section 10. Definitive Interconnection Study Process

For a Transmission Provider that has transitioned to the Definitive Interconnection Study Process under the procedure described in Section 7, the Transmission Provider shall annually

administer a Definitive Interconnection System Impact Cluster Study Process as provided for in this Section. The diagram attached as Appendix 6-1 provides an overview and timeline of initiation of a Definitive Interconnection Study Process: the DISIS Request Window, Customer Engagement Window, and Phase 1 of the DISIS.

Interconnection Customers may initially elect to obtain an Informational Interconnection Study, as provided for under Section 3, prior to submitting an Interconnection Request and proceeding into the Definitive Interconnection Study Process. Interconnection Customers that elect to withdraw from the Definitive Interconnection Study Process may be subject to a Withdrawal Penalty, as further addressed in Section 4.7.1.

10.1 Initiation of a Definitive Interconnection System Impact Study Cluster.

The Transmission Provider shall accept Interconnection Requests during the “DISIS Request Window.” A DISIS Request Window shall open annually on January 1 and shall remain open for 150 Calendar Days or the following Business Day if the 150th day falls on a weekend or NERC recognized holiday.

At the conclusion of the DISIS Request Window, there is a thirty (30) Calendar Day verification period during which Transmission Provider shall work with applicable Interconnection Customers to ensure all the relevant data and information has been received (the “DISIS Verification Period”).

If one or more valid Interconnection Requests are received, for sixty (60) Calendar Days following the close of the DISIS Verification Period (the “Customer Engagement Window”), the Transmission Provider shall work with applicable Interconnection Customers to build models, verify data, hold stakeholder meetings (including Scoping Meetings, as appropriate), cure any deficiencies in the Interconnection Request(s) as described in Section 4.4.5, and generally prepare for the start of the Definitive Interconnection System Impact Study. Notwithstanding the preceding sentence and upon written consent of all Interconnection Customers within a specific Cluster, the Transmission Provider may shorten the “Customer Engagement Window” in order to start the Definitive Interconnection System Impact Study earlier. Within the first ten (10) Business Days following the close of the DISIS Request Window, the Transmission Provider shall post on its OASIS site a list of Interconnection Requests for that Cluster, identifying for each Interconnection Request: (i) the location by county and state; (ii) the transmission substation or transmission line or lines where the interconnection will be made; (iii) cluster being requested; and (iv) the type of Generating Facility to be constructed including fuel type such as wind, natural gas, coal, or solar.

Prior to the close of the Customer Engagement Window, each Interconnection Customer shall i) execute a DISIS Agreement pursuant to Section 10.6; ii) provide initial security equal to 1 times the Section 4.1.2 study deposit amount to enter the DISIS; and iii) provide evidence satisfactory to the Transmission Provider of either an initial Readiness Milestone (“M1”), as described in Section 10.11.1, or additional

security in the form of an irrevocable letter of credit or cash in lieu of the M1 Readiness Milestone equal to one times the Study Deposit required in Section 10.11.6.

At the end of the Customer Engagement Window, all Interconnection Requests meeting the foregoing readiness requirements and that have an executed DISIS Agreement shall be included in that DISIS Cluster. Any Interconnection Requests not deemed sufficient pursuant to Section 4.4.5 or that are undergoing dispute resolution pursuant to Section 16.6 at the close of the Customer Engagement Window shall not be included in the commencing DISIS Cluster. Immediately following the Customer Engagement Window, the Transmission Provider shall initiate the Definitive Interconnection System Impact Study process described in more detail in Section 10.

10.2 Initiation of a Resource Solicitation Cluster.

At any time, and upon request of a Resource Planning Entity, a Transmission Provider may initiate a Resource Solicitation Cluster. Within ten (10) Business Days of receipt of a request to perform a Resource Solicitation Cluster that includes valid Interconnection Requests as described in Section 4.4, Transmission Provider and Resource Planning Entity shall meet to determine a mutually agreeable scope of study and timeframe to initiate the Resource Solicitation Cluster.

The Transmission Provider may administer the Resource Solicitation Cluster either separately or as part of a Definitive Interconnection System Impact Study Cluster initiated pursuant to Section 10.2. Where the Resource Solicitation Cluster is studied separately from the Definitive Interconnection System Impact Study Cluster, the Resource Solicitation Cluster shall respect Queue Position and shall be studied as its own Cluster based upon a Resource Planning Entity-designated Queue Number where the Resource Planning Entity acts as authorized representative for Interconnection Customer(s) in connection with a Resource Solicitation Cluster and the Transmission Provider shall Study the Cluster based upon the Queue Number of the Resource Solicitation Cluster relative to the Queue Position of all other Interconnection Requests/Clusters.

The Transmission Provider shall publicize the scope of study and timeframe to initiate the Resource Solicitation Cluster. The timeline shall indicate the close of the Customer Engagement Window for that Resource Solicitation Cluster. Where the Transmission Provider is administering the Resource Solicitation Cluster as part of a Definitive Interconnection System Impact Study Cluster the Definitive Interconnection System Impact Study shall proceed as described in Section 10. After Transmission Provider completes the Definitive Interconnection System Impact Studies for the requested combinations, the results will be provided (Phase 1 Report, Phase 2 Report, Phase 3 Report, etc.; as applicable under Section 10.8) to the Resource Planning Entity for use in the Resource Solicitation Process. The results will be posted on Transmission Provider's OASIS consistent with the posting of other study results.

A Generating Facility that initially is associated with a Queue Position through the Resource Solicitation Process may also reserve a later Queue Position separate from the Resource Solicitation Cluster. In either case, the Interconnection Customer must meet all requirements associated with maintaining each Queue Position for the Generating Facility. In the event a Generating Facility has multiple Queue Positions, it shall not be double counted in the study models.

After receipt of the Phase 2 Report, the Resource Planning Entity must select one of the studied combinations in the Resource Solicitation Process prior to the commencement of any Facilities Study associated with Generating Facilities selected in the Resource Solicitation Process. Prior to the completion of the Facilities Study for the combination of Generating Facilities selected, the Resource Planning Entity may replace Interconnection Customers, subject to any necessary Re-Study pursuant to Sections 10.8(e.) or 10.10. While conducting the Definitive Interconnection Study Process, the Transmission Provider may suspend further action on the Interconnection Requests in the Resource Solicitation Process that are not included in the selected combination. Once a Generating Facility is rejected in a Resource Solicitation Cluster Process administered separately from a Definitive Interconnection System Impact Study Cluster, the Generating Facility shall lose the Queue Position it held as part of the Resource Solicitation Process. If a Generating Facility is selected by the Resource Planning Entity at the conclusion of the Resource Solicitation Process, the Generating Facility may no longer maintain more than one Queue Position

10.3 Definitive Interconnection Study Process Study Cost Allocation.

The administering Transmission Provider shall determine each Interconnection Customer's share of the costs of completing the DISIS Cluster Study (including general queue administration costs and overheads) by allocating: (1) ten percent (10%) of the applicable study costs to Interconnection Customers on a per capita basis based on number of Interconnection Requests included in the applicable Cluster; and (2) ninety percent (90%) of the applicable study costs to Interconnection Customers on a pro-rata basis based on requested megawatts included in the applicable Cluster. If an Interconnection Customer exits the Cluster prior to the Transmission Provider commencing Phase 2 pursuant to Section 10.8(c.) (including where the Transmission Provider determines through Phase 1 that a distribution-level System Impact Study should be completed for one or more distribution-level Interconnection Customers in lieu of being evaluated through Phase 2), then the Transmission Provider shall determine each Interconnection Customer's costs of preparing for and completing the DISIS prior to commencing Phase 2 and shall then separately determine each remaining Interconnection Customer's costs for the remainder of the DISIS.

If a Phase 3 restudy or general restudy is required pursuant to Sections 10.8 or 10.10, then Transmission Provider shall allocate the costs of the restudy as provided for in this section amongst the Interconnection Customers included in the restudy. If an Interconnection Customer proposes non-material changes to its Interconnection

Request requiring limited restudy, the costs of the limited restudy shall be directly assigned to the requesting Interconnection Customer. The Facilities Study for a Transmission Provider administering the Definitive Interconnection Study Process is an individual study and the costs for each Facilities Study is directly assigned to the Interconnection Customer associated with such study.

10.4 Transmission Provider's Interconnection Facilities and Network Upgrade Cost Allocation.

The Transmission Provider shall calculate each Interconnection Customer's share of Upgrades and Interconnection Facilities costs identified in Cluster Studies in the following manner:

- a) Station equipment Network Upgrades, including all switching stations, shall be allocated based on the number of Generating Facilities interconnecting at an individual station on a per capita basis (i.e., on a per Interconnection Request basis). If multiple Interconnection Customers are connecting to the Transmission Provider's Transmission System through shared Interconnection Facility(ies), those Interconnection Customers shall be considered one Interconnection Customer for the per capita calculation described in the preceding sentence. Shared Interconnection Facilities shall be allocated based on the number of Generating Facilities sharing that Interconnection Facility on a per capita basis.
- b) All Network Upgrades other than those identified in Section 10.8(a.) shall be allocated based on the proportional impact of each individual Generating Facility in the Cluster Studies on such Network Upgrades. The proportional impact of such Network Upgrades shall be calculated as follows. All transmission lines and transformers identified as Network Upgrades shall be allocated using distribution factor analysis. Voltage support related Network Upgrades shall be allocated using a voltage impact analysis which will identify each Generating Facility's contribution to the voltage violation. Network Upgrades associated with upgrading existing breakers due to short circuit current exceeding breaker capability shall be allocated proportionally based on the short circuit current contribution of each request.
- c) Costs of Distribution Upgrades shall be allocated or assigned to each Interconnection Customer based upon the proportional impact of each individual Generating Facility in the Cluster Study based upon the need for the Distribution Upgrade. Distribution line work (e.g., reconductoring) shall be allocated to Generating Facilities contributing to the Upgrade on a per MW basis, based upon location (% of Upgrade). All other Distribution Upgrades shall be allocated on a per capita basis (i.e., on a per Interconnection Request basis) based upon the number of projects on the feeder or substation contributing to the need for the Upgrade.

- d) Costs of Transmission Provider's Interconnection Facilities are directly assigned to the Interconnection Customer(s) using such facilities.

Interconnection Customer funding of Network Upgrades are eligible for credits as provided in Article 11 of the LGIA.

10.5 Definitive Interconnection System Impact Study Agreement.

Unless otherwise agreed, pursuant to the Scoping Meeting provided for in Section 4.4.7, within thirty (30) Calendar Days of the Transmission Provider's acknowledgement of a valid Interconnection Request requesting that a Definitive Interconnection System Impact Study be performed, the Transmission Provider shall provide to the Interconnection Customer a DISIS Agreement in the form of Appendix 6-3 to this LGIP. The DISIS Agreement shall provide that Interconnection Customer shall compensate the Transmission Provider for the actual cost of the DISIS. At least seven (7) Calendar Days before the close of a Customer Engagement Window, the Transmission Provider shall provide to each Interconnection Customer proposing to enter the DISIS Cluster a non-binding updated good faith estimate of the cost and timeframe for completing the Definitive Interconnection System Impact Study.

10.6 Execution of Definitive Interconnection System Impact Study Agreement.

The Interconnection Customer shall execute the DISIS Agreement and deliver the executed DISIS Agreement to Transmission Provider no later than the close of the Customer Engagement Window or its Interconnection Request shall be deemed withdrawn by Transmission Provider.

10.7 Scope of Definitive Interconnection System Impact Study.

The Definitive Interconnection System Impact Study shall evaluate the impact of the proposed interconnection(s) within the Cluster on the reliability of the Transmission System. The Definitive Interconnection System Impact Study will consider the Transmission Provider's Base Case as well as all Generating Facilities (and with respect to (iii) below, any identified Network Upgrades associated with such higher queued requests) that, on the date the DISIS Request Window closes: (i) are existing and directly interconnected to the Transmission System; (ii) are existing and interconnected to Affected Systems and may have an impact on the Interconnection Request; (iii) have a pending Interconnection Request to interconnect to the Transmission System with a higher queue position than the DISIS Cluster, either individually under Section 5.1 or included in a higher queued Cluster Study; and (iv) have executed an LGIA or requested that an unexecuted LGIA be filed with FERC.

As set forth in more detail in Section 10.8 below, the Definitive Interconnection System Impact Study is a phased study under which the first phase (Phase 1) consists of a power flow and voltage analysis that is followed by a second phase (Phase 2) that consists of a short circuit analysis and a stability analysis. Any DISIS re-studies (Phase 3) shall consist of a power flow/voltage analysis, a short circuit analysis, and/or a stability analysis, as needed. The Definitive Interconnection System Impact

Study report shall state the assumptions upon which it is based; state the results of the analyses; and provide the requirements or potential impediments to providing the requested interconnection, including a preliminary indication of the cost and length of time that would be necessary to correct any problems identified in those analyses and implement the interconnection. The Definitive Interconnection System Impact Study shall provide a list of facilities that are required as a result of the Interconnection Request and a non-binding good faith estimate of cost responsibility and a nonbinding good faith estimated time to construct.

For purposes of clustering Interconnection Requests, the Transmission Provider may make reasonable changes to the requested Point(s) of Interconnection as part of the DISIS to facilitate the efficient and reliable interconnection of Interconnection Customers at common Points of Interconnection. The Transmission Provider shall notify Interconnection Customers in writing of any intended changes to the requested Point(s) of Interconnection and the Point(s) of Interconnection shall only change upon mutual agreement. Where the Interconnection Customer agrees to a Transmission Provider's proposal to change the Point of Interconnection and the change results in a loss of Site Control, the Interconnection Customer shall have 150 days to provide affirmation and reasonable documentation, if requested by the Transmission Provider, that Site Control to the new Point of Interconnection has been obtained or the Interconnection Customer shall be required to post the additional security required by Section 10.11.6 to continue to proceed through the Definitive Interconnection Study Process.

Where an Interconnection Customer is proposing to interconnect a Generating Facility to the Distribution System and is determined through Phase 1 not to cause or contribute to the need for Network Upgrades requiring further study in Phase 2, the Transmission Provider shall complete a Distribution level System Impact Study, as further discussed in Section 10.8(a.) below.

10.8 Definitive Interconnection System Impact Study Procedures.

Transmission Provider shall coordinate the Definitive Interconnection System Impact Study with any Affected System that is affected by the Interconnection Request pursuant to Section 4.6 above. Transmission Provider shall utilize existing studies to the extent practicable when it performs the DISIS. Interconnection Requests for DISIS may be submitted only within the DISIS Request Window and Transmission Provider shall initiate the Definitive Interconnection Study Process pursuant to Section 4.4.2 and 10.1.

The diagrams attached as Appendix 6-2 provide an overview and timeline of the Definitive Interconnection Study Process, including the Phases and milestones associated with the Definitive Interconnection System Impact Study.

- a. The DISIS Cluster shall consist of all eligible Interconnection Requests that have (i) executed a DISIS Agreement pursuant to Section 10.6; (ii) provided initial security

equal to 1 times the Section 4.1.2 study deposit amount to enter the DISIS in the form of an irrevocable letter of credit or cash; and (iii) provided evidence satisfactory to the Transmission Provider of either an initial Readiness Milestone (“M1”), as described in Section 10.11.1, or additional security in the form of an irrevocable letter of credit or cash in lieu of the M1 Readiness Milestone equal to one times the study deposit required in Section 10.11.6 before the close of the Customer Engagement Window pursuant to Section 10.1. The Transmission Provider shall use Reasonable Efforts to complete the first phase (Phase 1) consisting of a power flow and voltage analysis within ninetyone hundred and twenty (90120) Calendar Days. The Phase 1 Report shall identify the Transmission Provider’s Interconnection Facilities and Transmission Provider’s Network Upgrades that are expected to be required as a result of the Interconnection Request(s) and a non-binding good-faith indicative level estimate of cost responsibility and a non-binding good-faith estimated time to construct. After issuing the Phase 1 Report, the Transmission Provider shall hold a second thirty (30) Calendar Day Customer Engagement Window and will host an open stakeholder meeting (“Phase 1 Report Meeting”) with Interconnection Customer(s) and identified Affected System Operators within ten (10) Business Days of publishing the DISIS Phase 1 results on the Transmission Provider’s OASIS site.

Where the Transmission Provider determines through the initial Phase 1 study that a proposed distribution-level Interconnection Customer will not cause or contribute to the need for Network Upgrades, the Transmission Provider shall notify the Interconnection Customer in writing during the post-Phase 1 Customer Engagement Window that the Transmission Provider shall complete an individual Distribution-level System Impact Study for the proposed Generating Facility within 50 business days. Upon issuance of the individual Distribution-level System Impact Study Report, the Interconnection Customer would then proceed immediately to the Section 11 Facilities Study process. Interconnection Customers that are studied for distribution level impacts only must continue to meet all Readiness Milestone requirements (or provide security in lieu of the Readiness Milestone) to proceed to Facilities Study under Section 11.

- b. Within twenty (20) Calendar Days of the Phase 1 Report Meeting, all Interconnection Customers proceeding in the DISIS to Phase 2 are required to satisfy the requirements of Readiness Milestone 2 (“M2”). Interconnection Customers that do not provide the Readiness Milestone (or provide additional security in lieu of the Readiness Milestone described in Section 10.11.6) by the required date shall be deemed withdrawn from the Queue and subject to a Withdrawal Penalty pursuant to Section 4.7.1.
- c. Interconnection Customers who satisfy the M2 readiness requirements or provide the required security by the Transmission Provider shall continue in to the second phase (“Phase 2”) of the Definitive Interconnection System Impact Study. Phase 2 consists of an updated power flow/voltage analysis (if necessary), stability analysis and short circuit analysis for the Interconnection Customers remaining in the DISIS Cluster.

The Transmission Provider shall use Reasonable Efforts to complete the Phase 2 analysis within one hundred fifty (150) Calendar Days. The results of this analysis shall identify the Interconnection Facilities and Network Upgrades expected to be required to reliably interconnect the Generating Facilities in that DISIS Cluster. The Phase 2 Report shall provide non-binding estimates of the costs of required Network Upgrades and Interconnection Facilities allocated to each Interconnection Customer within the Cluster. The Transmission Provider shall hold a third thirty (30) Calendar Day Customer Engagement Window and will host an open stakeholder meeting (“Phase 2 Report Meeting”) with Interconnection Customer(s) and identified Affected System Operators within ten (10) Business Days of publishing the DISIS Phase 2 results on the Transmission Provider’s OASIS site.

Within twenty (20) Calendar Days of the Phase 2 Report Meeting, each Interconnection Customer with an Interconnection Request in the Cluster is required to provide Readiness Milestone 3.

- d. (“M3”). Interconnection Customers that do not provide the Readiness Milestone (or provide security in lieu of the Readiness Milestone) by the required date shall be deemed withdrawn from the Queue pursuant to Section shall notify the Transmission Provider in writing whether it intends to proceed to the Section 11 Facilities Study, where failure to provide the required notice shall result in the Interconnection Request being deemed withdrawn from the Queue and subject to a Withdrawal Penalty pursuant to Section 4.7.1.
- i. If all Interconnection Customers in the Cluster provide M3 and no Interconnection Customers withdraw from the Queue at this stage, the Definitive Interconnection Study Process shall advance to the Facilities Study (Section 11). The Transmission Provider shall notify Interconnection Customers in the Cluster in writing that Phase 3 is not required and simultaneously provide the Facilities Study Agreement in the form of Appendix 7.
- ii. If one or more Interconnection Customer(s) withdraws from the Cluster, the Transmission Provider shall determine if a full System Impact Re-study is necessary. If the Transmission Provider determines a re-study is not necessary and Phase 3 is not required, the Transmission Provider shall provide an updated Phase 2 Report within thirty (30) Calendar Days of such determination and the Definitive Interconnection Study Process advances to the Interconnection Facilities Study (Section 11). When the updated Phase 2 report is issued, the Transmission Provider shall notify Interconnection Customers in the Cluster in writing that Phase 3 is not required and simultaneously provide the Facilities Study Agreement in the form of Appendix 7.
- iii. If one or more Interconnection Customers withdraws from the Cluster and the Transmission Provider determines a full System Impact Re-study is necessary,

the Transmission Provider will continue with System Impact restudies (“Phase 3”) until the Transmission Provider determines that no further re-studies are required. If Interconnection Customer withdraws its Interconnection Request after the Phase 3 restudy described in Section 10.8(e) or during the Facilities Study and the Transmission Provider determines system impact level studies are necessary, the Cluster shall be restudied under the terms of Phase 3. Transmission Provider shall notify Interconnection Customers in the Cluster in writing and post on OASIS that a re-study is required. Interconnection Customers that have elected NRIS may make a one-time change between Phase 2 and Phase 3 (before the re-study starts) to ERIS if they notify Transmission Provider of such change in election within five (5) Business Days of the Transmission Provider’s notification the first re-study is required.

- e. If required by the Transmission Provider under Section 10.8(d.) (iii.), Interconnection Requests shall continue with the third phase (“Phase 3”) of the Definitive Interconnection System Impact Study. Phase 3 may consist of updated power flow/voltage analysis, stability analysis, and/or short circuit analysis if necessary for the Interconnection Requests remaining in the Cluster. The Transmission Provider shall use Reasonable Efforts to complete the Phase 3 analysis within one hundred fifty (150) Calendar Days. The results of this analysis shall identify the Transmission Provider’s Interconnection Facilities and Transmission Provider’s Network Upgrades expected to be required to reliably interconnect the Generating Facilities in that Cluster and shall provide non-binding estimates for the required upgrades. The Phase 3 Report shall identify each Interconnection Request’s estimated allocated costs for Interconnection Facilities and Network Upgrades. The Transmission Provider shall hold a fourth thirty (30) Calendar Day Customer Engagement Window and will host an open stakeholder meeting (“Phase 3 Report Meeting”) with Interconnection Customer(s) and identified Affected System Operators within ten (10) Business Days of publishing the DISIS Phase 3 results on the Transmission Provider’s OASIS site. The Transmission Provider shall notify Interconnection Customers in the Cluster in writing when no further re-studies are required and simultaneously provide the Interconnection Customer(s) a Facilities Study Agreement in the form of Appendix 7. If additional restudies are required before moving to Facilities Study below, within twenty (20) Calendar Days of the Phase 3 Report Meeting (or Phase 3 Updated Report Meeting), all Interconnection Customers are required to provide an updated Readiness Milestone 3 (“M3”). Readiness Milestones for the Definitive Interconnection Study Process are described in Section 10.11.1. Interconnection Customers that do not provide the Readiness Milestone (or provide security in lieu of the Readiness Milestone) by the required date shall be deemed withdrawn from the Queue pursuant to Section 4.7. Transmission Provider shall notify Interconnection Customers in the Cluster in writing when no further re-studies are required and simultaneously provide the Interconnection Facilities Agreement in the form of Appendix 7.

- f. Within thirty (30) Calendar Days of the notice that no System Impact restudies are needed and delivery of a Facilities Study Agreement by the Transmission Provider, each Interconnection Customer with an Interconnection Request in thin the Cluster that has completed the DISIS process is required to (i) return an executed Facilities Study Agreement in the form of Appendix 7 (completed and including all required data identified therein); and (ii) provide Readiness Milestone 4 (“M4”) (or provide additional security in lieu of the Readiness Milestone described in Section 10.11.6). Milestones for the Definitive Interconnection Study Process are described in Section 10.11. Interconnection Customers that do not provide the executed Facilities Study Agreement and Readiness Milestone (or provide security in lieu of the Readiness Milestone described in Section 10.11.6) by the required date shall be deemed withdrawn from the Queue and subject to a Withdrawal Penalty pursuant to Section 4.7.1.
- c. At the request of an Interconnection Customer or at any time the Transmission Provider determines that it will not meet the indicated timeframe for completing the DISIS, the Transmission Provider shall notify Interconnection Customer(s) in writing as to the schedule status of the DISIS Cluster. If the Transmission Provider is unable to complete the DISIS within the time period, it shall notify Interconnection Customer(s) and provide an estimated completion date with an explanation of the reasons why additional time is required.

Upon request, Transmission Provider shall provide Interconnection Customer all supporting documentation, workpapers, and relevant pre-Interconnection Request and post-Interconnection Request power flow, short circuit and stability databases for the DISIS, subject to confidentiality arrangements consistent with Section 16.1.

10.9 Post-DISIS Report Meeting.

Within ten (10) Business Days of furnishing a final DISIS study report to Interconnection Customer(s) with an Interconnection Request in the Cluster and posting the report on OASIS, the Transmission Provider shall convene an open meeting to discuss the study results. The Transmission Provider shall, upon request, also make itself available to meet with individual Interconnection Customers after the study report is provided.

10.10 Re-Study.

If Re-Study of the Definitive Interconnection System Impact Study other than the re-study described above in 10.8(e.) is required due to a higher or equal priority queued Interconnection Request dropping out of the Queue, or a modification of a higher queued project Interconnection Request subject to Section 5.4, Transmission Provider shall notify Interconnection Customer(s) in writing. The Transmission Provider shall make Reasonable Efforts to ensure such Re-Study take no longer than one hundred fifty (150) Calendar Days from the date of notice. Any cost of Re-Study shall be borne by Interconnection Customer(s) being re-studied.

10.11 Readiness Milestones.

Satisfaction of the requirements of Readiness Milestones 1, 2, 3, and 4 are required throughout the Definitive Interconnection Study Process to demonstrate the readiness of the Interconnection Customer to develop the Generating Facility. Satisfaction of the requirements of Readiness Milestones 1, 2, 3 are required during the Definitive Interconnection System Impact Study Process. Readiness Milestone 4 is required after the Definitive Interconnection System Impact Study Process has concluded, but before the Facilities Study commences. Satisfaction of the requirements of Readiness Milestone 5 is required after the LGIA is executed as described in Section 10.11.5. An Interconnection Customer who does not satisfy the requirements of an applicable Readiness Milestone (or provide additional security in lieu thereof described in Section 10.11.6) is subject to withdrawal of its Interconnection Request from the queue and payment of a withdrawal penalty pursuant to Section 4.7.1.

10.11.1 Readiness Milestone 1 (“M1”).

M1 is satisfied by the Interconnection Customer providing one of the two options below. M1 may also be satisfied by providing additional security described in Section 10.11.6 in lieu of demonstrating readiness.

- a) Executed term sheet (or comparable evidence) related to a contract, binding upon the parties to the contract, for sale of (i) the constructed Generating Facility, (ii) the Generating Facility’s energy, or (iii) the Generating Facility’s ancillary services if the Generating Facility is an electric storage resource; where the term of sale under (ii) or (iii) is not less than five (5) years.
- b) Reasonable evidence the Generating Facility has been selected by a Resource Planning Entity in a Resource Plan or is offering to sell its output through a Resource Solicitation Process; or

10.11.2 Readiness Milestone 2 (“M2”).

M2 is satisfied by the Interconnection Customer providing one of the three options below. M2 also may be satisfied by providing additional security as described in Section 10.11.6 in lieu of demonstrating readiness.

- a) Executed term sheet (or comparable evidence) related to a contract, binding upon the parties to the contract, for sale of (i) the constructed Generating Facility, (ii) the Generating Facility’s energy, or (iii) the Generating Facility’s ancillary services if the Generating Facility is an electric storage resource; where the term of sale under (ii) or (iii) is not less than five (5) years.
- b) Reasonable evidence that the Generating Facility has been selected by a Resource Planning Entity in a Resource Plan or is offering to sell its output through a Resource Solicitation Process; or

- c) Provisional Large Generator Interconnection Agreement accepted for filing at FERC. Such an agreement shall not be suspended and shall include a commitment to construct the Generating Facility.

10.11.3 Readiness Milestone 3 (“M3”).

M3 is satisfied by the Interconnection Customer providing one of the three options below. M3 may also be satisfied by providing additional security described in Section 10.11.6 in lieu of demonstrating readiness.

- a) Executed contract, binding upon the parties to the contract, for sale of (i) the constructed Generating Facility, (ii) the Generating Facility’s energy, or (iii) the Generating Facility’s ancillary services if the Generating Facility is an electric storage resource; where under (ii) or (iii) the term of sale is not less than five (5) years.
- b) Reasonable evidence that the project has been selected by a Resource Planning Entity in a Resource Plan or is offering to sell its output through a Resource Solicitation Process; or
- c) A Provisional Large Generator Interconnection Agreement accepted for filing by FERC with reasonable evidence that the Generating Facility and Interconnection Facilities have commenced design and engineering.

10.11.4 Readiness Milestone 4 (“M4”).

M4 is satisfied by the Interconnection Customer providing one of the three options below. M4 may also be satisfied by providing security as described in Section 10.11.6 in lieu of demonstrating readiness.

- a) Executed contract, binding upon the parties to the contract, for sale of (i) the constructed Generating Facility, (ii) the Generating Facility’s energy, or (iii) the Generating Facility’s ancillary services and capacity if the Generating Facility is an electric storage resource; where under (ii) or (iii) the term of sale is not less than five (5) years;
- b) Reasonable evidence that the project has been selected by a Resource Planning Entity in a Resource Plan and, if required, has filed an application for a Certificate of Public Convenience and Necessity to construct the Generating Facility or has been selected in a Resource Solicitation Process; or
- c) A Provisional Large Generator Interconnection Agreement accepted for filing by FERC with reasonable evidence that the Generating Facility and Interconnection Facilities have commenced construction.

10.11.5 Readiness Milestone 5 (“M5”).

All Interconnection Customers are required to provide security in order to satisfy Readiness Milestone 5 (M5) when the LGIA is executed as described in Section 14.4. The amount of security required for M5 is equal to nine (9) times the Interconnection Customer's share of the Definitive Interconnection Study Process study costs. If this amount is not known, the Transmission Provider shall use the Section 4.4.2 study deposit amount as an estimate of study cost until such amounts are known. If initially estimated, M5 shall be updated when the final invoice for actual study costs is issued. As this M5 amount is the total security required to satisfy Readiness Milestone 5, any security previously provided pursuant to Sections 7.1, 7.2, 10.11.1, 10.11.2, 10.11.3, 10.11.4, or 10.11.6 shall be applied towards the Readiness Milestone 5 amount when the LGIA is executed. The Interconnection Customer shall only be responsible to provide the incremental amount of security to the Transmission Provider and any excess security provided shall be refunded to the Interconnection Customer. Transmission Provider shall refund all security provided under this section to the Interconnection Customer upon achieving Commercial Operation.

10.11.6 Security Requirements.

A table showing the security required in each milestone is provided in Appendix 6-2. The security amount is dependent on if the Interconnection Customer provided a Readiness Milestone and the study phase the Interconnection Customer is entering. All security shall be in the form of (a) cash or (b) an irrevocable letter of credit in a form reasonably acceptable to Transmission Provider.

Prior to the close of the Customer Engagement Window, all Interconnection Customers must provide initial security equal to the Section 4.1.2 study deposit amount as described in Section 10.1 and 10.8(a.). The security provided in Section 10.8(a.) will be applied towards the amount of security required for M5.

An Interconnection Customer may opt to provide security in lieu of providing Readiness Milestones 1 through 4, as described above in Sections 10.11.1, 10.11.2, 10.11.3, and 10.11.4. The security provided is applied towards the security amount required for each successive milestone if the Interconnection Customer does not withdraw from the Definitive Interconnection Study Process. For example, the security provided for M2 is applied to the amount of security required for M3. If an Interconnection Customer is initially required to provide increased financial security under this Section 10.11.6 because it cannot satisfy the requirements of a Readiness Milestone, but subsequently does satisfy those requirements prior to the next Readiness Milestone, its security should be reduced accordingly.

In lieu of providing a demonstration of readiness for Milestones 1 through 4, the amount of security required is a multiple of the study deposit described in Section 4.1.2 and is in addition to the initial security required for all Interconnection Customers under Section 10.1 and 10.8(a.). The additional amount of security required for each milestone for Interconnection Customers that do not provide a demonstration of readiness is:

M1 = 1 times the Section 4.1.2 study deposit amount

M2 = 2 times the Section 4.1.2 study deposit amount

M3 = 4 times the Section 4.1.2 study deposit amount

M4 = 6 times the Section 4.1.2 study deposit amount

For clarity, the total (i.e., inclusive of the security required under Section 10.8(a.) amount of security required for each milestone for Interconnection Customers that do not provide a demonstration of readiness is:

M1 = 2 times the Section 4.1.2 study deposit amount

M2 = 3 times the Section 4.1.2 study deposit amount

M3 = 5 times the Section 4.1.2 study deposit amount

M4 = 7 times the Section 4.1.2 study deposit amount

If the Interconnection Customer withdraws prior to executing an LGIA, the Transmission Provider shall be entitled to use the security as payment for (a) the final invoice for study costs and (b) the Withdrawal Penalty, after which any remaining amount of security shall be returned to Interconnection Customer. If the Interconnection Customer does not withdraw and executes an LGIA, the amount of financial security shall be increased or decreased as needed in order to reflect the cost estimate for Transmission Provider's Interconnection Facilities and Network Upgrades set forth in Appendix B to the LGIA. Once the LGIA is fully executed, the terms of the LGIA shall govern such security.

Section 811. Interconnection Facilities Study

811.1 Serial Interconnection Facilities Study Agreement.

Simultaneously with the delivery of the Interconnection System Impact Study to Interconnection Customer, Transmission Provider shall provide to Interconnection Customer an Interconnection Facilities Study Agreement in the form of Appendix 4 to this LGIP. The Interconnection Facilities Study Agreement shall provide that Interconnection Customer shall compensate Transmission Provider for the actual cost of the Interconnection Facilities Study. Within three (3) Business Days following the Interconnection System Impact Study results meeting, Transmission Provider shall provide to Interconnection Customer a non-binding good faith estimate of the cost and timeframe for completing the Interconnection Facilities Study. Interconnection

Customer shall execute the Interconnection Facilities Study Agreement and deliver the executed Interconnection Facilities Study Agreement to Transmission Provider within thirty (30) Calendar Days after its receipt, together with the required technical data and the greater of \$100,000 or Interconnection Customer's portion of the estimated monthly cost of conducting the Interconnection Facilities Study.

811.1.1 Transmission Provider shall invoice Interconnection Customer on a monthly basis for the work to be conducted on the Interconnection Facilities Study each month. Interconnection Customer shall pay invoiced amounts within thirty (30) Calendar Days of receipt of invoice. Transmission Provider shall continue to hold the amounts on deposit until settlement of the final invoice.

11.2 Definitive Interconnection Study Process-Facilities Study Agreement.

Simultaneously with the notice to Interconnection Customer(s) that Phase 3 is complete or not required, Transmission Provider shall provide to Interconnection Customer an Interconnection Facilities Study Agreement in the form of Appendix 7 to this LGIP. Within five (5) Business Days following the open DISIS results (Phase 2 or Phase 3) meeting, Transmission Provider shall provide to Interconnection Customer a non-binding good faith estimate of the cost and timeframe for completing the Interconnection Facilities Study. The Interconnection Facilities Study Agreement shall provide that Interconnection Customer shall compensate Transmission Provider for the actual cost of the Interconnection Facilities Study. Interconnection Customer shall execute the Interconnection Facilities Study Agreement and deliver the executed Interconnection Facilities Study Agreement to Transmission Provider, together with the required technical data, and Readiness Milestone 4 as described in Section 10.11.4. Interconnection Customers that do not provide the Readiness Milestone (or additional security in lieu of the Readiness Milestone) by the required date shall be deemed withdrawn from the Queue pursuant to Section 4.7.

8.211.3 Scope of Interconnection Facilities Study.

The Interconnection Facilities Study shall specify and provide a non-binding estimate of the cost of the equipment, engineering, procurement and construction work needed to implement the conclusions of the final Phase 2 or Phase 3 Report (as appropriate) in the Definitive Interconnection Study Process and the System Impact Study in the Serial Interconnection Study Process ~~Intereconnection System Impact Study~~ in accordance with Good Utility Practice to physically and electrically connect the Interconnection Facilities to the Transmission System. The Interconnection Facilities Study shall also identify the electrical switching configuration of the connection equipment, including, without limitation: the transformer, switchgear, meters, and other station equipment; the nature and estimated cost of any Transmission Provider's Interconnection Facilities and Network Upgrades necessary to accomplish the interconnection; and an estimate of the time required to complete the construction and installation of such facilities. The Facilities Study will also

identify any potential control equipment for requests for Interconnection Service that are lower than the Generating Facility Capacity.

8.311.4 Interconnection Facilities Study Procedures.

Transmission Provider shall coordinate the Interconnection Facilities Study with any Affected System pursuant to Section 34.6 above. Transmission Provider shall utilize existing studies to the extent practicable in performing the Interconnection Facilities Study. Transmission Provider shall use Reasonable Efforts to complete the study and issue a draft Interconnection Facilities Study report to Interconnection Customer within ~~the following number of days after receipt of an executed Interconnection Facilities Study Agreement: ninety (90) Calendar Days, with no more than a +/- 20 percent cost estimate contained in the report; or one hundred eighty (180) Calendar Days, if Interconnection Customer requests a +/- 10 percent cost estimate where Transmission Provider is administering the Serial Interconnection Study Process, and within one hundred fifty (150) Calendar Days for all Interconnection Customers within the Cluster where the Transmission Provider is administering the Definitive Interconnection Study Process.~~

At the request of Interconnection Customer or at any time Transmission Provider determines that it will not meet the required time frame for completing the Interconnection Facilities Study, Transmission Provider shall notify Interconnection Customer as to the schedule status of the Interconnection Facilities Study. If Transmission Provider is unable to complete the Interconnection Facilities Study and issue a draft Interconnection Facilities Study report within the time required, it shall notify Interconnection Customer and provide an estimated completion date and an explanation of the reasons why additional time is required.

Interconnection Customer may, within thirty (30) Calendar Days after receipt of the draft Interconnection Facilities Study report, provide written comments to Transmission Provider, which Transmission Provider shall ~~consider~~ include in completing the final Interconnection Facilities Study report. Transmission Provider shall issue the final Interconnection Facilities Study report within fifteen (15) Business Days of receiving Interconnection Customer's comments or promptly upon receiving Interconnection Customer's statement that it will not provide comments. Transmission Provider may reasonably extend such fifteen- ~~(15) Business d~~Day period upon notice to Interconnection Customer if Interconnection Customer's comments require Transmission Provider to perform additional analyses or make other significant modifications prior to the issuance of the final Interconnection Facilities Study Rreport. Upon request, Transmission Provider shall provide Interconnection Customer supporting documentation, workpapers, and databases or data developed in the preparation of the Interconnection Facilities Study, subject to confidentiality arrangements consistent with Section 136.1.

8.411.5 Meeting with Transmission Provider.

Within ten (10) Business Days of providing a draft Interconnection Facilities Study report to Interconnection Customer, Transmission Provider and Interconnection Customer shall meet to discuss the results of the Interconnection Facilities Study.

8.511.6 Serial Interconnection Study Process Facilities Study Re-Study.

If Re-Study of the Serial Interconnection Facilities Study is required due to a higher or equal priority queued project dropping out of the Queue or a modification of a higher queued project pursuant to Section 45.4, Transmission Provider shall so notify Interconnection Customer in writing. The Transmission Provider shall make Reasonable Efforts to ensure such Re-Study shall take no longer than sixty (60) Calendar Days from the date of notice. Re-Studies that require rerunning the system impact study analysis make take longer than sixty days. Any cost of Re-Study shall be borne by the Interconnection Customer(s) being re-studied.

11.7 Definitive Interconnection Study Process Facilities Study Re-Study.

If Re-Study of the Interconnection Facilities Study is required due to a higher or equal priority queued project dropping out of the Queue or a modification of a higher queued project pursuant to Section 5.4, Transmission Provider shall so notify Interconnection Customer in writing. The Transmission Provider shall make Reasonable Efforts to ensure such Re-Study shall take no longer than sixty (60) Calendar Days from the date of notice, unless the Transmission Provider DISIS Phase 3 re-study is required. Re-Studies that require rerunning the DISIS analysis make take longer than sixty days. Any cost of Re-Study shall be borne by the Interconnection Customer(s) being re-studied pursuant to Section 10.3.

Section 912. Engineering & Procurement (“E&P”) Agreement.

Prior to executing an LGIA, an Interconnection Customer may, in order to advance the implementation of its interconnection, request and Transmission Provider shall offer the Interconnection Customer, an E&P Agreement that authorizes Transmission Provider to begin engineering and procurement of long lead-time items necessary for the establishment of the interconnection. However, Transmission Provider shall not be obligated to offer an E&P Agreement if Interconnection Customer is in Dispute Resolution as a result of an allegation that Interconnection Customer has failed to meet any milestones in the Serial Interconnection Study Process, Readiness Milestones in the Definitive Interconnection Study Process, or comply with any prerequisites specified in other parts of the LGIP. The E&P Agreement is an optional procedure and it will not alter the Interconnection Customer's Queue Position or In-Service Date. The E&P Agreement shall provide for Interconnection Customer to pay the cost of all activities authorized by Interconnection Customer and to make advance payments or provide other satisfactory security for such costs.

Interconnection Customer shall pay the cost of such authorized activities and any cancellation costs for equipment that is already ordered for its interconnection, which cannot be mitigated as hereafter described, whether or not such items or equipment later become unnecessary. If Interconnection Customer withdraws its application for

interconnection or either Party terminates the E&P Agreement, to the extent the equipment ordered can be canceled under reasonable terms, Interconnection Customer shall be obligated to pay the associated cancellation costs. To the extent that the equipment cannot be reasonably canceled, Transmission Provider may elect: (i) to take title to the equipment, in which event Transmission Provider shall refund Interconnection Customer any amounts paid by Interconnection Customer for such equipment and shall pay the cost of delivery of such equipment, or (ii) to transfer title to and deliver such equipment to Interconnection Customer, in which event Interconnection Customer shall pay any unpaid balance and cost of delivery of such equipment.

Section 103. Serial Interconnection Study Process--Optional Interconnection Study

103.1 Optional Interconnection Study Agreement.

On or after the date when Interconnection Customer receives Interconnection System Impact Study results, Interconnection Customer may request, and Transmission Provider shall perform a reasonable number of Optional Studies. The request shall describe the assumptions that Interconnection Customer wishes Transmission Provider to study within the scope described in Section 103.2. Within five (5) Business Days after receipt of a request for an Optional Interconnection Study, Transmission Provider shall provide to Interconnection Customer an Optional Interconnection Study Agreement in the form of Appendix 59.

The Optional Interconnection Study Agreement shall: (i) specify the technical data that Interconnection Customer must provide for each phase of the Optional Interconnection Study, (ii) specify Interconnection Customer's assumptions as to which Interconnection Requests with earlier queue priority dates will be excluded from the Optional Interconnection Study case and assumptions as to the type of interconnection service for Interconnection Requests remaining in the Optional Interconnection Study case, and (iii) Transmission Provider's estimate of the cost of the Optional Interconnection Study. To the extent known by Transmission Provider, such estimate shall include any costs expected to be incurred by any Affected System whose participation is necessary to complete the Optional Interconnection Study. Notwithstanding the above, Transmission Provider shall not be required as a result of an Optional Interconnection Study request to conduct any additional Interconnection Studies with respect to any other Interconnection Request.

Interconnection Customer shall execute the Optional Interconnection Study Agreement within ten (10) Business Days of receipt and deliver the Optional Interconnection Study Agreement, the technical data and a \$10,000 deposit to Transmission Provider.

130.2 Scope of Optional Interconnection Study.

The Optional Interconnection Study will consist of a sensitivity analysis based on the assumptions specified by Interconnection Customer in the Optional Interconnection Study Agreement. The Optional Interconnection Study will also identify Transmission Provider's Interconnection Facilities and the Network Upgrades, and the estimated cost thereof, that may be required to provide transmission service or Interconnection Service based upon the results of the Optional Interconnection Study. The Optional Interconnection Study shall be performed solely for informational purposes. Transmission Provider shall use Reasonable Efforts to coordinate the study with any Affected Systems that may be affected by the types of Interconnection Services that are being studied. Transmission Provider shall utilize existing studies to the extent practicable in conducting the Optional Interconnection Study.

130.3 Optional Interconnection Study Procedures.

The executed Optional Interconnection Study Agreement, the prepayment, and technical and other data called for therein must be provided to Transmission Provider within ten (10) Business Days of Interconnection Customer receipt of the Optional Interconnection Study Agreement. Transmission Provider shall use Reasonable Efforts to complete the Optional Interconnection Study within a mutually agreed upon time period specified within the Optional Interconnection Study Agreement. If Transmission Provider is unable to complete the Optional Interconnection Study within such time period, it shall notify Interconnection Customer and provide an estimated completion date and an explanation of the reasons why additional time is required. Any difference between the study payment and the actual cost of the study shall be paid to Transmission Provider or refunded to Interconnection Customer, as appropriate. Upon request, Transmission Provider shall provide Interconnection Customer supporting documentation and workpapers and databases or data developed in the preparation of the Optional Interconnection Study, subject to confidentiality arrangements consistent with Section 136.1.

Section 114. Standard Large Generator Interconnection Agreement (LGIA)

114.1 Tender.

Interconnection Customer shall tender comments on the draft Interconnection Facilities Study Report within thirty (30) Calendar Days of receipt of the report. Within thirty (30) Calendar Days after the comments are submitted or after the Interconnection Customer notifies Transmission Provider in writing that it will provide no comments, Transmission Provider shall tender a draft LGIA, together with draft appendices. The draft LGIA shall be in the form of Transmission Provider's FERC-approved standard form LGIA, which is in Appendix 106. Interconnection Customer shall ~~execute and~~ return the completed draft appendices and execute the LGIA within thirty (30) Calendar Days, unless the sixty (60) Calendar Day negotiation period under Section 14.2 has commenced.

114.2 Negotiation.

Notwithstanding Section ~~14~~1.1, at the request of Interconnection Customer Transmission Provider shall begin negotiations with Interconnection Customer concerning the appendices to the LGIA at any time after Interconnection Customer executes the Interconnection Facilities Study Agreement. Transmission Provider and Interconnection Customer shall negotiate concerning any disputed provisions of the appendices to the draft LGIA for not more than sixty (60) Calendar Days after tender of the final Interconnection Facilities Study Report. If Interconnection Customer determines that negotiations are at an impasse, ~~Interconnection Customer~~ may request termination of the negotiations at any time after tender of the draft LGIA pursuant to Section ~~14~~1.1 and request submission of the unexecuted LGIA with FERC or initiate Dispute Resolution procedures pursuant to Section ~~13-6.65~~. If Interconnection Customer requests termination of the negotiations, but within sixty (60) Calendar Days thereafter fails to request either the filing of the unexecuted LGIA or initiate Dispute Resolution, it shall be deemed to have withdrawn its Interconnection Request. Unless otherwise agreed by the Parties, if Interconnection Customer has not executed the LGIA, requested filing of an unexecuted LGIA, or initiated Dispute Resolution procedures pursuant to Section ~~13-516.6~~ within sixty (60) Calendar Days of tender of draft LGIA, it shall be deemed to have withdrawn its Interconnection Request. Transmission Provider shall provide to Interconnection Customer a final LGIA within fifteen (15) Business Days after the completion of the negotiation process.

141.3 Serial Interconnection Study Process--Execution and Filing.

Within fifteen (15) Business Days after receipt of the final LGIA, Interconnection Customer shall provide Transmission Provider (A) reasonable evidence that continued Site Control or (B) posting of \$250,000, non-refundable additional security, which shall be applied toward future construction costs. At the same time, Interconnection Customer also shall provide reasonable evidence that one or more of the following milestones in the development of the Large Generating Facility, at Interconnection Customer election, has been achieved: (i) the execution of a contract for the supply or transportation of fuel to the Large Generating Facility; (ii) the execution of a contract for the supply of cooling water to the Large Generating Facility; (iii) execution of a contract for the engineering for, procurement of major equipment for, or construction of, the Large Generating Facility; (iv) execution of a contract for the sale of electric energy or capacity from the Large Generating Facility; or (v) application for an air, water, or land use permit.

Interconnection Customer shall either: (i) execute two originals of the tendered LGIA and return them to Transmission Provider; or (ii) request in writing that Transmission Provider file with FERC an LGIA in unexecuted form. As soon as practicable, but not later than ten (10) Business Days after receiving either the two executed originals of the tendered LGIA (if it does not conform with a FERC-approved standard form of interconnection agreement) or the request to file an unexecuted LGIA, Transmission Provider shall file the LGIA with FERC, together with its explanation of any matters as to which Interconnection Customer and Transmission Provider disagree and

support for the costs that Transmission Provider proposes to charge to Interconnection Customer under the LGIA. An unexecuted LGIA should contain terms and conditions deemed appropriate by Transmission Provider for the Interconnection Request. If the Parties agree to proceed with design, procurement, and construction of facilities and upgrades under the agreed-upon terms of the unexecuted LGIA, they may proceed pending FERC action.

14.4 Definitive Interconnection Study Process--Execution and Filing.

Within fifteen (15) Business Days after receipt of the final LGIA, Interconnection Customer shall (a) provide reasonable evidence that continued Site Control exists as defined in Section 1 and (b) post Readiness Milestone 5 (security equal to nine (9) times that Interconnection Customer's share of the Definitive Interconnection Study Process study costs). If the actual study costs are not known at the time, study costs shall be estimated as the study deposit described in Section 4.1.2, and the M5 amount shall be updated when the study costs are known. If the Interconnection Customer does not reach Commercial Operation, upon payment of any final invoice, including any Withdrawal Penalty, Readiness Milestone 5 shall be refunded to the Interconnection Customer, including any accumulated interest, if applicable. If the Interconnection Customer reaches Commercial Operation, Readiness Milestone 5 is refunded to the Interconnection Customer including any accumulated interest, if applicable. Within fifteen (15) Business Days after receipt of the final LGIA, Interconnection Customer also shall provide reasonable evidence that one or more of the following milestones in the development of the Large Generating Facility, at Interconnection Customer election, has been achieved: (i) the execution of a contract for the supply or transportation of fuel to the Large Generating Facility (not applicable for wind or solar resources); (ii) the execution of a contract for the supply of cooling water to the Large Generating Facility (not applicable for wind or solar resources); (iii) execution of a contract for the engineering for, procurement of major equipment for, or construction of, the Large Generating Facility; (iv) execution of a contract (or comparable evidence) for the sale of electric energy or capacity from the Large Generating Facility; or (v) application(s) for applicable air, water, or land use permit(s).

Interconnection Customer shall either: (i) execute two originals of the tendered LGIA and return them to Transmission Provider; or (ii) request in writing that Transmission Provider file with FERC an LGIA in unexecuted form. As soon as practicable, but not later than ten (10) Business Days after receiving either the two executed originals of the tendered LGIA (if it does not conform with a FERC-approved standard form of interconnection agreement) or the request to file an unexecuted LGIA, Transmission Provider shall file the LGIA with FERC, together with its explanation of any matters as to which Interconnection Customer and Transmission Provider disagree and support for the costs that Transmission Provider proposes to charge to Interconnection Customer under the LGIA. An unexecuted LGIA should contain terms and conditions deemed appropriate by Transmission Provider for the Interconnection Request. If the Parties agree to proceed with design, procurement, and construction of facilities and

upgrades under the agreed-upon terms of the unexecuted LGIA, they may proceed pending FERC action.

11.414.5 Commencement of Interconnection Activities.

If Interconnection Customer executes the final LGIA, Transmission Provider and Interconnection Customer shall perform their respective obligations in accordance with the terms of the LGIA, subject to modification by FERC. Upon submission of an unexecuted LGIA, Interconnection Customer and Transmission Provider shall promptly comply with the unexecuted LGIA, subject to modification by FERC.

Section 1215. Construction of Transmission Provider's Interconnection Facilities and Network Upgrades

125.1 Schedule.

Transmission Provider and Interconnection Customer shall negotiate in good faith concerning a schedule for the construction of Transmission Provider's Interconnection Facilities and the Network Upgrades.

125.2 Construction Sequencing.

125.2.1 General.

In general, the In-Service Date of an Interconnection Customers seeking interconnection to the Transmission System will determine the sequence of construction of Network Upgrades. Construction Sequencing may also apply to shared Transmission Provider's Interconnection Facilities in a similar manner as described below for Network Upgrades.

125.2.2 Advance Construction of Network Upgrades that are an Obligation of an Entity other than Interconnection Customer.

An Interconnection Customer with an LGIA, in order to maintain its In-Service Date, may request that Transmission Provider advance to the extent necessary the completion of Network Upgrades that: (i) were assumed in the Interconnection Studies for such Interconnection Customer, (ii) are necessary to support such In-Service Date, and (iii) would otherwise not be completed, pursuant to a contractual obligation of an entity other than Interconnection Customer that is seeking interconnection to the Transmission System, in time to support such In-Service Date. Upon such request, Transmission Provider will use Reasonable Efforts to advance the construction of such Network Upgrades to accommodate such request; provided that Interconnection Customer commits to pay Transmission Provider: (i) any associated expediting costs and (ii) the cost of such Network Upgrades.

Transmission Provider will refund to Interconnection Customer both the expediting costs and the cost of Network Upgrades, in accordance with

Article 11.4 of the LGIA. Consequently, the entity with a contractual obligation to construct such Network Upgrades shall be obligated to pay only that portion of the costs of the Network Upgrades that Transmission Provider has not refunded to Interconnection Customer. Payment by that entity shall be due on the date that it would have been due had there been no request for advance construction. Transmission Provider shall forward to Interconnection Customer the amount paid by the entity with a contractual obligation to construct the Network Upgrades as payment in full for the outstanding balance owed to Interconnection Customer. Transmission Provider then shall refund to that entity the amount that it paid for the Network Upgrades, in accordance with Article 11.4 of the LGIA.

125.2.3

Advancing Construction of Network Upgrades that are Part of an Expansion Plan of the Transmission Provider.

An Interconnection Customer with an LGIA, in order to maintain its In-Service Date, may request that Transmission Provider advance to the extent necessary the completion of Network Upgrades that: (i) are necessary to support such In-Service Date and (ii) would otherwise not be completed, pursuant to an expansion plan of Transmission Provider, in time to support such In-Service Date. Upon such request, Transmission Provider will use Reasonable Efforts to advance the construction of such Network Upgrades to accommodate such request; provided that Interconnection Customer commits to pay Transmission Provider any associated expediting costs. Interconnection Customer shall be entitled to transmission credits, if any, for any expediting costs paid.

125.2.4

Amended Interconnection System Impact Study.

An Interconnection System Impact Study will be amended to determine the facilities necessary to support the requested In-Service Date. This amended study will include those transmission and Large Generating Facilities that are expected to be in service on or before the requested In-Service Date.

Section 136. Miscellaneous

136.1 Confidentiality.

Confidential Information shall include, without limitation, all information relating to a Party's technology, research and development, business affairs, and pricing, and any information supplied by either of the Parties to the other prior to the execution of an LGIA.

Information is Confidential Information only if it is clearly designated or marked in writing as confidential on the face of the document, or, if the information is conveyed

orally or by inspection, if the Party providing the information orally informs the Party receiving the information that the information is confidential.

If requested by either Party, the other Party shall provide in writing, the basis for asserting that the information referred to in this Article warrants confidential treatment, and the requesting Party may disclose such writing to the appropriate Governmental Authority. Each Party shall be responsible for the costs associated with affording confidential treatment to its information.

136.1.1

Scope.

Confidential Information shall not include information that the receiving Party can demonstrate: (1) is generally available to the public other than as a result of a disclosure by the receiving Party; (2) was in the lawful possession of the receiving Party on a non-confidential basis before receiving it from the disclosing Party; (3) was supplied to the receiving Party without restriction by a third party, who, to the knowledge of the receiving Party after due inquiry, was under no obligation to the disclosing Party to keep such information confidential; (4) was independently developed by the receiving Party without reference to Confidential Information of the disclosing Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or Breach of the LGIA; or (6) is required, in accordance with Section 136.1.6, Order of Disclosure, to be disclosed by any Governmental Authority or is otherwise required to be disclosed by law or subpoena, or is necessary in any legal proceeding establishing rights and obligations under the

LGIA. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the other Party that it no longer is confidential.

136.1.2

Release of Confidential Information.

Neither Party shall release or disclose Confidential Information to any other person, except to its Affiliates (limited by the Standards of Conduct requirements), employees, consultants, or to parties who may be or considering providing financing to or equity participation with Interconnection Customer, or to potential purchasers or assignees of Interconnection Customer, on a need-to-know basis in connection with these procedures, unless such person has first been advised of the confidentiality provisions of this Section 163.1 and has agreed to comply with such provisions. Notwithstanding the foregoing, a Party providing Confidential Information to any person shall remain primarily responsible for any release of Confidential Information in contravention of this Section 163.1.

136.1.3

Rights.

Each Party retains all rights, title, and interest in the Confidential Information that each Party discloses to the other Party. The disclosure by each Party to the other Party of Confidential Information shall not be deemed a waiver by either Party or any other person or entity of the right to protect the Confidential Information from public disclosure.

136.1.4

No Warranties.

By providing Confidential Information, neither Party makes any warranties or representations as to its accuracy or completeness. In addition, by supplying Confidential Information, neither Party obligates itself to provide any particular information or Confidential Information to the other Party nor to enter into any further agreements or proceed with any other relationship or joint venture.

136.1.5

Standard of Care.

Each Party shall use at least the same standard of care to protect Confidential Information it receives as it uses to protect its own Confidential Information from unauthorized disclosure, publication or dissemination. Each Party may use Confidential Information solely to fulfill its obligations to the other Party under these procedures or its regulatory requirements.

136.1.6

Order of Disclosure.

If a court or a Government Authority or entity with the right, power, and apparent authority to do so requests or requires either Party, by subpoena, oral deposition, interrogatories, requests for production of documents, administrative order, or otherwise, to disclose Confidential Information, that Party shall provide the other Party with prompt notice of such request(s) or requirement(s) so that the other Party may seek an appropriate protective order or waive compliance with the terms of the LGIA. Notwithstanding the absence of a protective order or waiver, the Party may disclose such Confidential Information which, in the opinion of its counsel, the Party is legally compelled to disclose. Each Party will use Reasonable Efforts to obtain reliable assurance that confidential treatment will be accorded any Confidential Information so furnished.

136.1.7

Remedies.

The Parties agree that monetary damages would be inadequate to compensate a Party for the other Party's Breach of its obligations under this Section 136.1. Each Party accordingly agrees that the other Party shall be entitled to equitable relief, by way of injunction or otherwise, if

the first Party Breaches or threatens to Breach its obligations under this Section 136.1, which equitable relief shall be granted without bond or proof of damages, and the receiving Party shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the Breach of this Section 163.1, but shall be in addition to all other remedies available at law or in equity. The Parties further acknowledge and agree that the covenants contained herein are necessary for the protection of legitimate business interests and are reasonable in scope. No Party, however, shall be liable for indirect, incidental, or consequential or punitive damages of any nature or kind resulting from or arising in connection with this Section 136.1.

136.1.8

Disclosure to FERC, its Staff, or a State.

Notwithstanding anything in this Section 136.1 to the contrary, and pursuant to 18 CFR section 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to the LGIP, the Party shall provide the requested information to FERC or its staff, within the time provided for in the request for information. In providing the information to FERC or its staff, the Party must, consistent with 18 CFR section 388.112, request that the information be treated as confidential and non-public by FERC and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying the other Party prior to the release of the Confidential Information to FERC or its staff. The Party shall notify the other Party to the LGIA when it is notified by FERC or its staff that a request to release Confidential Information has been received by FERC, at which time either of the Parties may respond before such information would be made public, pursuant to 18 CFR section 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner, consistent with applicable state rules and regulations.

136.1.9

Subject to the exception in Section 136.1.8, any information that a Party claims is competitively sensitive, commercial or financial information ("Confidential Information") shall not be disclosed by the other Party to any person not employed or retained by the other Party, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the other Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this LGIP or as a transmission service provider or a Control Area operator including disclosing the Confidential Information to an RTO or ISO or to a subregional, regional or national reliability

organization or planning group. The Party asserting confidentiality shall notify the other Party in writing of the information it claims is confidential. Prior to any disclosures of the other Party's Confidential Information under this subparagraph, or if any third party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the disclosing Party agrees to promptly notify the other Party in writing and agrees to assert confidentiality and cooperate with the other Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

136.1.10 This provision shall not apply to any information that was or is hereafter in the public domain (except as a result of a Breach of this provision).

136.1.11 Transmission Provider shall, at Interconnection Customer's election, destroy, in a confidential manner, or return the Confidential Information provided at the time of Confidential Information is no longer needed.

136.2 Delegation of Responsibility.

Transmission Provider may use the services of subcontractors as it deems appropriate to perform its obligations under this LGIP. Transmission Provider shall remain primarily liable to Interconnection Customer for the performance of such subcontractors and compliance with its obligations of this LGIP. The subcontractor shall keep all information provided confidential and shall use such information solely for the performance of such obligation for which it was provided and no other purpose.

163.3 Serial Interconnection Study Process--Obligation for Study Costs.

Transmission Provider shall charge and Interconnection Customer shall pay the actual costs of the Interconnection Studies. Any difference between the study deposit and the actual cost of the applicable Interconnection Study shall be paid by or refunded, except as otherwise provided herein, to Interconnection Customer or offset against the cost of any future Interconnection Studies associated with the applicable Interconnection Request prior to beginning of any such future Interconnection Studies. Any invoices for Interconnection Studies shall include a detailed and itemized accounting of the cost of each Interconnection Study. Interconnection Customer shall pay any such undisputed costs within thirty (30) Calendar Days of receipt of an invoice therefor. Transmission Provider shall not be obligated to perform or continue to perform any studies unless Interconnection Customer has paid all undisputed amounts in compliance herewith.

16.4 Definitive Interconnection Study Process—Obligation for Study Costs and Withdrawal Penalty.

Transmission Provider shall charge and Interconnection Customer shall pay the actual costs of the Interconnection Studies and the Withdrawal Penalty, as applicable. Any difference between the study deposit and the actual cost of the applicable Interconnection Study shall be paid by or refunded, except as otherwise provided herein. Any invoices for Interconnection Studies shall include a detailed and itemized accounting of the cost of each Interconnection Study as well as the Withdrawal Penalty, if applicable. Interconnection Customer shall pay any such undisputed costs within thirty (30) Calendar Days of receipt of an invoice. Transmission Provider shall not be obligated to perform or continue to perform any studies unless Interconnection Customer has paid all undisputed amounts in compliance herewith. If invoices are not paid within thirty (30) Calendar Days of receipt of an invoice, Transmission Provider shall draw upon the security provided under this LGIP to settle all accounts, which shall include any offsets of amounts due and owing by Transmission Provider. After the final invoice is paid and all accounts are settled, Transmission Provider shall refund all remaining security.

136.54 Third Parties Conducting Studies.

If (i) at the time of the signing of an Interconnection Study Agreement there is disagreement as to the estimated time to complete an Interconnection Study, (ii) Interconnection Customer receives notice pursuant to Sections 3.3, 8.3, 9.4, ~~11.4,~~ or 13.36.3, 7.4 ~~or 8.3~~ that Transmission Provider will not complete an Interconnection Study within the applicable timeframe for such Interconnection Study, or (iii) Interconnection Customer receives neither the Interconnection Study nor a notice under Sections 3.3, 8.3, 9.4, ~~11.4,~~ or 13.36.3, 7.4 ~~or 8.3~~ within the applicable timeframe for such Interconnection Study, then Interconnection Customer may require Transmission Provider to utilize a third party consultant reasonably acceptable to Interconnection Customer and Transmission Provider to perform such Interconnection Study under the direction of Transmission Provider. At other times, Transmission Provider may also utilize a third party consultant to perform such Interconnection Study, either in response to a general request of Interconnection Customer, or on its own volition.

In all cases, use of a third party consultant shall be in accord with Article 26 of the LGIA (Subcontractors) and limited to situations where Transmission Provider determines that doing so will help maintain or accelerate the study process for Interconnection Customer's pending Interconnection Request and not interfere with Transmission Provider's progress on Interconnection Studies for other pending Interconnection Requests. In cases where Interconnection Customer requests use of a third party consultant to perform such Interconnection Study, Interconnection Customer and Transmission Provider shall negotiate all of the pertinent terms and conditions, including reimbursement arrangements and the estimated study completion date and study review deadline. Transmission Provider shall convey all workpapers, data bases, study results and all other supporting documentation prepared to date with respect to the Interconnection Request as soon as soon as practicable upon Interconnection Customer's request subject to the confidentiality provision in

Section 163.1. In any case, such third party contract may be entered into with either Interconnection Customer or Transmission Provider at Transmission Provider's discretion. In the case of (iii) Interconnection Customer maintains its right to submit a claim to Dispute Resolution to recover the costs of such third party study. Such third party consultant shall be required to comply with this LGIP, Article 26 of the LGIA (Subcontractors), and the relevant Tariff procedures and protocols as would apply if Transmission Provider were to conduct the Interconnection Study and shall use the information provided to

it solely for purposes of performing such services and for no other purposes.

Transmission Provider shall cooperate with such third party consultant and Interconnection Customer to complete and issue the Interconnection Study in the shortest reasonable time.

13.516.6 Disputes.

136.65.1 Submission.

In the event either Party has a dispute, or asserts a claim, that arises out of or in connection with the LGIA, the LGIP, or their performance, such Party (the "disputing Party") shall provide the other Party with written notice of the dispute or claim ("Notice of Dispute"). Such dispute or claim shall be referred to a designated senior representative of each Party for resolution on an informal basis as promptly as practicable after receipt of the Notice of Dispute by the other Party. In the event the designated representatives are unable to resolve the claim or dispute through unassisted or assisted negotiations within thirty (30) Calendar Days of the other Party's receipt of the Notice of Dispute, such claim or dispute may, upon mutual agreement of the Parties, be submitted to arbitration and resolved in accordance with the arbitration procedures set forth below. In the event the Parties do not agree to submit such claim or dispute to arbitration, each Party may exercise whatever rights and remedies it may have in equity or at law consistent with the terms of this LGIA. Where the Transmission Provider is administering a Definitive Interconnection Study Process as prescribed in Section 10 and an Interconnection Customer initiates a dispute pursuant to this Section, the disputing Interconnection Customer shall have the option to either withdraw from the Cluster and be studied as part of the next Cluster or to continue being evaluated as part of the Cluster provided that it complies with all Readiness Milestones and other requirements of the Section 10 DISIS process.

136.56.2 External Arbitration Procedures.

Any arbitration initiated under these procedures shall be conducted before a single neutral arbitrator appointed by the Parties. If the Parties fail to agree upon a single arbitrator within ten (10) Calendar Days of the submission of the dispute to arbitration, each Party shall choose one

arbitrator who shall sit on a three-member arbitration panel. The two arbitrators so chosen shall within twenty (20) Calendar Days select a third arbitrator to chair the arbitration panel. In either case, the arbitrators shall be knowledgeable in electric utility matters, including electric transmission and bulk power issues, and shall not have any current or past substantial business or financial relationships with any party to the arbitration (except prior arbitration). The arbitrator(s) shall provide each of the Parties an opportunity to be heard and, except as otherwise provided herein, shall conduct the arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("Arbitration Rules") and any applicable FERC regulations or RTO rules; provided, however, in the event of a conflict between the Arbitration Rules and the terms of this Section 136, the terms of this Section 136 shall prevail.

136.56.3

Arbitration Decisions.

Unless otherwise agreed by the Parties, the arbitrator(s) shall render a decision within ninety (90) Calendar Days of appointment and shall notify the Parties in writing of such decision and the reasons therefor. The arbitrator(s) shall be authorized only to interpret and apply the provisions of the LGIA and LGIP and shall have no power to modify or change any provision of the LGIA and LGIP in any manner. The decision of the arbitrator(s) shall be final and binding upon the Parties, and judgment on the award may be entered in any court having jurisdiction. The decision of the arbitrator(s) may be appealed solely on the grounds that the conduct of the arbitrator(s), or the decision itself, violated the standards set forth in the Federal Arbitration Act or the Administrative Dispute Resolution Act. The final decision of the arbitrator must also be filed with FERC if it affects jurisdictional rates, terms and conditions of service, Interconnection Facilities, or Network Upgrades.

136.56.4

Costs.

Each Party shall be responsible for its own costs incurred during the arbitration process and for the following costs, if applicable: (1) the cost of the arbitrator chosen by the Party to sit on the three member panel and one half of the cost of the third arbitrator chosen; or (2) one half the cost of the single arbitrator jointly chosen by the Parties.

136.56.5

Non-binding dispute resolution procedures. If a party has submitted a Notice of Dispute pursuant to sSection 136.56.1, and the Parties are unable to resolve the claim or dispute through unassisted or assisted negotiations within the thirty (30) Calendar Days provided in that section, and the Parties cannot reach mutual agreement to pursue the

~~Section 136.6.25~~ arbitration process, a Party may request that Transmission Provider engage in Non-binding Dispute Resolution pursuant to this section by providing written notice to Transmission Provider (“Request for Non-binding Dispute Resolution”). Conversely, either Party may file a Request for Non-binding Dispute Resolution pursuant to this section without first seeking mutual agreement to pursue the ~~Section 136.56.2~~ arbitration process. The process in ~~Section 136.56.5~~ shall serve as an alternative to, and not a replacement of, the ~~Section 136.56.2~~ arbitration process. Pursuant to this process, a Transmission Provider must within 30 days of receipt of the Request for Non-binding Dispute Resolution appoint a neutral decision-maker that is an independent subcontractor that shall not have any current or past substantial business or financial relationships with either Party. Unless otherwise agreed by the Parties, the decision-maker shall render a decision within sixty (60) Calendar Days of appointment and shall notify the Parties in writing of such decisions and reasons therefore. This decision-maker shall be authorized only to interpret and apply the provisions of the LGIP and LGIA and shall have no power to modify or change any provision of the LGIP and LGIA in any manner. The result reached in this process is not binding, but, unless otherwise agreed, the Parties may cite the record and decision in the non-binding dispute resolution process in future dispute resolution processes, including in a ~~Section 136.56.2~~ arbitration, or in a Federal Power Act section 206 complaint. Each Party shall be responsible for its own costs incurred during the process and the cost of the decision-maker shall be divided equally among each Party to the dispute.

136.67 Local Furnishing Bonds.

136.67.1 Transmission Providers That Own Facilities Financed by Local Furnishing Bonds.

This provision is applicable only to a Transmission Provider that has financed facilities for the local furnishing of electric energy with tax-exempt bonds, as described in Section 142(f) of the Internal Revenue Code ("local furnishing bonds"). Notwithstanding any other provision of this LGIA and LGIP, Transmission Provider shall not be required to provide Interconnection Service to Interconnection Customer pursuant to this LGIA and LGIP if the provision of such Transmission Service would jeopardize the tax-exempt status of any local furnishing bond(s)

used to finance Transmission Provider's facilities that would be used in providing such Interconnection Service.

163.76.2 Alternative Procedures for Requesting Interconnection Service.

If Transmission Provider determines that the provision of Interconnection Service requested by Interconnection Customer would jeopardize the tax-exempt status of any local furnishing bond(s) used to finance its facilities that would be used in providing such Interconnection Service, it shall advise the Interconnection Customer within thirty (30) Calendar Days of receipt of the Interconnection Request.

Interconnection Customer thereafter may renew its request for interconnection using the process specified in Article 5.2(ii) of the Transmission Provider's Tariff.

DRAFT

APPENDIX 1 to the LGIP

INFORMATIONAL INTERCONNECTION STUDY REQUEST

[Applicable to Section 3 Informational Interconnection Study Process, applicable only to Definitive Interconnection Study Process]

1. The undersigned Interconnection Customer submits this request to evaluate the interconnection of its Generating Facility with Transmission Provider's Transmission System pursuant to the Tariff.

2. The type of interconnection service to be evaluated (check one):

_____ Energy Resource Interconnection Service

_____ Network Resource Interconnection Service

_____ Provisional Interconnection Service (Generation Facility must have received DISIS Phase 1 report or have an executed Interconnection Agreement to request this service.)

3. Interconnection Customer provides the following information:

a. Address or location of the proposed new Large Generating Facility site (to the extent known) or, in the case of an existing Generating Facility, the name and specific location of the existing Generating Facility;

b. Maximum summer at _____ degrees C and winter at _____ degrees C megawatt electrical output of the proposed new Large Generating Facility or the amount of megawatt increase in the generating capacity of an existing Generating Facility;

c. General description of the equipment configuration;

d. Commercial Operation Date to be studied (Day, Month, and Year);

e. Name, address, telephone number, and e-mail address of Interconnection Customer's contact person;

f. Approximate location of the proposed Point of Interconnection;

g. Interconnection Customer Data (set forth in Attachment A)

h. Primary frequency response operating range for electric storage resources.

i. Requested capacity (in MW) of Interconnection Service (if lower than the Generating Facility Capacity); and

j. A Scope of Work including any additional information that may be reasonably required.

4. \$10,000 study deposit amount as specified in the LGIP.

5. For study purposes, the point of delivery to deliver within the Control Area or to adjoining Control Area if the Generating Facility is not designated a Network Resource pursuant to Section 30.2 of the Tariff.

6. This Informational Interconnection Study Request shall be submitted to the representative indicated below:

[To be completed by Transmission Provider]

7. Representative of Interconnection Customer to contact:

[To be completed by Interconnection Customer]

8. This Interconnection Request is submitted by:

Name of Interconnection Customer: _____

By (signature): _____

Name (type or print): _____

Title: _____

Date: _____

ATTACHMENT A TO APPENDIX 1
Informational Interconnection Study Request

LARGE GENERATING FACILITY DATA

UNIT RATINGS

kVA _____ **°F** _____ **Voltage** _____

Power Factor _____

Speed (RPM) _____ **Connection (e.g. Wye)** _____

Short Circuit Ratio _____ **Frequency, Hertz** _____

Stator Amperes at Rated kVA _____ **Field Volts** _____

Max Turbine MW _____ **°F** _____

Primary frequency response operating range for electric storage resources.

Minimum State of Charge: _____

Maximum State of Charge: _____

COMBINED TURBINE-GENERATOR-EXCITER INERTIA DATA

Inertia Constant, H = _____ kW sec/kVA

Moment-of-Inertia, WR² = _____ lb. ft.²

REACTANCE DATA (PER UNIT-RATED KVA)

DIRECT AXIS QUADRATURE AXIS

<u>Synchronous – saturated</u>	<u>X_{dv}</u>	<u>X_{qv}</u>
<u>Synchronous – unsaturated</u>	<u>X_{di}</u>	<u>X_{qi}</u>
<u>Transient – saturated</u>	<u>X'_{dv}</u>	<u>X'_{qv}</u>
<u>Transient – unsaturated</u>	<u>X'_{di}</u>	<u>X'_{qi}</u>
<u>Subtransient – saturated</u>	<u>X''_{dv}</u>	<u>X''_{qv}</u>
<u>Subtransient – unsaturated</u>	<u>X''_{di}</u>	<u>X''_{qi}</u>
<u>Negative Sequence – saturated</u>	<u>X_{2v}</u>	
<u>Negative Sequence – unsaturated</u>	<u>X_{2i}</u>	
<u>Zero Sequence – saturated</u>	<u>X_{0v}</u>	
<u>Zero Sequence – unsaturated</u>	<u>X_{0i}</u>	
<u>Leakage Reactance</u>	<u>X_{lm}</u>	
<u>Open Circuit</u>	<u>T'_{do}</u>	<u>T'_{qo}</u>
<u>Three-Phase Short Circuit Transient</u>	<u>T'_{d3}</u>	<u>T'_q</u>
<u>Line to Line Short Circuit Transient</u>	<u>T'_{d1}</u>	
<u>Short Circuit Subtransient</u>	<u>T''_d</u>	<u>T''_q</u>
<u>Open Circuit Subtransient</u>	<u>T'_{d2}</u>	
<u>Line to Neutral Short Circuit Transient</u>	<u>T''_{do}</u>	<u>T''_{qo}</u>

FIELD TIME CONSTANT DATA (SEC)
ARMATURE TIME CONSTANT DATA (SEC)

<u>Three Phase Short Circuit</u>	<u>Ta₃</u>
<u>Line to Line Short Circuit</u>	<u>Ta₂</u>
<u>Line to Neutral Short Circuit</u>	<u>Ta₁</u>

NOTE: If requested information is not applicable, indicate by marking "N/A."

MW CAPABILITY AND PLANT CONFIGURATION
LARGE GENERATING FACILITY DATA

ARMATURE WINDING RESISTANCE DATA (PER UNIT)

Positive R1
Negative R2
Zero R0

Rotor Short Time Thermal Capacity I²t = _____
Field Current at Rated kVA, Armature Voltage and PF = _____ amps
Field Current at Rated kVA and Armature Voltage, 0 PF = _____ amps
Three Phase Armature Winding Capacitance = _____ microfarad
Field Winding Resistance = _____ ohms °C
Armature Winding Resistance (Per Phase) = _____ ohms °C

CURVES

Provide Saturation, Vee, Reactive Capability, Capacity Temperature Correction curves. Designate normal and emergency Hydrogen Pressure operating range for multiple curves.

GENERATOR STEP-UP TRANSFORMER DATA RATINGS

Capacity Self-cooled/
 Maximum Nameplate
_____/_____ kVA

Voltage Ratio(Generator Side/System side/Tertiary)
_____/_____/_____ kV

Winding Connections (Low V/High V/Tertiary V (Delta or Wye))
_____/_____/_____

Fixed Taps Available _____

Present Tap Setting _____

If more than one transformer stage is used to deliver the output from the proposed generator to the Transmission System, please provide the information above for each transformer or transformer type.

IMPEDANCE

Positive
Z1 (on self-cooled kVA rating) _____ % X/R

Zero

Z0 (on self-cooled kVA rating) _____ % _____ X/R

EXCITATION SYSTEM DATA

Identify appropriate IEEE model block diagram of excitation system and power system stabilizer (PSS) for computer representation in power system stability simulations and the corresponding excitation system and PSS constants for use in the model.

GOVERNOR SYSTEM DATA

Identify appropriate IEEE model block diagram of governor system for computer representation in power system stability simulations and the corresponding governor system constants for use in the model.

WIND GENERATORS

Number of generators to be interconnected pursuant to this Interconnection Request: _____

Elevation: _____ Single Phase _____ Three Phase _____

Inverter manufacturer, model name, number, and version: _____

List of adjustable setpoints for the protective equipment or software: _____

Note: A completed General Electric Company Power Systems Load Flow (PSLF) data sheet or other compatible formats, such as IEEE and PTI power flow models, must be supplied with the Interconnection Request. If other data sheets are more appropriate to the proposed device, then they shall be provided and discussed at Scoping Meeting.

INDUCTION GENERATORS

(* Field Volts: _____

(* Field Amperes: _____

(* Motoring Power (kW): _____

(* Neutral Grounding Resistor (If Applicable): _____

(* I²t or K (Heating Time Constant): _____

(* Rotor Resistance: _____

(* Stator Resistance: _____

(* Stator Reactance: _____

- (*) Rotor Reactance: _____
- (*) Magnetizing Reactance: _____
- (*) Short Circuit Reactance: _____
- (*) Exciting Current: _____
- (*) Temperature Rise: _____
- (*) Frame Size: _____
- (*) Design Letter: _____
- (*) Reactive Power Required In Vars (No Load): _____
- (*) Reactive Power Required In Vars (Full Load): _____
- (*) Total Rotating Inertia, H: _____ Per Unit on KVA Base

Note: Please consult Transmission Provider prior to submitting the Informational Interconnection Study Request to determine if the information designated by (*) is required.

DRAFT

APPENDIX 2 to the LGIP
INFORMATIONAL INTERCONNECTION STUDY AGREEMENT
[Applicable to Section 3 Informational Interconnection Study Process, applicable
only to Definitive Interconnection Study Process]

THIS AGREEMENT is made and entered into this _____ day of _____, 20____ by and between _____, a _____ organized and existing under the laws of the State of _____, (“Interconnection Customer,”) and _____ a _____ existing under the laws of the State of _____, (“Transmission Provider”). Interconnection Customer and Transmission Provider each may be referred to as a “Party,” or collectively as the “Parties.”

RECITALS

WHEREAS, Interconnection Customer is evaluating developing a Generating Facility or generating capacity addition to an existing Generating Facility; and

WHEREAS, Interconnection Customer is proposing to evaluate an interconnection with the Transmission System; and

WHEREAS, Interconnection Customer has submitted to Transmission Provider an Informational Interconnection Study Interconnection Request; and

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein the Parties agree as follows:

- 1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in in Transmission Provider's FERC-approved LGIP.
- 2.0 Interconnection Customer elects and Transmission Provider shall cause an Informational Interconnection Study consistent with Section 3 of this LGIP to be performed in accordance with the Tariff.
- 3.0 The scope of the Informational Interconnection Study shall be subject to the assumptions set forth in Attachment A to this Agreement.
- 4.0 The Informational Interconnection Study shall be performed solely for informational purposes.

5.0 The Informational Interconnection Study report shall provide an analysis based on the assumptions specified by Interconnection Customer in Attachment A to this Agreement, as agreed to by the Transmission Provider. The Informational Interconnection Study shall preliminarily identify Transmission Provider's Interconnection Facilities and the Network Upgrades, and the estimated cost thereof that may be required to interconnect the proposed Generating Facility based upon the assumptions specified by Interconnection Customer in Attachment A.

6.0 Interconnection Customer shall provide a deposit of ten thousand dollars (\$10,000.00) for the performance of the Informational Interconnection Study. Transmission Provider's good faith estimate for the time of completion of the Informational Interconnection Study is [insert date].

Upon receipt of the Informational Interconnection Study, Transmission Provider shall charge and Interconnection Customer shall pay the actual costs of the Informational Interconnection Study.

Any difference between the initial deposit and the actual cost of the study shall be paid by or refunded to Interconnection Customer, as appropriate.

7.0 Miscellaneous. The Informational Interconnection Study Agreement shall include standard miscellaneous terms including, but not limited to, indemnities, representations, disclaimers, warranties, governing law, amendment, execution, waiver, enforceability and assignment, that reflect best practices in the electric industry, and that are consistent with regional practices, Applicable Laws and Regulations, and the organizational nature of each Party. All of these provisions, to the extent practicable, shall be consistent with the provisions of the LGIP and the LGIA.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

[Insert name of Transmission Provider]

By: _____

Title: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

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ATTACHMENT A
Informational Interconnection Study Agreement

ASSUMPTIONS USED IN CONDUCTING THE INFORMATIONAL STUDY

[Assumptions to be completed by Interconnection Customer and Transmission Provider]

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**APPENDIX ~~31~~ to LGIP
INTERCONNECTION REQUEST FOR A
LARGE GENERATING FACILITY**

1. The undersigned Interconnection Customer submits this request to interconnect its Large Generating Facility with Transmission Provider's Transmission System pursuant to a Tariff.
2. This Interconnection Request is for (check one):
 - A proposed new Large Generating Facility.
 - An increase in the generating capacity or a Material Modification of an existing Generating Facility.
 - Replacement of Existing Generating Facility with no increase in capacity.
 - A Generating Facility proposed for inclusion in a Resource Solicitation Process.
3. The type of interconnection service requested (check one):
 - Energy Resource Interconnection Service
 - Network Resource Interconnection Service
4. Check here only if Interconnection Customer requesting Network Resource Interconnection Service also seeks to have its Generating Facility studied for Energy Resource Interconnection Service (for Serial Interconnection Study Process only)
5. Interconnection Customer provides the following information:
 - a. Address or location of the proposed new Large Generating Facility site (to the extent known) or, in the case of an existing Generating Facility, the name and specific location of the existing Generating Facility;
 - b. Maximum summer at ____ degrees C and winter at ____ degrees C megawatt electrical output of the proposed new Large Generating Facility or the amount of megawatt increase in the generating capacity of an existing Generating Facility;
 - c. General description of the equipment configuration;
 - d. Commercial Operation Date (Day, Month, and Year);

- e. Name, address, telephone number, and e-mail address of Interconnection Customer's contact person;
 - f. Approximate location of the proposed Point of Interconnection (optional); and
 - g. Interconnection Customer Data (set forth in Attachment A, Attachment B, and Attachment C)
 - h. Primary frequency response operating range for electric storage resources.
 - i. Requested capacity (in MW) of Interconnection Service (if lower than the Generating Facility Capacity).
 - j. If this Interconnection Request is for Generation Replacement, Interconnection Customer must submit:
Planned or Actual date of cessation of operation for the Existing Generating Facility;
Expected Commercial Operation Date for the Replacement Generating Facility:
6. Interconnection Customer provides applicable study deposit amount ~~Applicable deposit amount~~ as specified in the LGIP.

For the Serial Interconnection Study Process, an Interconnection Customer shall submit a refundable deposit of \$10,000.

For the Definitive Interconnection Study Process, an Interconnection Customer shall submit an application fee of \$5,000 and the applicable deposit amount listed below:

\$20,000 plus one dollar (\$1.00) per kWac for requests < 20 MW requesting NRIS, or

\$35,000 plus one dollar (\$1.00) per kWac for requests ≥ 20 MW < 50 MW, or

50,000 plus one dollar (\$1.00) per kWac for requests ≥ 50 MW < 80 MW, or

\$150,000 for requests ≥ 80 MW < 200 MW; or

\$250,000 for requests ≥ 200 MW.

7. For the Definitive Interconnection Study Process, Interconnection Customer shall also be responsible for providing (1) one times (1x) the applicable study deposit amount and (2) either (a.) achieving Readiness Milestone 1 (M1) or (b.) providing additional security prior to the close of the Customer Engagement Window as specified in Sections 10.1, 10.8(a.), and 10.11.6 of the LGIP.
8. If requesting NRIS: Interconnection Customer provides the expected point of delivery to deliver within the Transmission Provider's Control Area or to an adjoining Control Area if the Generating Facility is not designated a Network Resource pursuant to Section 30.2 of the Tariff.
9. Interconnection Customer provides Evidence of Site Control as specified in the LGIP and Transmission Provider's business practices posted on OASIS or a deposit in lieu of Site Control as described in Section 4.4.1 or 4.4.2 of the LGIP.

710. Evidence of Site Control as specified in the LGIP (check one)
- Is attached to this Interconnection Request
- Will be provided at a later date prior to commencement of the Serial System Impact Study or Phase I of the Definitive Interconnection System Impact Study in accordance with this LGIP
- Interconnection Customer may provide a deposit equal to \$20,000 plus \$500/MW in lieu of Site Control to enter Phase 1 of the Definitive Interconnection Study Process. A deposit in lieu of Site Control is not accepted for later Phases of the study process. ~~in accordance with this LGIP~~

118. This Interconnection Request shall be submitted to the representative indicated below:

[To be completed by Transmission Provider]

912. Representative of Interconnection Customer to contact:

[To be completed by Interconnection Customer]

103. This Interconnection Request is submitted by:

Name of Interconnection Customer: _____

By (signature): _____

Name (type or print): _____

Title: _____

Date: _____

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SITE CONTROL AND ADEQUACY

Total acres required to construct the Generating Facility:

Total acres under Site Control for the Generating Facility at the time of application:

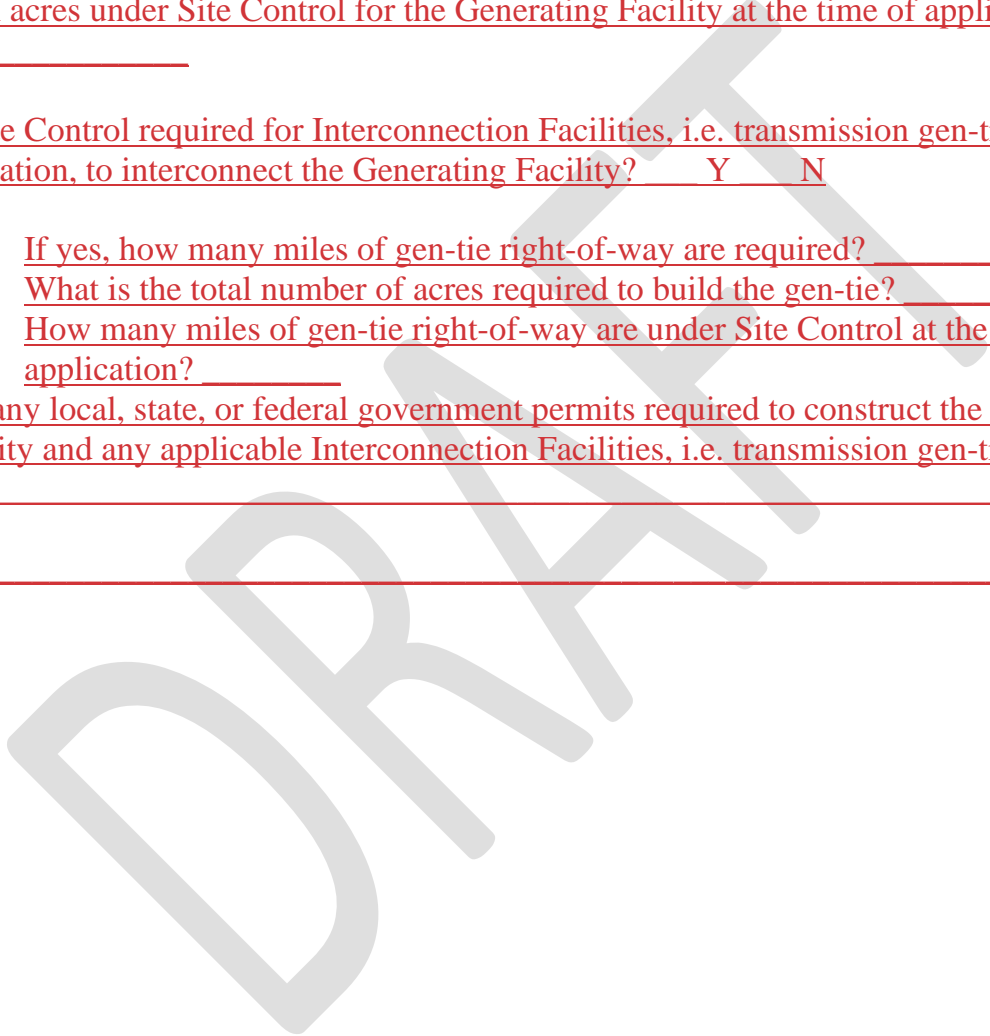
Is Site Control required for Interconnection Facilities, i.e. transmission gen-tie or substation, to interconnect the Generating Facility? Y N

If yes, how many miles of gen-tie right-of-way are required? _____

What is the total number of acres required to build the gen-tie? _____

How many miles of gen-tie right-of-way are under Site Control at the time of this application? _____

List any local, state, or federal government permits required to construct the Generating Facility and any applicable Interconnection Facilities, i.e. transmission gen-tie:



LARGE GENERATING FACILITY DATA
(Synchronous)
See Attachment C for Inverter-Based Resources

UNIT RATINGS

kVA _____ °F _____ Voltage _____
 Power Factor _____
 Speed (RPM) _____ Connection (e.g. Wye) _____
 Short Circuit Ratio _____ Frequency, Hertz _____
 Stator Amperes at Rated kVA _____ Field Volts _____
 Max Turbine MW _____ °F _____

Primary frequency response operating range for electric storage resources:

Minimum State of Charge: _____

Maximum State of Charge: _____

COMBINED TURBINE-GENERATOR-EXCITER INERTIA DATA

Inertia Constant, H = _____ kW sec/kVA
 Moment-of-Inertia, WR² = _____ lb. ft.²

REACTANCE DATA (PER UNIT-RATED KVA)

	DIRECT AXIS	QUADRATURE AXIS
Synchronous – saturated	X _{dv} _____	X _{qv} _____
Synchronous – unsaturated	X _{di} _____	X _{qi} _____
Transient – saturated	X' _{dv} _____	X' _{qv} _____
Transient – unsaturated	X' _{di} _____	X' _{qi} _____
Subtransient – saturated	X'' _{dv} _____	X'' _{qv} _____
Subtransient – unsaturated	X'' _{di} _____	X'' _{qi} _____
Negative Sequence – saturated	X _{2v} _____	

Negative Sequence – unsaturated X_{2i} _____
 Zero Sequence – saturated X_{0v} _____
 Zero Sequence – unsaturated X_{0i} _____
 Leakage Reactance X_{lm} _____

FIELD TIME CONSTANT DATA (SEC)

Open Circuit T'_{do} _____ T'_{qo} _____
 Three-Phase Short Circuit Transient T'_{d3} _____ T'_q _____
 Line to Line Short Circuit Transient T'_{d2} _____
 Line to Neutral Short Circuit Transient T'_{d1} _____
 Short Circuit Subtransient T''_d _____ T''_q _____
 Open Circuit Subtransient T''_{do} _____ T''_{qo} _____

ARMATURE TIME CONSTANT DATA (SEC)

Three Phase Short Circuit T_{a3} _____
 Line to Line Short Circuit T_{a2} _____
 Line to Neutral Short Circuit T_{a1} _____

NOTE: If requested information is not applicable, indicate by marking "N/A."

**MW CAPABILITY AND PLANT CONFIGURATION
 LARGE GENERATING FACILITY DATA**

ARMATURE WINDING RESISTANCE DATA (PER UNIT)

Positive R_1 _____
 Negative R_2 _____
 Zero R_0 _____

Rotor Short Time Thermal Capacity $I_2^2t =$ _____
 Field Current at Rated kVA, Armature Voltage and PF = _____ amps
 Field Current at Rated kVA and Armature Voltage, 0 PF = _____ amps
 Three Phase Armature Winding Capacitance = _____ microfarad
 Field Winding Resistance = _____ ohms _____ °C
 Armature Winding Resistance (Per Phase) = _____ ohms _____ °C

CURVES

Provide Saturation, Vee, Reactive Capability, Capacity Temperature Correction curves.
Designate normal and emergency Hydrogen Pressure operating range for multiple curves.

GENERATOR STEP-UP TRANSFORMER DATA RATINGS

Capacity (Self-cooled/
Maximum Nameplate)
_____ / _____ kVA

Voltage Rating (~~Generator Side~~ High V/Low V/ ~~System side~~ Tertiary V)
_____ / _____ / _____ kV

Winding Connections (High V/Low V/ ~~High V~~ / Tertiary V (Delta or Wye))
_____ / _____ / _____

~~Fixed~~ De-energized Taps Available

Present or Planned Tap Setting

TRANSFORMER IMPEDANCE

Positive Z_1 (on self-cooled kVA rating) _____ % _____ X/R

Zero Z_0 (on self-cooled kVA rating) _____ % _____ X/R

If more than one transformer stage is used to deliver the output from the proposed
Generating Facility to the Transmission System, please provide the information above for
each transformer.

EXCITATION SYSTEM DATA

Identify appropriate IEEE model block diagram of excitation system and power system stabilizer (PSS) for computer representation in power system stability simulations and the corresponding excitation system and PSS constants for use in the model.

GOVERNOR SYSTEM DATA

Identify appropriate IEEE model block diagram of governor system for computer representation in power system stability simulations and the corresponding governor system constants for use in the model.

WIND GENERATORS

~~Number of generators to be interconnected pursuant to this Interconnection Request:~~

~~Elevation: _____ Single Phase _____ Three Phase~~

~~Inverter manufacturer, model name, number, and version:~~

~~List of adjustable setpoints for the protective equipment or software:~~

~~Note: A completed General Electric Company Power Systems Load Flow (PSLF) data sheet or other compatible formats, such as IEEE and PTI power flow models, must be supplied with the Interconnection Request. If other data sheets are more appropriate to the proposed device, then they shall be provided and discussed at Scoping Meeting.~~

INDUCTION GENERATORS

- (*) Field Volts: _____
- (*) Field Amperes: _____
- (*) Motoring Power (kW): _____
- (*) Neutral Grounding Resistor (If Applicable): _____
- (*) I_2^2t or K (Heating Time Constant): _____
- (*) Rotor Resistance: _____
- (*) Stator Resistance: _____
- (*) Stator Reactance: _____
- (*) Rotor Reactance: _____
- (*) Magnetizing Reactance: _____
- (*) Short Circuit Reactance: _____
- (*) Exciting Current: _____
- (*) Temperature Rise: _____
- (*) Frame Size: _____
- (*) Design Letter: _____
- (*) Reactive Power Required In Vars (No Load): _____
- (*) Reactive Power Required In Vars (Full Load): _____
- (*) Total Rotating Inertia, H: _____ Per Unit on KVA Base

Note: Please consult Transmission Provider prior to submitting the Interconnection Request to determine if the information designated by (*) is required.

LARGE GENERATING FACILITY DATA (INVERTER-BASED RESOURCES)

1. Requested Net MW Injection at the POI: _____ MW

Gross Inverter Nameplate Capability: _____ MVA (total of all inverters)

Station Service Load: _____ MW _____ Mvar

Additional Information for Storage (For DC-connected batteries, include the following data on the solar inverter data sheet. For AC-connected batteries, complete a separate data sheet.)

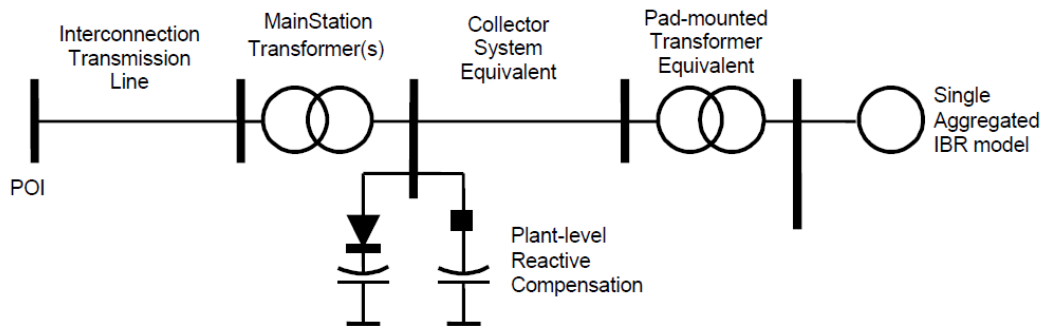
MW Rating of Storage: _____ MW for Time: _____ Hours

Gross Energy Rating: _____ MW-HR

Maximum State of Charge: _____ pu

Minimum State of Charge: _____ pu

2. Simplified One-Line Diagram. This should be similar to the Figure below. If different, mark the differences on the diagram below or provide a new diagram.



3. Interconnection Tie Line.

a) Point of Interconnection (substation or line name): _____

b) Line voltage: _____ kV, line rating at _____ °F ambient: _____ MVA, line length: _____ Miles/Feet

c) $R_1 =$ _____ ohm or _____ pu on 100 MVA and line kV base (positive sequence)

d) $X_1 =$ _____ ohm or _____ pu on 100 MVA and line kV base (positive sequence)

e) $B_1 =$ _____ μF or _____ pu on 100 MVA and line kV base (positive sequence)

f) $R_0 =$ _____ ohm or _____ pu on 100 MVA and line kV base (zero sequence)

g) $X_0 =$ _____ ohm or _____ pu on 100 MVA and line kV base (zero sequence)

h) $B_0 =$ _____ μF or _____ pu on 100 MVA and line kV base (zero sequence)

4. **Main Transformer.** Number of main transformers: _____

Two-Winding Main Transformer Data (as applicable):

a) Rating (ONAN/ONAF/ONAF): _____ / _____ / _____ MVA

b) Nominal Voltage for each winding (High/Low): _____ / _____ kV

c) Winding Connections (High/Low): [Delta or Wye] / [Delta or Wye]

d) Available tap positions: _____ / _____ / _____ / _____ / _____ kV or _____ % # of taps.

e) Positive sequence impedance Z_1 : _____ %, _____ X/R on self-cooled (ONAN) MVA rating above.

f) Zero sequence impedance Z_0 : _____ %, _____ X/R on self-cooled (ONAN) MVA rating above.

g) For pad-mounted transformer, construction: 3 / 4 / 5 -legged

Three-Winding Main Transformer Data (as applicable)

h) Connection and winding (please attach diagram and mark to reference this form).

	<u>H Winding Data</u>	<u>X Winding Data</u>	<u>Y Winding Data</u>
<u>Full load ratings</u> (i.e. ONAN/ONAF/ONAF)	_____ / _____ / _____ MVA	_____ / _____ / _____ MVA	_____ / _____ / _____ MVA
<u>Rated voltage base</u>	_____ kV Delta or Wye connected	_____ kV Delta or Wye connected	_____ kV Delta or Wye connected
<u>Tap positions available</u>	_____ / _____ / _____ _____ / _____ / _____ kV	_____ / _____ / _____ _____ / _____ / _____ kV	_____ / _____ / _____ _____ / _____ / _____ kV
<u>Present Tap Setting</u> (if applicable)	_____ kV	_____ kV	_____ kV
<u>Neutral solidly grounded? (or) Neutral Grounding Resistor (if applicable)</u>	_____ _____ Ohms	_____ _____ Ohms	_____ _____ Ohms
<u>BIL rating</u>	_____ kV	_____ kV	_____ kV

Three-Winding Main Transformer Impedance Data (as applicable)

	<u>H-X Winding Data</u>	<u>H-Y Winding Data</u>	<u>X-Y Winding Data</u>
<u>Transformer base for impedances provided</u>	_____ MVA	_____ MVA	_____ MVA
<u>Positive sequence impedance Z_1</u>	_____ % _____ X/R	_____ % _____ X/R	_____ % _____ X/R
<u>Zero sequence impedance Z_0</u>	_____ % _____ X/R	_____ % _____ X/R	_____ % _____ X/R

5. Collector System Equivalent Model. (Calculated as per “WECC Guide for Representation of Photovoltaic Systems in Large-Scale Load Flow Simulations”, January 2011)

- a) Collector system one-line diagram attached: _____
- b) Collector system voltage = _____ kV
- c) Collector system equivalent impedance:
- i) $R_1 =$ _____ ohm or _____ pu on 100 MVA and collector kV base (positive sequence)
 - ii) $X_1 =$ _____ ohm or _____ pu on 100 MVA and collector kV base (positive sequence)
 - iii) $C_1 =$ _____ μ F or $B_1 =$ _____ pu on 100 MVA and collector kV base (positive sequence)
 - iv) $R_0 =$ _____ ohm or _____ pu on 100 MVA and collector kV base (zero sequence)
 - v) $X_0 =$ _____ ohm or _____ pu on 100 MVA and collector kV base (zero sequence)
 - vi) $C_0 =$ _____ μ F or $B_0 =$ _____ pu on 100 MVA and collector kV base (zero sequence)

6. Must include spreadsheet of individual, detailed cable impedances **Inverter Step-Up Transformers.**

- a) Number of inverter step-up transformers: _____ Rating: _____ / _____ / _____ MVA

Two-Winding Inverter Step-Up Transformer Data (as applicable):

- b) Nominal Voltage for each winding (High/Low): _____ / _____ kV
- c) Winding Connections: High: Delta or Wye / Low: Delta or Wye
- d) Available taps: _____ / _____ / _____ / _____ kV **or** _____ % # of taps.
- e) Positive sequence impedance (Z_1) _____ %, _____ X/R on MVA rating above.

f) Zero sequence impedance (Z_0) %, X/R on MVA rating above.

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Three-Winding Inverter Step-Up Transformer Data (as applicable)

g) Connection and winding (attach diagram and mark to reference this form).

	<u>H Winding Data</u>	<u>X Winding Data</u>	<u>Y Winding Data</u>
<u>Full load ratings</u> (i.e. ONAN/ONAF/ONAF)	____ / ____ / ____ MVA	____ / ____ / ____ MVA	____ / ____ / ____ MVA
<u>Rated voltage base</u>	____ kV Delta or Wye connected	____ kV Delta or Wye connected	____ kV Delta or Wye connected
<u>Tap positions available</u>	____ / ____ / ____ ____ / ____ / ____ kV	____ / ____ / ____ ____ / ____ / ____ kV	____ / ____ / ____ ____ / ____ / ____ kV
<u>Present Tap Setting</u> (if applicable)	____ kV	____ kV	____ kV
<u>Neutral solidly grounded? (or) Neutral Grounding Resistor (if applicable)</u>	____ Ohms	____ Ohms	____ Ohms
<u>BIL rating</u>	____ kV	____ kV	____ kV

Three-Winding Inverter Step-Up Transformer Impedance Data (as applicable)

	<u>H-X Winding Data</u>	<u>H-Y Winding Data</u>	<u>X-Y Winding Data</u>
<u>Transformer base for impedances provided</u>	____ MVA	____ MVA	____ MVA
<u>Positive sequence impedance Z₁</u>	____ % X/R	____ % X/R	____ % X/R
<u>Zero sequence impedance Z₀</u>	____ % X/R	____ % X/R	____ % X/R

7. Inverter and IBR Data.

a) Number of Inverters: _____

b) Inverter Capability at _____ °F: _____ kW/ _____ kVA

- c) Inverter Temperature Derating Curve attached: _____
- d) Power Factor: _____ Leading _____ Lagging
- e) IBR kW vs kvar capability curve attached: _____ at _____ °F
- f) Inverter Manufacturer and Model #: _____
- g) IBR Module (e.g. solar panel or battery) Manufacturer and Model #: _____
- h) Provide with this form appropriate dynamic models for the IBR. Including a power plant control model that provides volt/var control and active power/frequency control functions, in a Siemens/PTI PSS/E format. Provide BOTH user-written models AND generic (recommended REGCAU1, REECAU1, REECC1, and REPCAU1 or similar as requested by Transmission Owner-TO) models. The user-written models shall include the model characteristics, block diagrams, values and names for all model parameters and a list of all state variables. All of the associated files for dynamic modeling should be in PSS/E version 33 and 34 formats. The generic models will be shared in the interconnection-wide based cases.¹ Check here to indicate all required files are attached: _____

8. Plant Reactive Power Compensation (beyond the inverters' built-in reactive capability).

- a) Type of reactive compensation device(s): _____
- b) Individual fixed shunt reactive device type: _____
 - Number and size of each: _____ × _____ MVA
- c) Dynamic reactive control device (e.g., SVC, STATCOM): _____
- d) Control range: _____ Mvar (lead) to _____ Mvar (lag)
- e) Control mode (e.g., voltage, power factor, reactive power): _____
- f) Regulation point: _____
- g) Describe the overall reactive power control strategy: _____
- h) Provide with this form the dynamic modeling data in a Siemens/PTI PSS/E standard model. If a user-written model is submitted in place of a generic model, it must include the model characteristics, including block diagrams, values and names for all model parameters, and a list of all state variables. All of the associated files for dynamic modeling should be in the PSS/E version requested by TO and must be shareable on an interconnection-wide basis to support use in the interconnection-wide cases.² Check here to indicate all required files are attached: _____

¹ As required by NERC Reliability Standard MOD-32-1.

² As required by NERC Reliability Standard MOD-32-1.

9. Short Circuit Contribution of the Facility at the Point of Interconnection.

a) Maximum Three Phase Fault Current: _____ Amps and Duration: _____

b) Maximum Single Line to Ground Fault* Current: _____ Amps and Duration: _____

Model and parameter data required for short-circuit analysis is specific to each PV inverter make and model. All data to be provided in per-unit ohms, on the equivalent inverter MVA base.

- Inverter Equivalent MVA Base: _____ MVA
- Short-Circuit Equivalent Pos. Seq. Resistance (R1), valid for initial 4 to 6 cycles: _____ pu.
- Short-Circuit Equivalent Pos. Seq. Reactance (XL1), valid for initial 4 to 6 cycles: _____ pu.
- Short-Circuit Equivalent Neg. Seq. Resistance (R2), valid for initial 4 to 6 cycles: _____ pu.
- Short-Circuit Equivalent Neg. Seq. Reactance (XL2), valid for initial 4 to 6 cycles: _____ pu.
- Short-Circuit Equivalent Zero Seq. Resistance (R0), valid for initial 4 to 6 cycles: _____ pu.
- Short-Circuit Equivalent Zero Seq. Reactance (XL0), valid for initial 4 to 6 cycles: _____ pu.
- Special notes regarding short-circuit modeling assumptions:

* Single Line to Ground Fault at the Point of Interconnection with ties to utility at the POI open.

APPENDIX 24 to LGIP
INTERCONNECTION FEASIBILITY STUDY AGREEMENT
[Applicable to Section 8 Serial Interconnection Feasibility Study Process]

THIS AGREEMENT is made and entered into this ___ day of _____, 20___ by and between _____, a _____ organized and existing under the laws of the State of _____, ("Interconnection Customer,") and _____ a _____ existing under the laws of the State of _____, ("Transmission Provider "). Interconnection Customer and Transmission Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

WHEREAS, Interconnection Customer is proposing to develop a Large Generating Facility or generating capacity addition to an existing Generating Facility consistent with the Interconnection Request submitted by Interconnection Customer dated _____ ; and

WHEREAS, Interconnection Customer desires to interconnect the Large Generating Facility with the Transmission System; and

WHEREAS, Interconnection Customer has requested Transmission Provider to perform an Interconnection Feasibility Study to assess the feasibility of interconnecting the proposed Large Generating Facility to the Transmission System, and of any Affected Systems;

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein the Parties agreed as follows:

- 1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider's FERC-approved LGIP.
- 2.0 Interconnection Customer elects and Transmission Provider shall cause to be performed an Interconnection Feasibility Study consistent with Section 86.0 of this LGIP in accordance with the Tariff.
- 3.0 The scope of the Interconnection Feasibility Study shall be subject to the assumptions set forth in Attachment A to this Agreement.

- 4.0 The Interconnection Feasibility Study shall be based on the technical information provided by Interconnection Customer in the Interconnection Request, as may be modified as the result of the Scoping Meeting. Transmission Provider reserves the right to request additional technical information from Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Interconnection Feasibility Study and as designated in accordance with Section 34.4.64 of the LGIP. If, after the designation of the Point of Interconnection pursuant to Section 34.4.64 of the LGIP, Interconnection Customer modifies its Interconnection Request pursuant to Section 45.4, the time to complete the Interconnection Feasibility Study may be extended.
- 5.0 The Interconnection Feasibility Study report shall provide the following information:
- preliminary identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;
 - preliminary identification of any thermal overload or voltage limit violations resulting from the interconnection; and
 - preliminary description and non-bonding estimated cost of facilities required to interconnect the Large Generating Facility to the Transmission System and to address the identified short circuit and power flow issues.
- 6.0 Interconnection Customer shall provide a deposit of \$10,000 for the performance of the Interconnection Feasibility Study.
- Upon receipt of the Interconnection Feasibility Study Transmission Provider shall charge and Interconnection Customer shall pay the actual costs of the Interconnection Feasibility Study.
- Any difference between the deposit and the actual cost of the study shall be paid by or refunded to Interconnection Customer, as appropriate.
- 7.0 Miscellaneous. The Interconnection Feasibility Study Agreement shall include standard miscellaneous terms including, but not limited to, indemnities, representations, disclaimers, warranties, governing law, amendment, execution, waiver, enforceability and assignment, that reflect best practices in the electric industry, and that are consistent with regional practices, Applicable Laws and Regulations, and the organizational nature

of each Party. All of these provisions, to the extent practicable, shall be consistent with the provisions of the LGIP and the LGIA.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

[Insert name of Transmission Provider or Transmission Owner, if applicable]

By: _____ By: _____

Title: _____ Title: _____

Date: _____ Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

**Attachment A to Appendix 42
Interconnection Feasibility
Study Agreement**

**ASSUMPTIONS USED IN CONDUCTING THE
INTERCONNECTION FEASIBILITY STUDY**

The Interconnection Feasibility Study will be based upon the information set forth in the Interconnection Request and agreed upon in the Scoping Meeting held on _____:

Designation of Point of Interconnection and configuration to be studied.
Designation of alternative Point(s) of Interconnection and configuration.

[Above assumptions to be completed by Interconnection Customer and other assumptions to be provided by Interconnection Customer and Transmission Provider]

APPENDIX 53 to LGIP
SERIAL INTERCONNECTION SYSTEM IMPACT STUDY AGREEMENT
[Applicable to Section 9 Serial Interconnection System Impact Study Process]

THIS AGREEMENT is made and entered into this ___ day of _____, 20___ by and between _____, a _____ organized and existing under the laws of the State of _____, ("Interconnection Customer,") and _____ a _____ existing under the laws of the State of _____, ("Transmission Provider "). Interconnection Customer and Transmission Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

WHEREAS, Interconnection Customer is proposing to develop a Large Generating Facility or generating capacity addition to an existing Generating Facility consistent with the Interconnection Request submitted by Interconnection Customer dated _____; and

WHEREAS, Interconnection Customer desires to interconnect the Large Generating Facility with the Transmission System;

WHEREAS, Transmission Provider has completed an Interconnection Feasibility Study (the "Feasibility Study") and provided the results of said study to Interconnection Customer (This recital to be omitted if Transmission Provider does not require the Interconnection Feasibility Study.); and

WHEREAS, Interconnection Customer has requested Transmission Provider to perform an Interconnection System Impact Study to assess the impact of interconnecting the Large Generating Facility to the Transmission System, and of any Affected Systems;

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein the Parties agreed as follows:

- 1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider's FERC-approved LGIP.

- 2.0 Interconnection Customer elects and Transmission Provider shall cause to be performed a Serial Interconnection System Impact Study consistent with Section 79.0 of this LGIP in accordance with the Tariff.
- 3.0 The scope of the Serial Interconnection System Impact Study shall be subject to the assumptions set forth in Attachment A to this Agreement.
- 4.0 The Serial Interconnection System Impact Study will be based upon the results of the Interconnection Feasibility Study and the technical information provided by Interconnection Customer in the Interconnection Request, subject to any modifications in accordance with Section 45.4 of the LGIP. Transmission Provider reserves the right to request additional technical information from Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Serial Interconnection Customer System Impact Study. If Interconnection Customer modifies its designated Point of Interconnection, Interconnection Request, or the technical information provided therein is modified, the time to complete the Interconnection System Impact Study may be extended.
- 5.0 The Serial Interconnection System Impact Study report shall provide the following information:
- identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;
 - identification of any thermal overload or voltage limit violations resulting from the interconnection;
 - identification of any instability or inadequately damped response to system disturbances resulting from the interconnection and
 - description and non-binding, good faith estimated cost of facilities required to interconnect the Large Generating Facility to the Transmission System and to address the identified short circuit, instability, and power flow issues.
- 6.0 Interconnection Customer shall provide a deposit of \$50,000 for the performance of the Serial Interconnection System Impact Study. Transmission Provider's good faith estimate for the time of completion of the Serial Interconnection System Impact Study is [insert date].

Upon receipt of the Serial Interconnection System Impact Study, Transmission Provider shall charge and Interconnection Customer shall pay the actual costs of the Serial Interconnection System Impact Study.

Any difference between the deposit and the actual cost of the study shall be paid by or refunded to Interconnection Customer, as appropriate.

7.0 Miscellaneous. The Serial Interconnection System Impact Study Agreement shall include standard miscellaneous terms including, but not limited to, indemnities, representations, disclaimers, warranties, governing law, amendment, execution, waiver, enforceability and assignment, that reflect best practices in the electric industry, that are consistent with regional practices, Applicable Laws and Regulations and the organizational nature of each Party. All of these provisions, to the extent practicable, shall be consistent with the provisions of the LGIP and the LGIA.

IN WITNESS THEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

[Insert name of Transmission Provider or Transmission Owner, if applicable]

By: _____ By: _____

Title: _____ Title: _____

Date: _____ Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

**Attachment A To Appendix 53
Interconnection System Impact
Study Agreement**

**ASSUMPTIONS USED IN CONDUCTING THE
SERIAL INTERCONNECTION SYSTEM IMPACT STUDY**

The Serial Interconnection System Impact Study will be based upon the results of the Interconnection Feasibility Study, subject to any modifications in accordance with Section 54.4 of the LGIP, and the following assumptions:

Designation of Point of Interconnection and configuration to be studied.
Designation of alternative Point(s) of Interconnection and configuration.

[Above assumptions to be completed by Interconnection Customer and other assumptions to be provided by Interconnection Customer and Transmission Provider]

APPENDIX 6 TO LGIP
DEFINITIVE INTERCONNECTION SYSTEM IMPACT STUDY AGREEMENT
[Applicable to Section 10 Definitive Interconnection System Impact Study Process]

THIS AGREEMENT is made and entered into this _____ day of _____, 20__ by and between _____, a _____ organized and existing under the laws of the State of _____, (“Interconnection Customer,”) and _____ a _____ existing under the laws of the State of _____, (“Transmission Provider”). Interconnection Customer and Transmission Provider each may be referred to as a “Party, ” or collectively as the “Parties.”

RECITALS

WHEREAS, Interconnection Customer is proposing to develop a Large Generating Facility or generating capacity addition to an existing Generating Facility consistent with the Interconnection Request submitted by Interconnection Customer dated; and

WHEREAS, Interconnection Customer desires to interconnect the Large Generating Facility with the Transmission System; and

WHEREAS, Interconnection Customer has requested Transmission Provider to perform a Definitive Interconnection System Impact Study to assess the impact of interconnecting the Large Generating Facility to the Transmission System, and of any Affected Systems; and

WHEREAS, Interconnection Customer commits to provide certain Readiness Milestones through the Definitive Interconnection Study Process as described in Section 10.11 of the LGIP.

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein the Parties agreed as follows:

- 1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider's FERC-approved LGIP.
- 2.0 Interconnection Customer elects and Transmission Provider shall cause to be performed a Definitive Interconnection System Impact Study consistent with Sections 10.7 and 10.8 of this LGIP in accordance with the Tariff.

3.0 The scope of the Definitive Interconnection System Impact Study shall be subject to the assumptions set forth in Attachment A to this Agreement.

4.0 The Definitive Interconnection System Impact Study shall be based upon the technical information provided by Interconnection Customer in the Interconnection Request, subject to any modifications in accordance with Section 5.4 of the LGIP. Transmission Provider reserves the right to request additional technical information from Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Definitive Interconnection System Impact Study. If Interconnection Customer modifies its designated Point of Interconnection, Interconnection Request, or the technical information provided therein is modified, the time to complete the Definitive Interconnection System Impact Study may be extended.

5.0 The Definitive Interconnection System Impact Study reports (Phase 1 Report or Phase 2 Report) shall provide the following information, as appropriate:

- identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;
- identification of any thermal overload or voltage limit violations resulting from the interconnection;
- identification of any instability or inadequately damped response to system disturbances resulting from the interconnection; and
- description and non-binding, good faith estimated cost of facilities required to interconnect the Large Generating Facility to the Transmission System and to address the identified short circuit, instability, and power flow issues.

6.0 Interconnection Customer shall comply with all Readiness Milestones and other requirements described in Section 10 of the LGIP for performance of the Definitive Interconnection System Impact Study. Interconnection Customer shall provide the deposit as specified in Section 4.1.2 of the LGIP for the performance of the Definitive Interconnection System Impact Study and the individual Interconnection Facilities Study as prescribed in Section 11. Transmission Provider's good faith estimate for the time of completion of the Definitive Interconnection System Impact Study (Phase 2) is [insert date].

Upon receipt of the Definitive Interconnection System Impact Study results or withdrawal of the Interconnection Request, Transmission Provider shall charge and Interconnection Customer shall pay the actual costs of the Definitive Interconnection System Impact Study, and the Withdrawal Penalty, as applicable, allocated according to Sections 4.7.1.1, 10.3, and the cost of the individual Interconnection Facilities Study as prescribed in Section 11.

Any difference between the study deposit and the actual cost of the study shall be paid by or refunded to Interconnection Customer, as appropriate, except as otherwise provided herein. As provided in Section 16.4 of the LGIP, Interconnection Customer has thirty (30) Calendar Days of receipt of an invoice from Transmission Provider to pay any undisputed costs. If invoices are not paid within thirty (30) Calendar Days of receipt of an invoice, Transmission Provider shall draw upon the security provided to settle all accounts, which shall include any offsets of amounts due and owing by Transmission Provider. After the final invoice is paid and all accounts are settled, Transmission Provider shall refund all remaining security.

7.0 Miscellaneous. The Definitive Interconnection System Impact Study Agreement shall include standard miscellaneous terms including, but not limited to, indemnities, representations, disclaimers, warranties, governing law, amendment, execution, waiver, enforceability and assignment, that reflect best practices in the electric industry, that are consistent with regional practices, Applicable Laws and Regulations and the organizational nature of each Party. All of these provisions, to the extent practicable, shall be consistent with the provisions of the LGIP and the LGIA.

IN WITNESS THEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

[Insert name of Transmission Provider or Transmission Owner, if applicable]

By: _____ By: _____

Title: _____ Title: _____

Date: _____ Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

DRAFT

ATTACHMENT A TO APPENDIX 6-3
DEFINITIVE INTERCONNECTION SYSTEM IMPACT STUDY AGREEMENT

ASSUMPTIONS USED IN CONDUCTING THE
DEFINITIVE INTERCONNECTION SYSTEM IMPACT STUDY

The Definitive Interconnection System Impact Study shall be based upon the information set forth in the Interconnection Request(s) and results of applicable prior studies, subject to any modifications in accordance with Section 5.4 of the LGIP, and the following assumptions:

Designation of Point of Interconnection and configuration to be studied.

[Above assumptions to be completed by Interconnection Customer and other assumptions to be provided by Interconnection Customer and Transmission Provider]

DRAFT

APPENDIX 74 to LGIP
INTERCONNECTION FACILITIES STUDY AGREEMENT
[Applicable to Section 11 Facilities Study Process applicable to both Serial
Interconnection Study Process and Definitive Interconnection Study Processes]

THIS AGREEMENT is made and entered into this ___ day of _____, 20___ by and between _____, a _____ organized and existing under the laws of the State of _____, ("Interconnection Customer,") and _____ a _____ existing under the laws of the State of _____, ("Transmission Provider "). Interconnection Customer and Transmission Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

WHEREAS, Interconnection Customer is proposing to develop a Large Generating Facility or generating capacity addition to an existing Generating Facility consistent with the Interconnection Request submitted by Interconnection Customer dated _____; and

WHEREAS, Interconnection Customer desires to interconnect the Large Generating Facility with the Transmission System;

WHEREAS, Transmission Provider has completed ~~an~~ either the Serial Interconnection System Impact Study (the "System Impact Study") or the Definitive Interconnection System Impact Study and provided the results of said study to Interconnection Customer; and

WHEREAS, Interconnection Customer has requested Transmission Provider to perform an Interconnection Facilities Study to specify and estimate the cost of the equipment, engineering, procurement and construction work needed to implement the conclusions of either the Serial Interconnection System Impact Study or the Definitive Interconnection System Impact Study in accordance with Good Utility Practice to physically and electrically connect the Large Generating Facility to the Transmission System.

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein the Parties agreed as follows:

- 1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider's FERC-approved LGIP.

- 2.0 Interconnection Customer elects and Transmission Provider shall cause an Interconnection Facilities Study consistent with Section ~~118.0~~ of this LGIP to be performed in accordance with the Tariff.
- 3.0 The scope of the Interconnection Facilities Study shall be subject to the assumptions set forth in Attachment A and the data provided in Attachment B to this Agreement.
- 4.0 The Interconnection Facilities Study report (i) shall provide a description, estimated cost of (consistent with Attachment A), schedule for required facilities to interconnect the Large Generating Facility to the Transmission System and (ii) shall address the short circuit, instability, and power flow issues identified in either the Serial Interconnection System Impact Study or the Definitive Interconnection System Impact Study completed by the Transmission Provider in the Interconnection System Impact Study.
- 5.0 For the Serial Interconnection Study Process, Interconnection Customer shall provide a deposit of \$100,000 for the performance of the Interconnection Facilities Study. ~~The time for completion of the Interconnection Facilities Study is specified in Attachment A. Transmission Provider shall invoice Interconnection Customer on a monthly basis for the work to be conducted on the Interconnection Facilities Study each month. Interconnection Customer shall pay invoiced amounts within thirty (30) Calendar Days of receipt of invoice. Transmission Provider shall continue to hold the amounts on deposit until settlement of the final invoice.~~

For the Definitive Interconnection Study Process, Interconnection Customer shall meet the requirements specified under Section 11.2 of the LGIP prior to the performance of the Interconnection Facilities Study.

~~Transmission Provider shall invoice Interconnection Customer on a monthly basis for the work to be conducted on the Interconnection Facilities Study each month. Interconnection Customer shall pay invoiced amounts within thirty (30) Calendar Days of receipt of invoice. Transmission Provider shall continue to hold the amounts on deposit until settlement of the final invoice.~~

- 6.0 The Transmission Provider shall use Reasonable Efforts to complete the study and issue a draft Interconnection Facilities Study report to Interconnection Customer within ninety (90) Calendar Days from receipt of executed Interconnection Facilities Study Agreement where Transmission Provider is administering a Serial Interconnection Study Process, or within

one hundred fifty (150) Calendar Days where Transmission Provider is administering a Definitive Interconnection Study Process. time for completion of the Interconnection Facilities Study is specified in Attachment A.

7.0 This section only applies to the Definitive Interconnection Study Process. Interconnection Customer shall have provided the deposit as specified in Section 4.1.2 of the LGIP for the performance of the Definitive Interconnection System Impact Study and the Interconnection Facilities Study.

Upon receipt of the Interconnection Facilities Study results, Transmission Provider shall charge and Interconnection Customer shall pay the actual costs of the Definitive Interconnection System Impact Study which includes costs allocated according to Section 4.2.7 of the LGIP, the cost of the individual Interconnection Facilities Study, and the withdraw penalty calculated pursuant to Section 4.7.1.1, if applicable.

Any difference between the study deposit and the actual cost of the study shall be paid by or refunded to Interconnection Customer, as appropriate, except as otherwise provided herein. As provided in Section 16.3 of the LGIP, Interconnection Customer has thirty (30) Calendar Days of receipt of an invoice from Transmission Provider to pay any undisputed costs. If invoices are not paid within thirty (30) Calendar Days of receipt of an invoice, Transmission Provider shall draw upon the security provided to settle all accounts, which shall include any offsets of amounts due and owing by Transmission Provider. After the final invoice is paid and all accounts are settled, Transmission Provider shall refund all remaining security.

86.0 Miscellaneous. The Interconnection Facility Study Agreement shall include standard miscellaneous terms including, but not limited to, indemnities, representations, disclaimers, warranties, governing law, amendment, execution, waiver, enforceability and assignment, that reflect best practices in the electric industry, and that are consistent with regional practices, Applicable Laws and Regulations, and the organizational nature of each Party. All of these provisions, to the extent practicable, shall be consistent with the provisions of the LGIP and the LGIA.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

|

[Insert name of Transmission Provider or Transmission Owner, if applicable]

By: _____ By: _____

Title: _____ Title: _____

Date: _____ Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

DRAFT

**Attachment A to Appendix 74
Interconnection Facilities
Study Agreement**

**INTERCONNECTION CUSTOMER SCHEDULE ELECTION FOR
CONDUCTING THE INTERCONNECTION FACILITIES STUDY
[Only applicable to Serial Interconnection Study Process]**

Transmission Provider shall use Reasonable Efforts to complete the study and issue a draft Interconnection Facilities Study report to Interconnection Customer within the following number of days after of receipt of an executed copy of this Interconnection Facilities Study Agreement:

- ninety (90) Calendar Days with no more than a +/- 20 percent cost estimate contained in the report, or
- one hundred eighty (180) Calendar Days with no more than a +/- 10 percent cost estimate contained in the report.

Attachment B to Appendix 74
Interconnection Facilities
Study Agreement

DATA FORM TO BE PROVIDED BY INTERCONNECTION CUSTOMER
WITH THE
INTERCONNECTION FACILITIES STUDY AGREEMENT

Provide location plan and simplified one-line diagram of the plant and station facilities. For staged projects, please indicate future generation, transmission circuits, etc.

One set of metering is required for each generation connection to the new ring bus or existing Transmission Provider station. Number of generation connections:

On the one line diagram indicate the generation capacity attached at each metering location. (Maximum load on CT/PT)

On the one line diagram indicate the location of auxiliary power. (Minimum load on CT/PT) Amps

Will an alternate source of auxiliary power be available during CT/PT maintenance?
 Yes No

Will a transfer bus on the generation side of the metering require that each meter set be designed for the total plant generation? Yes No (Please indicate on one line diagram).

What type of control system or PLC will be located at Interconnection Customer's Large Generating Facility?

What protocol does the control system or PLC use?

Please provide a 7.5-minute quadrangle of the site. Sketch the plant, station, transmission line, and property line.

Physical dimensions of the proposed interconnection station:

Bus length from generation to interconnection station:

Line length from interconnection station to Transmission Provider's transmission line.

Tower number observed in the field. (Painted on tower leg)* _____

Number of third party easements required for transmission lines*:

* To be completed in coordination with Transmission Provider.

Is the Large Generating Facility in the Transmission Provider's service area?

____ Yes ____ No Local provider: _____

Please provide proposed schedule dates:

Begin Construction Date: _____

Generator step-up transformer
receives back feed power Date: _____

Generation Testing Date: _____

Commercial Operation Date: _____

APPENDIX 8-1 TO LGIP
Transitional Serial Interconnection Facilities Study Agreement
[Applicable to Section 7.1 Transitional Serial Process]

THIS AGREEMENT is made and entered into this _____ day of _____, 20____ by and between _____, a _____ organized and existing under the laws of the State of _____, (“Interconnection Customer,”) and _____ a _____ existing under the laws of the State of _____, (“Transmission Provider”). Interconnection Customer and Transmission Provider each may be referred to as a “Party,,” or collectively as the “Parties.”

RECITALS

WHEREAS, Interconnection Customer is proposing to develop a Large Generating Facility or generating capacity addition to an existing Generating Facility consistent with the Interconnection Request submitted by Interconnection Customer dated _____; and

WHEREAS, Interconnection Customer desires to interconnect the Large Generating Facility with the Transmission System; and

WHEREAS, Interconnection Customer has requested Transmission Provider to continue processing its Interconnection Facilities Study to specify and estimate the cost of the equipment, engineering, procurement and construction work needed to implement the conclusions of the System Impact Study in accordance with Good Utility Practice to physically and electrically connect the Large Generating Facility to the Transmission System; and

WHEREAS, Transmission Provider has completed a System Impact Study and Interconnection Customer has executed and Transmission Provider has accepted an Interconnection Facilities Study Agreement; and

WHEREAS, Interconnection Customer has provided certain requirements described in Section 7.1 of the LGIP including a deposit on Transmission provider’s Interconnection Facilities and Network Upgrades.

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein the Parties agreed as follows:

- 1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider's FERC-approved LGIP.

- 2.0 Interconnection Customer elects and Transmission Provider shall cause to be performed an Interconnection Facilities Study consistent with Section 11 of this LGIP in accordance with the Tariff.
- 3.0 The scope of the Interconnection Facilities Study shall be subject to the assumptions set forth in Attachment A to this Agreement which shall be the same assumptions as the previous Interconnection Facilities Study Agreement.
- 4.0 The Interconnection Facilities Study report (i) shall provide a description, estimated cost of (consistent with Attachment A), schedule for required facilities to interconnect the Large Generating Facility to the Transmission System and (ii) shall address the short circuit, instability, and power flow issues identified in the most recently published System Impact Study.
- 5.0 Interconnection Customer has met the requirements described in Section 7.1 of the LGIP. The time for completion of the Interconnection Facilities Study is specified in Attachment A.
- 6.0 Upon receipt of the Interconnection Facilities Study results, Transmission Provider shall charge and Interconnection Customer shall pay the actual costs of the Interconnection Facilities Study.

Any difference between the study deposit and the actual cost of the study shall be paid by or refunded to Interconnection Customer, as appropriate.

- 7.0 Miscellaneous. The Interconnection Facilities Study Agreement shall include standard miscellaneous terms including, but not limited to, indemnities, representations, disclaimers, warranties, governing law, amendment, execution, waiver, enforceability and assignment, that reflect best practices in the electric industry, and that are consistent with regional practices, Applicable Laws and Regulations, and the organizational nature of each Party. All of these provisions, to the extent practicable, shall be consistent with the provisions of the LGIP and the LGIA.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

[Insert name of Transmission Provider or Transmission Owner, if applicable]

By: _____ By: _____

Title: _____ Title: _____
Date: _____ Date: _____

[Insert name of Interconnection Customer]

By: _____
Title: _____

DRAFT

ATTACHMENT A TO APPENDIX 8-1
TRANSITIONAL SERIAL INTERCONNECTION FACILITIES STUDY

ASSUMPTIONS USED IN CONDUCTING THE
TRANSITIONAL SERIAL INTERCONNECTION FACILITIES STUDY

[Assumptions to be completed by Interconnection Customer and Transmission Provider]

DRAFT

APPENDIX 8-2 to the LGIP
TRANSITIONAL CLUSTER STUDY AGREEMENT
[Applicable to Section 7.2 Transitional Cluster Process]

THIS AGREEMENT is made and entered into this _____ day
of _____, 20____ by and between _____, a
_____ organized and existing under the laws of the State
of _____, (“Interconnection Customer,”) and
_____ a _____ existing under the laws of
the State of _____, (“Transmission Provider”). Interconnection

Customer and Transmission Provider each may be referred to as a “Party,” or collectively as the “Parties.”

RECITALS

WHEREAS, Interconnection Customer is proposing to develop a Large Generating Facility or generating capacity addition to an existing Generating Facility consistent with the Interconnection Request submitted by Interconnection Customer dated _____; and

WHEREAS, Interconnection Customer desires to interconnect the Generating Facility with the Transmission Provider’s Transmission System or Distribution System pursuant to Transmission Provider’s most recently approved Attachment J Large Generator Interconnection Procedures (“the LGIP”); and

WHEREAS, Interconnection Customer has requested Transmission Provider to perform such a Transitional Cluster Study as described in Section 7.2 of this LGIP, which is a Definitive Interconnection System Impact Study to specify and estimate the cost of the equipment, engineering, procurement and construction work needed to physically and electrically connect the Generating Facility as well as other proposed Generating Facilities that established Queue Numbers prior to the Commission’s authorization for the Transmission Provider to transition to a Definitive Interconnection Study Process and the Cluster Study transition notice date established in Section 7.

WHEREAS, Interconnection Customer Interconnection Customer has met all requirements described in Section 7.2 of the LGIP within the 60 Calendar Day timeframe prescribed by Section 7 to enter into the Transitional Cluster Study; and

WHEREAS, the Commission has authorized the Transmission Provider to transition to a Definitive Interconnection Study Process and Interconnection Customer has a valid Queue Number as of the Cluster Study transition notice date described in Section 7 of the LGIP, and

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein the Parties agreed as follows:

- 1.0** When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider's FERC-approved LGIP. References to “Sections” shall be specified Sections of the LGIP.

- 2.0 Interconnection Customer elects and the Transmission Provider shall cause to be performed a Transitional Cluster Study as described in Section 7.2 of the LGIP. By execution of this Agreement, Interconnection Customer and Transmission Provider agree to rescind any previously executed System Impact Study Agreement and to complete the Transitional Cluster Study pursuant to this Agreement.
- 3.0 The Transitional Cluster Study shall be based upon the technical information provided by Interconnection Customer in the Interconnection Request. The Transmission Provider reserves the right to request additional technical information from Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Transitional Cluster Study and Interconnection Customer shall provide such data.
- 4.0 The Transitional Cluster Study report shall provide the following information:
- identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;
 - identification of any thermal overload or voltage limit violations resulting from the interconnection;
 - identification of any instability or inadequately damped response to system disturbances resulting from the interconnection, and
 - shall provide a description, estimated cost of, schedule for required facilities to interconnect the Large Generating Facility to the Transmission System and shall address the short circuit, instability, and power flow issues identified in the most recently published System Impact Study.
- 5.0 Interconnection Customer has met all requirements described in Section 7.2.1 within the timeframe prescribed by Section 7 to enter into the Transitional Cluster Study.
- 6.0 In addition to meeting all requirements of Section 7.2.1 to enter and proceed through the Transitional Cluster Study, Interconnection Customer shall have previously provided a deposit for the performance of Interconnection Studies at the time of its Interconnection Request. Interconnection Customer's initial deposit shall be applied towards the Transmission Provider's cost of completing

the Transitional Cluster Study, and shall be supplemented, if required, pursuant to Section 7.2(c.).

The Interconnection Customer shall be allocated the actual costs of the Transitional Cluster Study according to the method described in Section 10.3. If the Interconnection Customer withdraws the Interconnection Request at any time after Phase 2 commences, the Interconnection Customer shall be subject to the Withdrawal Penalty identified in Section 7.2.6 and the collected amount shall be distributed to fund re-studies of the Transitional Cluster Study or future Cluster Study costs pursuant to Section 4.7.1.2, unless the Transmission Provider determines consistent with Good Utility Practice that a Withdrawal Penalty should not be assigned pursuant to Section 4.7.1. If the Interconnection Customer withdraws or otherwise does not reach Commercial Operation, the deposit(s) required by Section 7.2 is fully refundable once the final invoice for study costs and Withdrawal Penalty is settled.

7.0 Miscellaneous. The Transitional Cluster Study Agreement shall include standard miscellaneous terms including, but not limited to, indemnities, representations, disclaimers, warranties, governing law, amendment, execution, waiver, enforceability and assignment, that reflect best practices in the electric industry, that are consistent with regional practices, Applicable Laws and Regulations and the organizational nature of each Party. All of these provisions, to the extent practicable, shall be consistent with the provisions of the LGIP and the LGIA. Interconnections Customers proceeding through the Transitional Cluster Study process shall separately execute a Facilities Study Agreement, as provided for in Section 7.2.4

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

[Insert name of Transmission Provider or Transmission Owner, if applicable]

By: _____ By: _____

Title: _____ Title: _____

Date: _____ Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

ATTACHMENT A TO APPENDIX 8-2
Transitional Cluster Study Agreement

ASSUMPTIONS USED IN CONDUCTING THE TRANSITIONAL CLUSTER
STUDY

[Assumptions to be completed by Interconnection Customer and Transmission
Provider]

APPENDIX 59 to LGIP
OPTIONAL INTERCONNECTION STUDY AGREEMENT
[Applicable to Section 13 Optional Study Process, applicable only to Serial
Interconnection Study Process]

THIS AGREEMENT is made and entered into this ___ day of _____, 20___ by and between _____, a _____ organized and existing under the laws of the State of _____, ("Interconnection Customer,") and _____ a _____ existing under the laws of the State of _____, ("Transmission Provider "). Interconnection Customer and Transmission Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

WHEREAS, Interconnection Customer is proposing to develop a Large Generating Facility or generating capacity addition to an existing Generating Facility consistent with the Interconnection Request submitted by Interconnection Customer dated _____;

WHEREAS, Interconnection Customer is proposing to establish an interconnection with the Transmission System; and

WHEREAS, Interconnection Customer has submitted to Transmission Provider an Interconnection Request; and

WHEREAS, on or after the date when Interconnection Customer receives the Interconnection System Impact Study results, Interconnection Customer has further requested that Transmission Provider prepare an Optional Interconnection Study;

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein the Parties agree as follows:

- 1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider's FERC-approved LGIP.
- 2.0 Interconnection Customer elects and Transmission Provider shall cause an Optional Interconnection Study consistent with Section 10.0 of this LGIP to be performed in accordance with the Tariff.

- 3.0 The scope of the Optional Interconnection Study shall be subject to the assumptions set forth in Attachment A to this Agreement.
- 4.0 The Optional Interconnection Study shall be performed solely for informational purposes.
- 5.0 The Optional Interconnection Study report shall provide a sensitivity analysis based on the assumptions specified by Interconnection Customer in Attachment A to this Agreement. The Optional Interconnection Study will identify Transmission Provider's Interconnection Facilities and the Network Upgrades, and the estimated cost thereof, that may be required to provide transmission service or interconnection service based upon the assumptions specified by Interconnection Customer in Attachment A.
- 6.0 Interconnection Customer shall provide a deposit of \$10,000 for the performance of the Optional Interconnection Study. Transmission Provider's good faith estimate for the time of completion of the Optional Interconnection Study is [insert date].

Upon receipt of the Optional Interconnection Study, Transmission Provider shall charge and Interconnection Customer shall pay the actual costs of the Optional Study.

Any difference between the initial payment and the actual cost of the study shall be paid by or refunded to Interconnection Customer, as appropriate.

- 7.0 Miscellaneous. The Optional Interconnection Study Agreement shall include standard miscellaneous terms including, but not limited to, indemnities, representations, disclaimers, warranties, governing law, amendment, execution, waiver, enforceability and assignment, that reflect best practices in the electric industry, and that are consistent with regional practices, Applicable Laws and Regulations, and the organizational nature of each Party. All of these provisions, to the extent practicable, shall be consistent with the provisions of the LGIP and the LGIA.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

[Insert name of Transmission Provider or Transmission Owner, if applicable]

By: _____ By: _____

Title: _____ Title: _____

Date: _____ Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

|

**Appendix 106 to the Standard Large
Generator Interconnection Procedures**

**STANDARD LARGE GENERATOR
INTERCONNECTION AGREEMENT (LGIA)**

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STANDARD LARGE GENERATOR INTERCONNECTION AGREEMENT

THIS STANDARD LARGE GENERATOR INTERCONNECTION AGREEMENT ("Agreement" or "LGIA") is made and entered into this ____ day of

_____, 20__, by and between _____, a _____ organized and existing under the laws of the State/Commonwealth of _____ ("Interconnection Customer" with a Large Generating Facility), and _____, a _____ organized and existing under the laws of the State/Commonwealth of _____ ("Transmission Provider and/or Transmission Owner"). Interconnection Customer and Transmission Provider each may be referred to as a "Party" or collectively as the "Parties."

Recitals

WHEREAS, Transmission Provider operates the Transmission System; and

WHEREAS, Interconnection Customer intends to own, lease and/or control and operate the Generating Facility identified as a Large Generating Facility in Appendix C to this Agreement; and,

WHEREAS, Interconnection Customer and Transmission Provider have agreed to enter into this Agreement for the purpose of interconnecting the Large Generating Facility with the Transmission System;

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein, it is agreed:

When used in this Standard Large Generator Interconnection Agreement, terms with initial capitalization that are not defined in Article 1 shall have the meanings specified in the Article in which they are used or the Open Access Transmission Tariff (Tariff).

Article 1. Definitions

Adverse System Impact shall mean the negative effects due to technical or operational limits on conductors or equipment being exceeded that may compromise the safety and reliability of the electric system.

Affected System shall mean an electric system other than the Transmission Provider's Transmission System that may be affected by the proposed interconnection.

Affected System Operator shall mean the entity that operates an Affected System.

Affiliate shall mean, with respect to a corporation, partnership or other entity, each such other corporation, partnership or other entity that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such corporation, partnership or other entity.

Ancillary Services shall mean those services that are necessary to support the transmission of capacity and energy from resources to loads while maintaining reliable operation of the Transmission Provider's Transmission System in accordance with Good Utility Practice.

Applicable Laws and Regulations shall mean all duly promulgated applicable federal, state and local laws, regulations, rules, ordinances, codes, decrees, judgments, directives, or judicial or administrative orders, permits and other duly authorized actions of any Governmental Authority.

Applicable Reliability Council shall mean the reliability council applicable to the Transmission System to which the Generating Facility is directly interconnected.

Applicable Reliability Standards shall mean the requirements and guidelines of NERC, the Applicable Reliability Council, and the Control Area of the Transmission System to which the Generating Facility is directly interconnected.

Base Case shall mean the base case power flow, short circuit, and stability data bases used for the Interconnection Studies by the Transmission Provider or Interconnection Customer.

Breach shall mean the failure of a Party to perform or observe any material term or condition of the Standard Large Generator Interconnection Agreement.

Breaching Party shall mean a Party that is in Breach of the Standard Large Generator Interconnection Agreement.

Business Day shall mean Monday through Friday, excluding Federal Holidays.

Calendar Day shall mean any day including Saturday, Sunday or a Federal Holiday.

Clustering shall mean ~~the process whereby~~ a group of Interconnection Requests ~~(one or more) that is-are~~ studied together, ~~instead of serially,~~ for the purpose of conducting ~~the~~ Interconnection ~~System Impact Study~~Studies.

Cluster Study shall mean an Interconnection Study evaluating a Cluster of one or more Interconnection Requests.

Clustering shall mean the process whereby a group of Interconnection Requests is studied together, instead of serially, for the purpose of conducting the Interconnection Studies.

Commercial Operation shall mean the status of a Generating Facility, or Replacement Generating Facility, that has commenced generating electricity for sale, excluding electricity generated during Trial Operation.

Commercial Operation Date of a unit shall mean the date on which the Generating Facility, or Replacement Generating Facility, commences Commercial Operation as agreed to by the Parties pursuant to Appendix E to the Standard Large Generator Interconnection Agreement.

Confidential Information shall mean any confidential, proprietary or trade secret information of a plan, specification, pattern, procedure, design, device, list, concept, policy or compilation relating to the present or planned business of a Party, which is designated as confidential by the Party supplying the information, whether conveyed orally, electronically, in writing, through inspection, or otherwise.

Contingent Facilities shall mean those unbuilt Interconnection Facilities and Network Upgrades upon which the Interconnection Request's costs, timing, and study findings are dependent, and if delayed or not built, could cause a need for Re-Studies of the Interconnection Request or a reassessment of the Interconnection Facilities and/or Network Upgrades and/or costs and timing.

Control Area shall mean an electrical system or systems bounded by interconnection metering and telemetry, capable of controlling generation to maintain its

interchange schedule with other Control Areas and contributing to frequency regulation of the interconnection. A Control Area must be certified by the Applicable NERC Regional Reliability Council. Control Area shall have the same meaning as Balancing Authority Area as defined by NERC.

Customer Engagement Window shall have the meaning set forth in Section 10.1 of the LGIP.

Default shall mean the failure of a Breaching Party to cure its Breach in accordance with Article 17 of the Standard Large Generator Interconnection Agreement.

Definitive Interconnection Study Process (“Definitive Interconnection Study”) shall mean an interconnection study process adopted at Transmission Provider’s option for purposes of administering a Cluster Study Process inclusive of the Informational Interconnection Study Process, the Transitional Serial Study Process, the Transitional Cluster Study Process, the DISIS Request Window, Customer Engagement Window, and the Definitive Interconnection System Impact Study. Both the Resource Solicitation Cluster and the DISIS Cluster are processed under the Definitive Interconnection Study.

Definitive Interconnection System Impact Study (“DISIS”) shall mean an engineering study that evaluates the impact of a Cluster of Interconnection Requests on the safety and reliability of the Transmission System and, if applicable, an Affected System.

Definitive Interconnection System Impact Study Agreement (“DISIS Agreement”) shall mean the form of agreement contained in Appendix 6-3 of the LGIP for conducting the Definitive Interconnection System Impact Study.

Definitive Interconnection System Impact Study Cluster (“DISIS Cluster”) shall mean a Cluster studied through a DISIS. ~~shall mean an engineering study that evaluates the impact the proposed interconnection (s) on the safety and reliability of Transmission System and, if applicable, an Affected System.~~

DISIS Request Window shall have the meaning set forth in Section 10.1 of the LGIP.

DISIS Verification Period shall have the meaning set forth in Section 10.1 of the LGIP.

Dispute Resolution shall mean the procedure for resolution of a dispute between the Parties in which they will first attempt to resolve the dispute on an informal basis.

Distribution System shall mean the Transmission Provider's facilities and equipment used to transmit electricity to ultimate usage points such as homes and industries directly from nearby generators or from interchanges with higher voltage transmission networks which transport bulk power over longer distances. The voltage levels at which distribution systems operate differ among areas.

Distribution Upgrades shall mean the additions, modifications, and upgrades to the Transmission Provider's Distribution System at or beyond the Point of Interconnection to facilitate interconnection of the Generating Facility and render the transmission service necessary to effect Interconnection Customer's wholesale sale of electricity in interstate commerce. Distribution Upgrades do not include Interconnection Facilities.

Effective Date shall mean the date on which the Standard Large Generator Interconnection Agreement becomes effective upon execution by the Parties subject to acceptance by FERC, or if filed unexecuted, upon the date specified by FERC.

Emergency Condition shall mean a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of a Transmission Provider, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to Transmission Provider's Transmission System, Transmission Provider's Interconnection Facilities or the electric systems of others to which the Transmission Provider's Transmission System is directly connected; or (3) that, in the case of Interconnection Customer, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, the Generating Facility or Interconnection Customer's Interconnection Facilities. System restoration and black start shall be considered Emergency Conditions; provided, that Interconnection Customer is not obligated by the Standard Large Generator Interconnection Agreement to possess black start capability.

Energy Resource Interconnection Service shall mean an Interconnection Service that allows the Interconnection Customer to connect its Generating Facility to the Transmission Provider's Transmission System to be eligible to deliver the Generating Facility's electric output using the existing firm or non-firm capacity of the Transmission Provider's Transmission System on an as available basis. Energy Resource Interconnection Service in and of itself does not convey transmission service.

Engineering & Procurement (E&P) Agreement shall mean an agreement that authorizes the Transmission Provider to begin engineering and procurement of long lead-time items necessary for the establishment of the interconnection in order to advance the implementation of the Interconnection Request.

Environmental Law shall mean Applicable Laws or Regulations relating to pollution or protection of the environment or natural resources.

Existing Generating Facility shall mean a Generating Facility that is either in service or under construction with an unsuspended interconnection agreement.

Federal Power Act shall mean the Federal Power Act, as amended, 16 U.S.C. §§ 791a et seq.

FERC shall mean the Federal Energy Regulatory Commission (Commission) or its successor.

Force Majeure shall mean any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, any order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities, or any other cause beyond a Party's control. A Force Majeure event does not include acts of negligence or intentional wrongdoing by the Party claiming Force Majeure.

Generating Facility shall mean Interconnection Customer's device for the production and/or storage for later injection of electricity identified in the Interconnection Request, but shall not include the Interconnection Customer's Interconnection Facilities. A Generating Facility consists of one or more generating unit(s) and/or storage device(s) which usually can operate independently and be brought online or taken offline individually.

Generating Facility Capacity shall mean the net capacity, in kW or MW, as applicable, of the Generating Facility and the aggregate net capacity of the Generating Facility where it includes multiple energy production devices.

Generating Facility Modification shall mean modification to an Existing Generating Facility, including comparable replacement of only a portion of its equipment at the Existing Generating Facility.

Generation Replacement shall mean replacement of one or more generating units and/or storage devices at an Existing Generating Facility with one or more new

generating units or storage devices at the same electrical Point of Interconnection as those being decommissioned and electrically disconnected.

Generator Replacement Interconnection Facilities Study shall mean a study to determine a list of facilities to grant an Interconnection Customer's request to interconnect a Replacement Generating Facility, the cost of those facilities, and the time required to interconnect those facilities. The scope of the study is defined in Section 3.9.4 of the Standard Large Generator Interconnection Procedures.

Good Utility Practice shall mean any of the practices, methods and acts engaged in or approved by a significant portion of the electric industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region.

Governmental Authority shall mean any federal, state, local or other governmental regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, tribunal, or other governmental authority having jurisdiction over the Parties, their respective facilities, or the respective services they provide, and exercising or entitled to exercise any administrative, executive, police, or taxing authority or power; provided, however, that such term does not include Interconnection Customer, Transmission Provider, or any Affiliate thereof.

Hazardous Substances shall mean any chemicals, materials or substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "hazardous constituents," "restricted hazardous materials," "extremely hazardous substances," "toxic substances," "radioactive substances," "contaminants," "pollutants," "toxic pollutants" or words of similar meaning and regulatory effect under any applicable Environmental Law, or any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any applicable Environmental Law.

Informational Interconnection Study shall mean an analysis based on assumptions specified by Interconnection Customer in the Informational Interconnection Study Agreement.

Informational Interconnection Study Agreement shall mean the form of agreement contained in Appendix 2 of the LGIP for conducting the Informational Interconnection Study.

Initial Synchronization Date shall mean the date upon which the Generating Facility is initially synchronized and upon which Trial Operation begins.

In-Service Date shall mean the date upon which the Interconnection Customer reasonably expects it will be ready to begin use of the Transmission Provider's Interconnection Facilities to obtain back feed power.

Interconnection Customer shall mean any entity, including the Transmission Provider, Transmission Owner or any of the Affiliates or subsidiaries of either, that proposes to interconnect its Generating Facility with the Transmission Provider's Transmission System.

Interconnection Customer's Interconnection Facilities shall mean all facilities and equipment, as identified in Appendix A of the Standard Large Generator Interconnection Agreement, that are located between the Generating Facility and the Point of Change of Ownership, including any modification, addition, or upgrades to such facilities and equipment necessary to physically and electrically interconnect the Generating Facility to the Transmission Provider's Transmission System. Interconnection Customer's Interconnection Facilities are sole use facilities.

Interconnection Facilities shall mean the Transmission Provider's Interconnection Facilities and the Interconnection Customer's Interconnection Facilities. Collectively, Interconnection Facilities include all facilities and equipment between the Generating Facility and the Point of Interconnection, including any modification, additions or upgrades that are necessary to physically and electrically interconnect the Generating Facility to the Transmission Provider's Transmission System. Interconnection Facilities are sole use facilities (**i.e., for generator interconnection**) and shall not include Distribution Upgrades, Stand Alone Network Upgrades or Network Upgrades. **Interconnection Facilities may be shared by more than one Interconnection Customer.**

Interconnection Facilities Study shall mean a study conducted by the Transmission Provider or a third party consultant for the Interconnection Customer to determine a list of facilities (including Transmission Provider's Interconnection Facilities and Network Upgrades as identified in **either the Serial Interconnection System Impact Study or the Definitive Interconnection System Impact Study**), the cost of those facilities, and the time required to interconnect the Generating Facility with the

Transmission Provider's Transmission System. The scope of the study is defined in Section 118 of the Standard Large Generator Interconnection Procedures.

Interconnection Facilities Study Agreement shall mean the form of agreement contained in Appendix 74 of the Standard Large Generator Interconnection Procedures for conducting the Interconnection Facilities Study.

Interconnection Feasibility Study shall mean a preliminary evaluation of the system impact and cost of interconnecting the Generating Facility to the Transmission Provider's Transmission System, the scope of which is described in Section 86 of the Standard Large Generator Interconnection Procedures.

Interconnection Feasibility Study Agreement shall mean the form of agreement contained in Appendix 24 of the Standard Large Generator Interconnection Procedures for conducting the Interconnection Feasibility Study.

Interconnection Request shall mean an Interconnection Customer's request, in the form of Appendix 34 to the Standard Large Generator Interconnection Procedures, in accordance with the Tariff, to interconnect a new Generating Facility, or to increase the capacity of, or make a Material Modification to the operating characteristics of, an existing Generating Facility that is interconnected with the Transmission Provider's Transmission System.

Interconnection Service shall mean the service provided by the Transmission Provider associated with interconnecting the Interconnection Customer's Generating Facility to the Transmission Provider's Transmission System and enabling it to receive electric energy and capacity from the Generating Facility at the Point of Interconnection, pursuant to the terms of the Standard Large Generator Interconnection Agreement and, if applicable, the Transmission Provider's Tariff.

Interconnection Study shall mean any of the following studies: the Replacement Impact Study, the Reliability Assessment Study, Generator Replacement Interconnection Facilities Study, the Interconnection Feasibility Study, the Informational Interconnection Study, the Serial ~~the~~ Interconnection System Impact Study, and the Interconnection Facilities Study described in the Standard Large Generator Interconnection Procedures. The Transmission Provider shall undertake Interconnection Studies pursuant to either a Serial Interconnection Study Process or a Definitive Interconnection Study Process as described in these Standard Large Generator Interconnection Procedures.

Interconnection Study Agreement shall mean any of the following agreements: the Interconnection Feasibility Study Agreement, the Serial Interconnection System Impact Study Agreement, the Definitive Interconnection System Impact Study

Agreement, and the Interconnection Facilities Study Agreement described in the Standard Large Generator Interconnection Procedures.

~~**Interconnection System Impact Study** shall mean an engineering study that evaluates the impact of the proposed interconnection on the safety and reliability of Transmission Provider's Transmission System and, if applicable, an Affected System. The study shall identify and detail the system impacts that would result if the Generating Facility were interconnected without project modifications or system modifications, focusing on the Adverse System Impacts identified in the Interconnection Feasibility Study, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Standard Large Generator Interconnection Procedures.~~

~~———**Interconnection System Impact Study Agreement** shall mean the form of agreement contained in Appendix 3 of the Standard Large Generator Interconnection Procedures for conducting the Interconnection System Impact Study.~~

IRS shall mean the Internal Revenue Service.

Joint Operating Committee shall be a group made up of representatives from Interconnection Customers and the Transmission Provider to coordinate operating and technical considerations of Interconnection Service.

Large Generating Facility shall mean a Generating Facility having a Generating Facility Capacity of more than 20 MW.

Loss shall mean any and all losses relating to injury to or death of any person or damage to property, demand, 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 other Party's performance, or non-performance of its obligations under the Standard Large Generator Interconnection Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnifying Party.

Material Modification shall mean: (1) in the Serial Interconnection Study Process a modification to an Interconnection Request in the queue that has a material adverse impact on the cost or timing of any other Interconnection Request with a later queue priority date; ~~or~~ (2) planned modification to an Existing Generating Facility that is undergoing evaluation for a Generating Facility Modification or Generation Replacement, and has a material adverse impact on the Transmission System, as compared to the impacts of the Existing Generating Facility prior to the modification or replacement, with respect to: i) steady-state thermal or voltage limits, ii) dynamic system stability and response, or iii) short-circuit capability limit; or (3) in the Definitive

Interconnection Study Process, those modifications that have a material impact on the cost or timing of any Interconnection Request with (a) a later Queue Position or (b) a Queue Position which is included in the same Cluster.

Metering Equipment shall mean all metering equipment installed or to be installed at the Generating Facility pursuant to the Standard Large Generator Interconnection Agreement at the metering points, including but not limited to instrument transformers, MWh-meters, data acquisition equipment, transducers, remote terminal unit, communications equipment, phone lines, and fiber optics.

NERC shall mean the North American Electric Reliability Council or its successor organization.

Network Resource shall mean any designated generating resource owned, purchased, or leased by a Network Customer under the Network Integration Transmission Service Tariff. Network Resources do not include any resource, or any portion thereof, that is committed for sale to third parties or otherwise cannot be called upon to meet the Network Customer's Network Load on a non-interruptible basis.

Network Resource Interconnection Service shall mean an Interconnection Service that allows the Interconnection Customer to integrate its Large Generating Facility with the Transmission Provider's Transmission System (1) in a manner comparable to that in which the Transmission Provider integrates its generating facilities to serve native load customers; or (2) in an RTO or ISO with market based congestion management, in the same manner as Network Resources. Network Resource Interconnection Service in and of itself does not convey transmission service.

Network Upgrades shall mean the additions, modifications, and upgrades to the Transmission Provider's Transmission System required at or beyond the point at which the Interconnection Facilities connect to the Transmission Provider's Transmission System to accommodate the interconnection of the Large Generating Facility to the Transmission Provider's Transmission System.

Notice of Dispute shall mean a written notice of a dispute or claim that arises out of or in connection with the Standard Large Generator Interconnection Agreement or its performance.

OASIS shall mean the Transmission Provider's Open Access Same-Time Information System.

Optional Interconnection Study shall mean a sensitivity analysis based on assumptions specified by the Interconnection Customer in the Optional Interconnection Study Agreement.

Optional Interconnection Study Agreement shall mean the form of agreement contained in Appendix 9 of the Standard Large Generator Interconnection Procedures for conducting the Optional Interconnection Study.

~~**Optional Interconnection Study** shall mean a sensitivity analysis based on assumptions specified by the Interconnection Customer in the Optional Interconnection Study Agreement.~~

~~**Optional Interconnection Study Agreement** shall mean the form of agreement contained in Appendix 5 of the Standard Large Generator Interconnection Procedures for conducting the Optional Interconnection Study.~~

Party or Parties shall mean Transmission Provider, Transmission Owner, Interconnection Customer or any combination of the above.

Permissible Technological Advancement shall mean modification to equipment that (1) results in electrical performance that is equal to or better than the electrical performance expected prior to the technology change, (2) does not cause any reliability concerns, (3) does not degrade the electrical characteristics of the generating equipment (e.g., the ratings, impedances, efficiencies, capabilities, and performance of the equipment under steady-state and dynamic conditions) and (4) does not have a material impact on the cost or timing of any Interconnection Request with a later queue priority date, and is therefore not a Material Modification. A Permissible Technological Advancement is a change in equipment that may achieve cost or grid performance efficiencies that may include turbines, inverters, plant supervisory controls or other devices but does not include changes in generation technology type or fuel type.

Phase (“Phase 1, Phase 2, or Phase 3”) shall mean a distinct part of the Definitive Interconnection Study Process as described in Section 10.8 of the LGIP.

Point of Change of Ownership shall mean the point, as set forth in Appendix A to the Standard Large Generator Interconnection Agreement, where the Interconnection Customer's Interconnection Facilities connect to the Transmission Provider's Interconnection Facilities.

Point of Interconnection shall mean the point, as set forth in Appendix A to the Standard Large Generator Interconnection Agreement, where the Interconnection Facilities connect to the Transmission Provider's Transmission System.

Provisional Interconnection Service shall mean Interconnection Service provided by the Transmission Provider associated with interconnecting the Interconnection Customer's Generating Facility to Transmission Provider's Transmission System and enabling that Transmission System to receive electric energy and capacity from the Generating Facility at the Point of Interconnection, pursuant to the terms of the Provisional Large Generator Interconnection Agreement and, if applicable, the Tariff.

Provisional Large Generator Interconnection Agreement shall mean the interconnection agreement for Provisional Interconnection Service established between Transmission Provider and/or the Transmission Owner and the Interconnection Customer. This agreement shall take the form of the Large Generator Interconnection Agreement, modified for provisional purposes. Provisional Large Generator Interconnection Agreements are not eligible for suspension.

Queue shall mean a queue for valid Interconnection Requests for the Serial Interconnection Study Process or the Definitive Interconnection Study Process.

Queue Position shall mean the order of a valid Interconnection Request, relative to all other pending valid Interconnection Requests, in either the Serial Interconnection Study Process or the Definitive Interconnection Study Process. In the Serial Interconnection Study Process, the Queue Position that is established based upon the date and time of receipt of the valid Interconnection Request by the Transmission Provider. Where a Transmission Provider is administering a Definitive Interconnection Study Process, all Interconnection Requests studied in a single Cluster shall be considered equally queued but Clusters initiated earlier in time shall be considered to have an earlier Queue Position than clusters initiated later. The Queue Position of an Interconnection Request shall have no bearing on the allocation of the cost of the common Upgrades identified in the applicable Cluster Study (such costs will be allocated among Interconnection Requests in accordance with Section 10.4).

Readiness Milestone(s) shall have the meaning set forth in Section 10.11 of the LGIP.

Reasonable Efforts shall mean, with respect to an action required to be attempted or taken by a Party under the Standard Large Generator Interconnection Agreement, efforts that are timely and consistent with Good Utility Practice and are otherwise substantially equivalent to those a Party would use to protect its own interests.

Resource Plan shall mean any process authorized or required by Applicable Laws and Regulations for, inter alia, the selection of Generating Facilities interconnected to the Transmission System of Transmission Provider.

Resource Planning Entity shall mean any entity required to develop a Resource Plan or conduct a Resource Solicitation Process.

Resource Solicitation Cluster shall mean a Cluster Study associated with a Resource Plan or related process.

Resource Solicitation Process shall mean any process authorized or required by Applicable Laws and Regulations for the acquisition of Network Resources by a Resource Planning Entity.

Reliability Assessment Study shall mean an engineering study that evaluates the impact of a proposed Generation Replacement on the reliability of the Transmission System during the time period between the date that the Existing Generating Facility ceases commercial operations and the expected Commercial Operation Date of the Replacement Generating Facility.

Replacement Generating Facility shall mean a Generating Facility that replaces an Existing Generating Facility, or a portion thereof, at the same electrical Point of Interconnection pursuant to Section 34.9 of the Large Generator Interconnection Procedures.

Replacement Impact Study shall mean an engineering study that evaluates the impact of a proposed Generation Replacement on the reliability of the Transmission System.

Scoping Meeting shall mean the meeting between representatives of the Interconnection Customer and Transmission Provider conducted for the purpose of discussing the proposed Interconnection Request, alternative interconnection options, to exchange information including any transmission data and earlier study evaluations that would be reasonably expected to ~~impact~~ affect such interconnection options, to analyze such information, and to determine the potential feasible Points of Interconnection.

Serial Interconnection Study Process shall mean the process of studying interconnection requests on a serial basis inclusive of the Interconnection Feasibility Study, the Serial Interconnection System Impact Study, and the Optional Interconnection Study Process.

Serial Interconnection System Impact Study shall mean an engineering study that evaluates the impact of the proposed interconnection on the safety and reliability of Transmission Provider's Transmission System and, if applicable, an Affected System. The study shall identify and detail the system impacts that would result if the Generating

Facility were interconnected without project modifications or system modifications, focusing on the adverse system impacts identified in the Interconnection Feasibility Study, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the LGIP.

Serial Interconnection System Impact Study Agreement shall mean the form of agreement contained in Appendix 5 of the Standard Large Generator Interconnection Procedures for conducting the Serial Interconnection System Impact Study.

Site Control shall mean the exclusive land right to develop, construct, operate, and maintain the Generating Facility over the term of the expected operation of the Generating Facility. Site Control shall include the right to develop, construct, operate, and maintain Interconnection Customer's Interconnection Facilities. Site Control may be demonstrated by documentation ~~reasonably demonstrating~~ establishing: (1) ownership of, a leasehold interest in, or a right to develop a site of sufficient size for the purpose of to constructing and operate the Generating Facility and associated Interconnection Customer's Interconnection Facilities; (2) an option to purchase or acquire a leasehold interest in a site of sufficient size to construct and operate the Generating Facility and associated Interconnection Facilities; for such purpose; or (3) any other documentation that clearly demonstrates the right of the Interconnection Customer to exclusively occupy a site of sufficient size to construct and operate the Generating Facility. an exclusivity or other business relationship between Interconnection Customer and the entity having the right to sell, lease or grant Interconnection Customer the right to possess or occupy a site for such purpose. Site Control for any co-located Generating Facilities is demonstrated by a contract or other agreement demonstrating among the legal owners of the Generating Facilities shared land use for all co-located projects that meet the aforementioned provisions of this Site Control definition.

Small Generating Facility shall mean a Generating Facility that has a Generating Facility Capacity of no more than 20 MW.

Stand Alone Network Upgrades shall mean Network Upgrades that are not part of an Affected System that an Interconnection Customer may construct without affecting day-to-day operations of the Transmission System during their construction. Both the Transmission Provider and the Interconnection Customer must agree as to what constitutes Stand Alone Network Upgrades and identify them in Appendix A to the Standard Large Generator Interconnection Agreement. If the Transmission Provider and Interconnection Customer disagree about whether a particular Network Upgrade is a Stand Alone Network Upgrade, the Transmission Provider must provide the Interconnection Customer a written technical explanation outlining why the Transmission Provider does not consider the Network Upgrade to be a Stand Alone Network Upgrade within 15 days of its determination.

Standard Large Generator Interconnection Agreement (LGIA) shall mean the form of interconnection agreement applicable to an Interconnection Request pertaining to a Large Generating Facility that is included in the Transmission Provider's Tariff.

Standard Large Generator Interconnection Procedures (LGIP) shall mean the interconnection procedures applicable to an Interconnection Request pertaining to a Large Generating Facility that are included in the Transmission Provider's Tariff.

Surplus Interconnection Service shall mean any unneeded portion of Interconnection Service established in a Large Generator Interconnection Agreement, such that if Surplus Interconnection Service is utilized the total amount of Interconnection Service at the Point of Interconnection would remain the same.

System Protection Facilities shall mean the equipment, including necessary protection signal communications equipment, required to protect (1) the Transmission Provider's Transmission System from faults or other electrical disturbances occurring at the Generating Facility and (2) the Generating Facility from faults or other electrical system disturbances occurring on the Transmission Provider's Transmission System or on other delivery systems or other generating systems to which the Transmission Provider's Transmission System is directly connected.

Tariff shall mean the Transmission Provider's Tariff through which open access transmission service and Interconnection Service are offered, as filed with FERC, and as amended or supplemented from time to time, or any successor tariff.

Transmission Owner shall mean an entity that owns, leases or otherwise possesses an interest in the portion of the Transmission System at the Point of Interconnection and may be a Party to the Standard Large Generator Interconnection Agreement to the extent necessary.

Transmission Provider shall mean the public utility (or its designated agent) that owns, controls, or operates transmission or distribution facilities used for the transmission of electricity in interstate commerce and provides transmission service under the Tariff. The term Transmission Provider should be read to include the Transmission Owner when the Transmission Owner is separate from the Transmission Provider.

Transmission Provider's Interconnection Facilities shall mean all facilities and equipment owned, controlled or operated by the Transmission Provider from the Point of Change of Ownership to the Point of Interconnection as identified in Appendix A to the Standard Large Generator Interconnection Agreement, including any modifications, additions or upgrades to such facilities and equipment. Transmission Provider's

Interconnection Facilities are sole use facilities (e.g., for generator interconnection) and shall not include Distribution Upgrades, Stand Alone Network Upgrades or Network Upgrades. Transmission Provider's Interconnection Facilities may be shared by more than one Interconnection Customer.

Transmission System shall mean the facilities owned, controlled or operated by the Transmission Provider or Transmission Owner that are used to provide transmission service under the Tariff.

Trial Operation shall mean the period during which Interconnection Customer is engaged in on-site test operations and commissioning of the Generating Facility prior to Commercial Operation.

Variable Energy Resource shall mean a device for the production of electricity that is characterized by an energy source that: (1) is renewable; (2) cannot be stored by the facility owner or operator; and (3) has variability that is beyond the control of the facility owner or operator.

Withdrawal Penalty shall have the meaning set forth in Section 4.7 of the LGIP.

Article 2. Effective Date, Term, and Termination

2.1 Effective Date. This LGIA shall become effective upon execution by the Parties subject to acceptance by FERC (if applicable), or if filed unexecuted, upon the date specified by FERC. Transmission Provider shall promptly file this LGIA with FERC upon execution in accordance with Article 3.1, if required.

2.2 Term of Agreement. Subject to the provisions of Article 2.3, this LGIA shall remain in effect for a period of ten (10) years from the Effective Date or such other longer period as Interconnection Customer may request (Term to be specified in individual agreements) and shall be automatically renewed for each successive one-year period thereafter.

2.3 Termination Procedures.

2.3.1 Written Notice. This LGIA may be terminated by Interconnection Customer after giving Transmission Provider ninety (90) Calendar Days advance written notice, or by Transmission Provider notifying FERC after the Generating Facility permanently ceases Commercial Operation.

2.3.2 Default. Either Party may terminate this LGIA in accordance with Article 17.

2.3.3 Notwithstanding Articles 2.3.1 and 2.3.2, no termination shall become effective until the Parties have complied with all Applicable Laws and Regulations applicable to such termination, including the filing with FERC of a notice of termination of this LGIA, which notice has been accepted for filing by FERC.

2.4 Termination Costs. If a Party elects to terminate this Agreement pursuant to Article 2.3 above, each Party shall pay all costs incurred (including any cancellation costs relating to orders or contracts for Interconnection Facilities and equipment) or charges assessed by the other Party, as of the date of the other Party's receipt of such notice of termination, that are the responsibility of the Terminating Party under this LGIA. In the event of termination by a Party, the Parties shall use commercially Reasonable Efforts to mitigate the costs, damages and charges arising as a consequence of termination. Upon termination of this LGIA, unless otherwise ordered or approved by FERC:

2.4.1 With respect to any portion of Transmission Provider's Interconnection Facilities that have not yet been constructed or installed, Transmission Provider shall to the extent possible and with Interconnection Customer's authorization cancel any pending orders of, or return, any materials or equipment for, or contracts for construction of, such facilities; provided that in the event Interconnection Customer elects not to authorize such cancellation, Interconnection Customer shall assume all payment obligations with respect to such materials, equipment, and contracts, and Transmission Provider shall deliver such material and equipment, and, if necessary, assign such contracts, to Interconnection Customer as soon as practicable, at Interconnection Customer's expense. To the extent that Interconnection Customer has already paid Transmission Provider for any or all such costs of materials or equipment not taken by Interconnection Customer, Transmission Provider shall promptly refund such amounts to Interconnection Customer, less any costs, including penalties incurred by Transmission Provider to cancel any pending orders of or return such materials, equipment, or contracts.

If an Interconnection Customer terminates this LGIA, it shall be responsible for all costs incurred in association with that Interconnection Customer's interconnection, including any cancellation costs relating to orders or contracts for Interconnection Facilities and equipment, and other expenses including any Network Upgrades for which Transmission Provider has incurred expenses and has not been reimbursed by Interconnection Customer.

2.4.2 Transmission Provider may, at its option, retain any portion of such materials, equipment, or facilities that Interconnection Customer chooses not to accept delivery of, in which case Transmission Provider shall be responsible for all costs associated with procuring such materials, equipment, or facilities.

- 2.4.3** With respect to any portion of the Interconnection Facilities, and any other facilities already installed or constructed pursuant to the terms of this LGIA, Interconnection Customer shall be responsible for all costs associated with the removal, relocation or other disposition or retirement of such materials, equipment, or facilities.
- 2.5** **Disconnection.** Upon termination of this LGIA, the Parties will take all appropriate steps to disconnect the Large Generating Facility from the Transmission System. All costs required to effectuate such disconnection shall be borne by the terminating Party, unless such termination resulted from the non-terminating Party's Default of this LGIA or such non-terminating Party otherwise is responsible for these costs under this LGIA.
- 2.6** **Survival.** This LGIA shall continue in effect after termination to the extent necessary to provide for final billings and payments and for costs incurred hereunder, including billings and payments pursuant to this LGIA; to permit the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this LGIA was in effect; and to permit each Party to have access to the lands of the other Party pursuant to this LGIA or other applicable agreements, to disconnect, remove or salvage its own facilities and equipment.

Article 3. Regulatory Filings

3.1 Filing. Transmission Provider shall file this LGIA (and any amendment hereto) with the appropriate Governmental Authority, if required. Interconnection Customer may request that any information so provided be subject to the confidentiality provisions of Article 22. If Interconnection Customer has executed this LGIA, or any amendment thereto, Interconnection Customer shall reasonably cooperate with Transmission Provider with respect to such filing and to provide any information reasonably requested by Transmission Provider needed to comply with applicable regulatory requirements.

Article 4. Scope of Service

4.1 Interconnection Product Options. Interconnection Customer has selected the following (checked) type of Interconnection Service:

4.1.1 Energy Resource Interconnection Service.

4.1.1.1 The Product. Energy Resource Interconnection Service allows Interconnection Customer to connect the Large Generating Facility to the Transmission System and be eligible to deliver the Large Generating Facility's output using the existing firm or non-firm capacity of the Transmission System on an "as available" basis. To the extent Interconnection Customer wants to receive Energy Resource Interconnection Service, Transmission Provider shall construct facilities identified in Attachment A.

4.1.1.2 Transmission Delivery Service Implications. Under Energy Resource Interconnection Service, Interconnection Customer will be eligible to inject power from the Large Generating Facility into and deliver power across the interconnecting Transmission Provider's Transmission System on an "as available" basis up to the amount of MWs identified in the applicable stability and steady state studies to the extent the upgrades initially required to qualify for Energy Resource Interconnection Service have been constructed. Where eligible to do so (e.g., PJM, ISO-NE, NYISO), Interconnection Customer may place a bid to sell into the market up to the maximum identified Large Generating

Facility output, subject to any conditions specified in the interconnection service approval, and the Large Generating Facility will be dispatched to the extent Interconnection Customer's bid clears. In all other instances, no transmission delivery service from the Large Generating Facility is assured, but Interconnection Customer may obtain Point-to-Point Transmission Service, Network Integration Transmission Service, or be used for secondary network transmission service, pursuant to Transmission Provider's Tariff, up to the maximum output identified in the stability and steady state studies. In those instances, in order for Interconnection Customer to obtain the right to deliver or inject energy beyond the Large Generating Facility Point of Interconnection or to improve its ability to do so, transmission delivery service must be obtained pursuant to the provisions of Transmission Provider's Tariff. The Interconnection Customer's ability to inject its Large Generating Facility output beyond the Point of Interconnection, therefore, will depend on the existing capacity of Transmission Provider's Transmission System at such time as a transmission service request is made that would accommodate such delivery. The provision of firm Point-to-Point Transmission Service or Network Integration Transmission Service may require the construction of additional Network Upgrades.

4.1.2 Network Resource Interconnection Service.

4.1.2.1 The Product. Transmission Provider must conduct the necessary studies and construct the Network Upgrades needed to integrate the Large Generating Facility (1) in a manner comparable to that in which Transmission Provider integrates its generating facilities to serve native load customers; or (2) in an ISO or RTO with market based congestion management, in the same manner as all Network Resources. To the extent Interconnection Customer wants to receive Network Resource Interconnection Service, Transmission Provider shall construct the facilities identified in Attachment A to this LGIA.

4.1.2.2

Transmission Delivery Service Implications. Network Resource Interconnection Service allows Interconnection Customer's Large Generating Facility to be designated by any Network Customer under the Tariff on Transmission Provider's Transmission System as a Network Resource, up to the Large Generating Facility's full output, on the same basis as existing Network Resources interconnected to Transmission Provider's Transmission System, and to be studied as a Network Resource on the assumption that such a designation will occur. Although Network Resource Interconnection Service does not convey a reservation of transmission service, any Network Customer under the Tariff can utilize its network service under the Tariff to obtain delivery of energy from the interconnected Interconnection Customer's Large Generating Facility in the same manner as it accesses Network Resources. A Large Generating Facility receiving Network Resource Interconnection Service may also be used to provide Ancillary Services after technical studies and/or periodic analyses are performed with respect to the Large Generating Facility's ability to provide any applicable Ancillary Services, provided that such studies and analyses have been or would be required in connection with the provision of such Ancillary Services by any existing Network Resource. However, if an Interconnection Customer's Large Generating Facility has not been designated as a Network Resource by any load, it cannot be required to provide Ancillary Services except to the extent such requirements extend to all generating facilities that are similarly situated. The provision of Network Integration Transmission Service or firm Point-to-Point Transmission Service may require additional studies and the construction of additional upgrades. Because such studies and upgrades would be associated with a request for delivery service under the Tariff, cost responsibility for the studies and upgrades would be in accordance with FERC's policy for pricing transmission delivery services.

Network Resource Interconnection Service does not necessarily provide Interconnection Customer with the capability to physically deliver the output of its Large Generating Facility to any particular load on Transmission Provider's Transmission System without incurring congestion

costs. In the event of transmission constraints on Transmission Provider's Transmission System, Interconnection Customer's Large Generating Facility shall be subject to the applicable congestion management procedures in Transmission Provider's Transmission System in the same manner as Network Resources.

There is no requirement either at the time of study or interconnection, or at any point in the future, that Interconnection Customer's Large Generating Facility be designated as a Network Resource by a Network Service Customer under the Tariff or that Interconnection Customer identify a specific buyer (or sink). To the extent a Network Customer does designate the Large Generating Facility as a Network Resource, it must do so pursuant to Transmission Provider's Tariff.

Once an Interconnection Customer satisfies the requirements for obtaining Network Resource Interconnection Service, any future transmission service request for delivery from the Large Generating Facility within Transmission Provider's Transmission System of any amount of capacity and/or energy, up to the amount initially studied, will not require that any additional studies be performed or that any further upgrades associated with such Large Generating Facility be undertaken, regardless of whether or not such Large Generating Facility is ever designated by a Network Customer as a Network Resource and regardless of changes in ownership of the Large Generating Facility. However, the reduction or elimination of congestion or redispatch costs may require additional studies and the construction of additional upgrades.

To the extent Interconnection Customer enters into an arrangement for long term transmission service for deliveries from the Large Generating Facility outside Transmission Provider's Transmission System, such request may require additional studies and upgrades in order for Transmission Provider to grant such request.

4.2 Provision of Service. Transmission Provider shall provide Interconnection Service for the Large Generating Facility at the Point of Interconnection.

- 4.3 Performance Standards.** Each Party shall perform all of its obligations under this LGIA in accordance with Applicable Laws and Regulations, Applicable Reliability Standards, and Good Utility Practice, and to the extent a Party is required or prevented or limited in taking any action by such regulations and standards, such Party shall not be deemed to be in Breach of this LGIA for its compliance therewith. If such Party is a Transmission Provider or Transmission Owner, then that Party shall amend the LGIA and submit the amendment to FERC for approval.
- 4.4 No Transmission Delivery Service.** The execution of this LGIA does not constitute a request for, nor the provision of, any transmission delivery service under Transmission Provider's Tariff, and does not convey any right to deliver electricity to any specific customer or Point of Delivery.
- 4.5 Interconnection Customer Provided Services.** The services provided by Interconnection Customer under this LGIA are set forth in Article 9.6 and Article 13.5.1. Interconnection Customer shall be paid for such services in accordance with Article 11.6.

Article 5. Interconnection Facilities Engineering, Procurement, and Construction

- 5.1 Options.** Unless otherwise mutually agreed to between the Parties, Interconnection Customer shall select the In-Service Date, Initial Synchronization Date, and Commercial Operation Date; and either the Standard Option or Alternate Option set forth below for completion of Transmission Provider's Interconnection Facilities and Network Upgrades as set forth in Appendix A, Interconnection Facilities and Network Upgrades, and such dates and selected option shall be set forth in Appendix B, Milestones. At the same time, Interconnection Customer shall indicate whether it elects to exercise the Option to Build set forth in Article 5.1.3 below. If the dates designated by Interconnection Customer are not acceptable to Transmission Provider, Transmission Provider shall so notify Interconnection Customer within thirty (30) Calendar Days. Upon receipt of the notification that Interconnection Customer's designated dates are not acceptable to Transmission Provider, the Interconnection Customer shall notify Transmission Provider within thirty (30) Calendar Days whether it elects to exercise the Option to Build if it has not already elected to exercise the Option to Build.

5.1.1 Standard Option. Transmission Provider shall design, procure, and construct Transmission Provider's Interconnection Facilities and Network Upgrades, using Reasonable Efforts to complete Transmission Provider's Interconnection Facilities and Network Upgrades by the dates set forth in Appendix B, Milestones. Transmission Provider shall not be required to undertake any action which is inconsistent with its standard safety practices, its material and equipment specifications, its design criteria and construction procedures, its labor agreements, and Applicable Laws and Regulations. In the event Transmission Provider reasonably expects that it will not be able to complete Transmission Provider's Interconnection Facilities and Network Upgrades by the specified dates, Transmission Provider shall promptly provide written notice to Interconnection Customer and shall undertake Reasonable Efforts to meet the earliest dates thereafter.

5.1.2 Alternate Option. If the dates designated by Interconnection Customer are acceptable to Transmission Provider, Transmission Provider shall so notify Interconnection Customer within thirty (30) Calendar Days, and shall assume responsibility for the design, procurement and construction of Transmission Provider's Interconnection Facilities by the designated dates.

If Transmission Provider subsequently fails to complete Transmission Provider's Interconnection Facilities by the In-Service Date, to the extent necessary to provide back feed power; or fails to complete Network Upgrades by the Initial Synchronization Date to the extent necessary to allow for Trial Operation at full power output, unless other arrangements are made by the Parties for such Trial Operation; or fails to complete the Network Upgrades by the Commercial Operation Date, as such dates are reflected in Appendix B, Milestones; Transmission Provider shall pay Interconnection Customer liquidated damages in accordance with Article 5.3, Liquidated Damages, provided, however, the dates designated by Interconnection Customer shall be extended day for day for each day that the applicable RTO or ISO refuses to grant clearances to install equipment.

5.1.3 Option to Build. Interconnection Customer shall have the option to assume responsibility for the design, procurement and construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades on the dates specified in Article 5.1.2. Transmission Provider and Interconnection Customer must agree as to what constitutes Stand Alone Network Upgrades and identify such Stand Alone Network Upgrades in Appendix A. Except for Stand Alone Network Upgrades, Interconnection Customer shall have no right to construct Network Upgrades under this option.

5.1.4 Negotiated Option. If the dates designated by Interconnection Customer are not acceptable to Transmission Provider, the Parties shall in good faith attempt to negotiate terms and conditions (including revision of the specified dates and liquidated damages, the provision of incentives, or the procurement and construction of all facilities other than Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades if the Interconnection Customer elects to exercise the Option to Build under Article 5.1.3). If the Parties are unable to reach agreement on such terms and conditions, then, pursuant to Article 5.1.1 (Standard Option), Transmission Provider shall assume responsibility for the design, procurement and construction of all facilities other than Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades if the Interconnection Customer elects to exercise the Option to Build.

5.2 General Conditions Applicable to Option to Build. If Interconnection Customer assumes responsibility for the design, procurement and construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades,

(1) Interconnection Customer shall engineer, procure equipment, and construct Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades (or portions thereof) using Good Utility Practice and using standards and specifications provided in advance by Transmission Provider;

(2) Interconnection Customer's engineering, procurement and construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades shall comply with all requirements of law to which Transmission Provider would be subject in the engineering, procurement or construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades;

(3) Transmission Provider shall review and approve the engineering design, equipment acceptance tests, and the construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades;

(4) prior to commencement of construction, Interconnection Customer shall provide to Transmission Provider a schedule for construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades, and shall promptly respond to requests for information from Transmission Provider;

(5) at any time during construction, Transmission Provider shall have the right to gain unrestricted access to Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades and to conduct inspections of the same;

(6) at any time during construction, should any phase of the engineering, equipment procurement, or construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades not meet the standards and specifications provided by Transmission Provider, Interconnection Customer shall be obligated to remedy deficiencies in that portion of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades;

(7) Interconnection Customer shall indemnify Transmission Provider for claims arising from Interconnection Customer's construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades under the terms and procedures applicable to Article 18.1 Indemnity;

(8) Interconnection Customer shall transfer control of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades to Transmission Provider;

(9) Unless Parties otherwise agree, Interconnection Customer shall transfer ownership of Transmission Provider's Interconnection Facilities and Stand-Alone Network Upgrades to Transmission Provider;

(10) Transmission Provider shall approve and accept for operation and maintenance Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades to the extent engineered, procured, and constructed in accordance with this Article 5.2; and

(11) Interconnection Customer shall deliver to Transmission Provider "as-built" drawings, information, and any other documents that are reasonably required by Transmission Provider to assure that the Interconnection Facilities and Stand-Alone Network Upgrades are built to the standards and specifications required by Transmission Provider.

(12) If the Interconnection Customer exercises the Option to Build pursuant to Article 5.1.3, Interconnection Customer shall pay Transmission Provider the agreed upon amount of [\$ PLACEHOLDER] for Transmission Provider

to execute the responsibilities enumerated to Transmission Provider under Article 5.2. Transmission Provider shall invoice Interconnection Customer for this total amount to be divided on a monthly basis pursuant to Article 12.

5.3 Liquidated Damages. The actual damages to Interconnection Customer, in the event Transmission Provider's Interconnection Facilities or Network Upgrades are not completed by the dates designated by Interconnection Customer and accepted by Transmission Provider pursuant to subparagraphs 5.1.2 or 5.1.4, above, may include Interconnection Customer's fixed operation and maintenance costs and lost opportunity costs. Such actual damages are uncertain and impossible to determine at this time. Because of such uncertainty, any liquidated damages paid by Transmission Provider to Interconnection Customer in the event that Transmission Provider does not complete any portion of Transmission Provider's Interconnection Facilities or Network Upgrades by the applicable dates, shall be an amount equal to $\frac{1}{2}$ of 1 percent per day of the actual cost of Transmission Provider's Interconnection Facilities and Network Upgrades, in the aggregate, for which Transmission Provider has assumed responsibility to design, procure and construct.

However, in no event shall the total liquidated damages exceed 20 percent of the actual cost of Transmission Provider's Interconnection Facilities and Network Upgrades for which Transmission Provider has assumed responsibility to design, procure, and construct. The foregoing payments will be made by Transmission Provider to Interconnection Customer as just compensation for the damages caused to Interconnection Customer, which actual damages are uncertain and impossible to determine at this time, and as reasonable liquidated damages, but not as a penalty or a method to secure performance of this LGIA. Liquidated damages, when the Parties agree to them, are the exclusive remedy for the Transmission Provider's failure to meet its schedule.

No liquidated damages shall be paid to Interconnection Customer if: (1) Interconnection Customer is not ready to commence use of Transmission Provider's Interconnection Facilities or Network Upgrades to take the delivery of power for the Large Generating Facility's Trial Operation or to export power from the Large Generating Facility on the specified dates, unless Interconnection Customer would have been able to commence use of Transmission Provider's Interconnection Facilities or Network Upgrades to take the delivery of power for Large Generating Facility's Trial Operation or to export power from the Large Generating Facility, but for Transmission Provider's delay; (2) Transmission Provider's failure to meet the specified dates is the result of the action or inaction of Interconnection Customer or any other Interconnection Customer who has

entered into an LGIA with Transmission Provider or any cause beyond Transmission Provider's reasonable control or reasonable ability to cure; (3) the Interconnection Customer has assumed responsibility for the design, procurement and construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades; or (4) the Parties have otherwise agreed.

5.4 Power System Stabilizers. The Interconnection Customer shall procure, install, maintain and operate Power System Stabilizers in accordance with the guidelines and procedures established by the Applicable Reliability Council. Transmission Provider reserves the right to reasonably establish minimum acceptable settings for any installed Power System Stabilizers, subject to the design and operating limitations of the Large Generating Facility. If the Large Generating Facility's Power System Stabilizers are removed from service or not capable of automatic operation, Interconnection Customer shall immediately notify Transmission Provider's system operator, or its designated representative. The requirements of this paragraph shall not apply to wind generators.

5.5 Equipment Procurement. If responsibility for construction of Transmission Provider's Interconnection Facilities or Network Upgrades is to be borne by Transmission Provider, then Transmission Provider shall commence design of Transmission Provider's Interconnection Facilities or Network Upgrades and procure necessary equipment as soon as practicable after all of the following conditions are satisfied, unless the Parties otherwise agree in writing:

5.5.1 Transmission Provider has completed the Facilities Study pursuant to the Facilities Study Agreement;

5.5.2 Transmission Provider has received written authorization to proceed with design and procurement from Interconnection Customer by the date specified in Appendix B, Milestones; and

5.5.3 Interconnection Customer has provided security to Transmission Provider in accordance with Article 11.5 by the dates specified in Appendix B, Milestones.

5.6 Construction Commencement. Transmission Provider shall commence construction of Transmission Provider's Interconnection Facilities and Network Upgrades for which it is responsible as soon as practicable after the following additional conditions are satisfied:

5.6.1 Approval of the appropriate Governmental Authority has been obtained for any facilities requiring regulatory approval;

- 5.6.2** Necessary real property rights and rights-of-way have been obtained, to the extent required for the construction of a discrete aspect of Transmission Provider's Interconnection Facilities and Network Upgrades;
- 5.6.3** Transmission Provider has received written authorization to proceed with construction from Interconnection Customer by the date specified in Appendix B, Milestones; and
- 5.6.4** Interconnection Customer has provided security to Transmission Provider in accordance with Article 11.5 by the dates specified in Appendix B, Milestones.
- 5.7 Work Progress.** The Parties will keep each other advised periodically as to the progress of their respective design, procurement and construction efforts. Either Party may, at any time, request a progress report from the other Party. If, at any time, Interconnection Customer determines that the completion of Transmission Provider's Interconnection Facilities will not be required until after the specified In-Service Date, Interconnection Customer will provide written notice to Transmission Provider of such later date upon which the completion of Transmission Provider's Interconnection Facilities will be required.
- 5.8 Information Exchange.** As soon as reasonably practicable after the Effective Date, the Parties shall exchange information regarding the design and compatibility of the Parties' Interconnection Facilities and compatibility of the Interconnection Facilities with Transmission Provider's Transmission System, and shall work diligently and in good faith to make any necessary design changes.
- 5.9 Other Interconnection Options.**
- 5.9.1 Limited Operation.** If any of Transmission Provider's Interconnection Facilities or Network Upgrades are not reasonably expected to be completed prior to the Commercial Operation Date of the Large Generating Facility, Transmission Provider shall, upon the request and at the expense of Interconnection Customer, perform operating studies on a timely basis to determine the extent to which the Large Generating Facility and Interconnection Customer's Interconnection Facilities may operate prior to the completion of Transmission Provider's Interconnection Facilities or Network Upgrades consistent with Applicable Laws and Regulations, Applicable Reliability Standards, Good Utility Practice, and this LGIA. Transmission Provider shall permit Interconnection Customer to operate the

Large Generating Facility and Interconnection Customer's Interconnection Facilities in accordance with the results of such studies.

5.9.2 Provisional Interconnection Service. Upon the request of Interconnection Customer, and prior to completion of requisite Interconnection Facilities, Network Upgrades, Distribution Upgrades, or System Protection Facilities Transmission Provider may execute a Provisional Large Generator Interconnection Agreement or Interconnection Customer may request the filing of an unexecuted Provisional Large Generator Interconnection Agreement with the Interconnection Customer for limited Interconnection Service at the discretion of Transmission Provider based upon an evaluation that will consider the results of available studies. Transmission Provider shall determine, through available studies or ~~additional studies as necessary~~an Informational Interconnection Study, whether stability, short circuit, thermal, and/or voltage issues would arise if Interconnection Customer interconnects without modifications to the Generating Facility or Transmission System. Transmission Provider shall determine whether any Interconnection Facilities, Network Upgrades, Distribution Upgrades, or System Protection Facilities that are necessary to meet the requirements of NERC, or any applicable Regional Entity for the interconnection of a new, modified and/or expanded Generating Facility are in place prior to the commencement of Interconnection Service from the Generating Facility. Where available studies indicate that such Interconnection Facilities, Network Upgrades, Distribution Upgrades, and/or System Protection Facilities that are required for the interconnection of a new, modified and/or expanded Generating Facility are not currently in place, Transmission Provider will perform ~~a study~~an Informational Interconnection Study, at the Interconnection Customer's expense, to confirm the facilities that are required for Provisional Interconnection Service. The maximum permissible output of the Generating Facility in the Provisional Large Generator Interconnection Agreement shall be studied and updated annually and all such studies shall be at the Interconnection Customer's expense. Interconnection Customer assumes all risk and liabilities with respect to changes between the Provisional Large Generator Interconnection Agreement and the Large Generator Interconnection Agreement, including changes in output limits and Interconnection Facilities, Network Upgrades, Distribution Upgrades, and/or System Protection Facilities cost responsibilities.

5.10 Interconnection Customer's Interconnection Facilities ('ICIF').

Interconnection Customer shall, at its expense, design, procure, construct, own and

install the ICIF, as set forth in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades.

- 5.10.1 Interconnection Customer's Interconnection Facility Specifications.** Interconnection Customer shall submit initial specifications for the ICIF, including System Protection Facilities, to Transmission Provider at least one hundred eighty (180) Calendar Days prior to the Initial Synchronization Date; and final specifications for review and comment at least ninety (90) Calendar Days prior to the Initial Synchronization Date. Transmission Provider shall review such specifications to ensure that the ICIF are compatible with the technical specifications, operational control, and safety requirements of Transmission Provider and comment on such specifications within thirty (30) Calendar Days of Interconnection Customer's submission. All specifications provided hereunder shall be deemed confidential.
- 5.10.2 Transmission Provider's Review.** Transmission Provider's review of Interconnection Customer's final specifications shall not be construed as confirming, endorsing, or providing a warranty as to the design, fitness, safety, durability or reliability of the Large Generating Facility, or the ICIF. Interconnection Customer shall make such changes to the ICIF as may reasonably be required by Transmission Provider, in accordance with Good Utility Practice, to ensure that the ICIF are compatible with the technical specifications, operational control, and safety requirements of Transmission Provider.
- 5.10.3 ICIF Construction.** The ICIF shall be designed and constructed in accordance with Good Utility Practice. Within one hundred twenty (120) Calendar Days after the Commercial Operation Date, unless the Parties agree on another mutually acceptable deadline, Interconnection Customer shall deliver to Transmission Provider "as-built" drawings, information and documents for the ICIF, such as: a one-line diagram, a site plan showing the Large Generating Facility and the ICIF, plan and elevation drawings showing the layout of the ICIF, a relay functional diagram, relaying AC and DC schematic wiring diagrams and relay settings for all facilities associated with Interconnection Customer's step-up transformers, the facilities connecting the Large Generating Facility to the step-up transformers and the ICIF, and the impedances (determined by factory tests) for the associated step-up transformers and the Large

Generating Facility. The Interconnection Customer shall provide Transmission Provider specifications for the excitation system, automatic voltage regulator, Large Generating Facility control and protection settings, transformer tap settings, and communications, if applicable.

5.11 Transmission Provider's Interconnection Facilities Construction.

Transmission Provider's Interconnection Facilities shall be designed and constructed in accordance with Good Utility Practice. Upon request, within one hundred twenty (120) Calendar Days after the Commercial Operation Date, unless the Parties agree on another mutually acceptable deadline, Transmission Provider shall deliver to Interconnection Customer the following "as-built" drawings, information and documents for Transmission Provider's Interconnection Facilities [include appropriate drawings and relay diagrams].

Transmission Provider will obtain control of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades upon completion of such facilities.

5.12 Access Rights. Upon reasonable notice and supervision by a Party, and subject to any required or necessary regulatory approvals, a Party ("Granting Party") shall furnish at no cost to the other Party ("Access Party") any rights of use, licenses, rights of way and easements with respect to lands owned or controlled by the Granting Party, its agents (if allowed under the applicable agency agreement), or any Affiliate, that are necessary to enable the Access Party to obtain ingress and egress to construct, operate, maintain, repair, test (or witness testing), inspect, replace or remove facilities and equipment to: (i) interconnect the Large Generating Facility with the Transmission System; (ii) operate and maintain the Large Generating Facility, the Interconnection Facilities and the Transmission System; and (iii) disconnect or remove the Access Party's facilities and equipment upon termination of this LGIA. In exercising such licenses, rights of way and easements, the Access Party shall not unreasonably disrupt or interfere with normal operation of the Granting Party's business and shall adhere to the safety rules and procedures established in advance, as may be changed from time to time, by the Granting Party and provided to the Access Party.

5.13 Lands of Other Property Owners. If any part of Transmission Provider or Transmission Owner's Interconnection Facilities and/or Network Upgrades is to be installed on property owned by persons other than Interconnection Customer or Transmission Provider or Transmission Owner, Transmission Provider or Transmission Owner shall at Interconnection Customer's expense use efforts,

similar in nature and extent to those that it typically undertakes on its own behalf or on behalf of its Affiliates, including use of its eminent domain authority, and to the extent consistent with state law, to procure from such persons any rights of use, licenses, rights of way and easements that are necessary to construct, operate, maintain, test, inspect, replace or remove Transmission Provider or Transmission Owner's Interconnection Facilities and/or Network Upgrades upon such property.

- 5.14 Permits.** Transmission Provider or Transmission Owner and Interconnection Customer shall cooperate with each other in good faith in obtaining all permits, licenses, and authorizations that are necessary to accomplish the interconnection in compliance with Applicable Laws and Regulations. With respect to this paragraph, Transmission Provider or Transmission Owner shall provide permitting assistance to Interconnection Customer comparable to that provided to Transmission Provider's own, or an Affiliate's generation.
- 5.15 Early Construction of Base Case Facilities.** Interconnection Customer may request Transmission Provider to construct, and Transmission Provider shall construct, using Reasonable Efforts to accommodate Interconnection Customer's In-Service Date, all or any portion of any Network Upgrades required for Interconnection Customer to be interconnected to the Transmission System which are included in the Base Case of the Facilities Study for Interconnection Customer, and which also are required to be constructed for another Interconnection Customer, but where such construction is not scheduled to be completed in time to achieve Interconnection Customer's In-Service Date.
- 5.16 Suspension.** Interconnection Customer reserves the right, upon written notice to Transmission Provider, to suspend at any time all work by Transmission Provider associated with the construction and installation of Transmission Provider's Interconnection Facilities and/or Network Upgrades required under this LGIA with the condition that Transmission System shall be left in a safe and reliable condition in accordance with Good Utility Practice and Transmission Provider's safety and reliability criteria. In such event, (a) all milestone dates occurring after the effective date of the suspension shall be suspended during the suspension period and (b) Interconnection Customer shall be responsible for all reasonable and necessary costs which Transmission Provider (i) has incurred pursuant to this LGIA prior to the suspension and (ii) incurs in suspending such work, including any costs incurred to perform such work as may be necessary to ensure the safety of persons and property and the integrity of the Transmission System during such suspension and, if applicable, any costs incurred in connection with the cancellation or suspension of material, equipment and labor contracts which Transmission Provider cannot reasonably avoid; provided, however, that prior to canceling or suspending any such material, equipment or labor contract,

Transmission Provider shall obtain Interconnection Customer's authorization to do so.

Transmission Provider shall invoice Interconnection Customer for such costs pursuant to Article 12 and shall use due diligence to minimize its costs.

In the event Interconnection Customers suspends work by Transmission Provider required under this LGIA pursuant to this Article 5.16 and requests Transmission Provider to recommence the work required under this LGIA on or before the expiration of the three (3) years following the commencement of such suspension, then the parties may revise Appendices A and B per Article 30.10 of this LGIA to account for revised construction sequencing and milestone dates.

In the event Interconnection Customer suspends work by Transmission Provider required under this LGIA pursuant to this Article 5.16, and has not requested Transmission Provider to recommence the work required under this LGIA on or before the expiration of three (3) years following commencement of such suspension, this LGIA shall be deemed terminated. The three-year period shall begin on the date the suspension is requested, or the date of the written notice to Transmission Provider, if no effective date is specified.

5.17 Taxes.

5.17.1 Interconnection Customer Payments Not Taxable. The Parties intend that all payments or property transfers made by Interconnection Customer to Transmission Provider for the installation of Transmission Provider's Interconnection Facilities and the Network Upgrades shall be non-taxable, either as contributions to capital, or as an advance, in accordance with the Internal Revenue Code and any applicable state income tax laws and shall not be taxable as contributions in aid of construction or otherwise under the Internal Revenue Code and any applicable state income tax laws.

5.17.2 Representations and Covenants. In accordance with IRS Notice 2001-82 and IRS Notice 88-129, Interconnection Customer represents and covenants that (i) ownership of the electricity generated at the Large Generating Facility will pass to another party prior to the transmission of the electricity on the Transmission System, (ii) for income tax purposes, the amount of any payments and the cost of any property transferred to Transmission Provider for Transmission Provider's Interconnection Facilities will be capitalized by Interconnection Customer as an intangible asset and recovered

using the straight-line method over a useful life of twenty (20) years, and (iii) any portion of Transmission Provider's Interconnection Facilities that is a "dual-use intertie," within the meaning of IRS Notice 88-129, is reasonably expected to carry only a de minimis amount of electricity in the direction of the Large Generating Facility. For this purpose, "de minimis amount" means no more than 5 percent of the total power flows in both directions, calculated in accordance with the "5 percent test" set forth in IRS Notice 88-129. This is not intended to be an exclusive list of the relevant conditions that must be met to conform to IRS requirements for non-taxable treatment.

At Transmission Provider's request, Interconnection Customer shall provide Transmission Provider with a report from an independent engineer confirming its representation in clause (iii), above. Transmission Provider represents and covenants that the cost of Transmission Provider's Interconnection Facilities paid for by Interconnection Customer will have no net effect on the base upon which rates are determined.

5.17.3 Indemnification for the Cost Consequences of Current Tax Liability Imposed Upon the Transmission Provider.

Notwithstanding Article 5.17.1, Interconnection Customer shall protect, indemnify and hold harmless Transmission Provider from the cost consequences of any current tax liability imposed against Transmission Provider as the result of payments or property transfers made by Interconnection Customer to Transmission Provider under this LGIA for Interconnection Facilities, as well as any interest and penalties, other than interest and penalties attributable to any delay caused by Transmission Provider.

Transmission Provider shall not include a gross-up for the cost consequences of any current tax liability in the amounts it charges Interconnection Customer under this LGIA unless (i) Transmission Provider has determined, in good faith, that the payments or property transfers made by Interconnection Customer to Transmission Provider should be reported as income subject to taxation or (ii) any Governmental Authority directs Transmission Provider to report payments or property as income subject to taxation; provided, however, that Transmission Provider may require Interconnection Customer to provide security for Interconnection Facilities, in a form reasonably acceptable to Transmission Provider (such as a parental

guarantee or a letter of credit), in an amount equal to the cost consequences of any current tax liability under this Article 5.17. Interconnection Customer shall reimburse Transmission Provider for such costs on a fully grossed-up basis, in accordance with Article 5.17.4, within thirty (30) Calendar Days of receiving written notification from Transmission Provider of the amount due, including detail about how the amount was calculated.

The indemnification obligation shall terminate at the earlier of (1) the expiration of the ten year testing period and the applicable statute of limitation, as it may be extended by Transmission Provider upon request of the IRS, to keep these years open for audit or adjustment, or (2) the occurrence of a subsequent taxable event and the payment of any related indemnification obligations as contemplated by this Article 5.17.

5.17.4 Tax Gross-Up Amount. Interconnection Customer's liability for the cost consequences of any current tax liability under this Article 5.17 shall be calculated on a fully grossed-up basis. Except as may otherwise be agreed to by the parties, this means that Interconnection Customer will pay Transmission Provider, in addition to the amount paid for the Interconnection Facilities and Network Upgrades, an amount equal to (1) the current taxes imposed on Transmission Provider ("Current Taxes") on the excess of (a) the gross income realized by Transmission Provider as a result of payments or property transfers made by Interconnection Customer to Transmission Provider under this LGIA (without regard to any payments under this Article 5.17) (the "Gross Income Amount") over (b) the present value of future tax deductions for depreciation that will be available as a result of such payments or property transfers (the "Present Value Depreciation Amount"), plus (2) an additional amount sufficient to permit Transmission Provider to receive and retain, after the payment of all Current Taxes, an amount equal to the net amount described in clause (1).

For this purpose, (i) Current Taxes shall be computed based on Transmission Provider's composite federal and state tax rates at the time the payments or property transfers are received and Transmission Provider will be treated as being subject to tax at the highest marginal rates in effect at that time (the "Current Tax Rate"), and (ii) the Present Value Depreciation Amount shall be computed by discounting Transmission Provider's anticipated tax depreciation

deductions as a result of such payments or property transfers by Transmission Provider's current weighted average cost of capital. Thus, the formula for calculating Interconnection Customer's liability to Transmission Owner pursuant to this Article 5.17.4 can be expressed as follows: $(\text{Current Tax Rate} \times (\text{Gross Income Amount} - \text{Present Value of Tax Depreciation})) / (1 - \text{Current Tax Rate})$. Interconnection Customer's estimated tax liability in the event taxes are imposed shall be stated in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades.

5.17.5 Private Letter Ruling or Change or Clarification of Law. At Interconnection Customer's request and expense, Transmission Provider shall file with the IRS a request for a private letter ruling as to whether any property transferred or sums paid, or to be paid, by Interconnection Customer to Transmission Provider under this LGIA are subject to federal income taxation. Interconnection Customer will prepare the initial draft of the request for a private letter ruling, and will certify under penalties of perjury that all facts represented in such request are true and accurate to the best of Interconnection Customer's knowledge. Transmission Provider and Interconnection Customer shall cooperate in good faith with respect to the submission of such request.

Transmission Provider shall keep Interconnection Customer fully informed of the status of such request for a private letter ruling and shall execute either a privacy act waiver or a limited power of attorney, in a form acceptable to the IRS, that authorizes Interconnection Customer to participate in all discussions with the IRS regarding such request for a private letter ruling. Transmission Provider shall allow Interconnection Customer to attend all meetings with IRS officials about the request and shall permit Interconnection Customer to prepare the initial drafts of any follow-up letters in connection with the request.

5.17.6 Subsequent Taxable Events. If, within 10 years from the date on which the relevant Transmission Provider's Interconnection Facilities are placed in service, (i) Interconnection Customer Breaches the covenants contained in Article 5.17.2, (ii) a "disqualification event" occurs within the meaning of IRS Notice 88-129, or (iii) this LGIA terminates and Transmission Provider retains ownership of the Interconnection Facilities and Network Upgrades,

Interconnection Customer shall pay a tax gross-up for the cost consequences of any current tax liability imposed on Transmission Provider, calculated using the methodology described in Article 5.17.4 and in accordance with IRS Notice 90-60.

5.17.7

Contests. In the event any Governmental Authority determines that Transmission Provider's receipt of payments or property constitutes income that is subject to taxation, Transmission Provider shall notify Interconnection Customer, in writing, within thirty (30) Calendar Days of receiving notification of such determination by a Governmental Authority. Upon the timely written request by Interconnection Customer and at Interconnection Customer's sole expense, Transmission Provider may appeal, protest, seek abatement of, or otherwise oppose such determination. Upon Interconnection Customer's written request and sole expense, Transmission Provider may file a claim for refund with respect to any taxes paid under this Article 5.17, whether or not it has received such a determination. Transmission Provider reserves the right to make all decisions with regard to the prosecution of such appeal, protest, abatement or other contest, including the selection of counsel and compromise or settlement of the claim, but Transmission Provider shall keep Interconnection Customer informed, shall consider in good faith suggestions from Interconnection Customer about the conduct of the contest, and shall reasonably permit Interconnection Customer or an Interconnection Customer representative to attend contest proceedings.

Interconnection Customer shall pay to Transmission Provider on a periodic basis, as invoiced by Transmission Provider, Transmission Provider's documented reasonable costs of prosecuting such appeal, protest, abatement or other contest. At any time during the contest, Transmission Provider may agree to a settlement either with Interconnection Customer's consent or after obtaining written advice from nationally-recognized tax counsel, selected by Transmission Provider, but reasonably acceptable to Interconnection Customer, that the proposed settlement represents a reasonable settlement given the hazards of litigation. Interconnection Customer's obligation shall be based on the amount of the settlement agreed to by Interconnection Customer, or if a higher amount, so much of the settlement that is supported by the written advice from nationally-recognized tax counsel selected under the terms of the preceding sentence. The settlement amount shall be calculated on a fully

grossed-up basis to cover any related costs consequences of the current tax liability. Any settlement without Interconnection Customer's consent or such written advice will relieve Interconnection Customer from any obligation to indemnify Transmission Provider for the tax at issue in the contest.

5.17.8

Refund. In the event that (a) a private letter ruling is issued to Transmission Provider which holds that any amount paid or the value of any property transferred by Interconnection Customer to Transmission Provider under the terms of this LGIA is not subject to federal income taxation, (b) any legislative change or administrative announcement, notice, ruling or other determination makes it reasonably clear to Transmission Provider in good faith that any amount paid or the value of any property transferred by Interconnection Customer to Transmission Provider under the terms of this LGIA is not taxable to Transmission Provider, (c) any abatement, appeal, protest, or other contest results in a determination that any payments or transfers made by Interconnection Customer to Transmission Provider are not subject to federal income tax, or (d) if Transmission Provider receives a refund from any taxing authority for any overpayment of tax attributable to any payment or property transfer made by Interconnection Customer to Transmission Provider pursuant to this LGIA, Transmission Provider shall promptly refund to Interconnection Customer the following:

(i) any payment made by Interconnection Customer under this Article 5.17 for taxes that is attributable to the amount determined to be non-taxable, together with interest thereon,

(ii) interest on any amounts paid by Interconnection Customer to Transmission Provider for such taxes which Transmission Provider did not submit to the taxing authority, calculated in accordance with the methodology set forth in FERC's regulations at 18 CFR §35.19a(a)(2)(iii) from the date payment was made by Interconnection Customer to the date Transmission Provider refunds such payment to Interconnection Customer, and

(iii) with respect to any such taxes paid by Transmission Provider, any refund or credit Transmission Provider receives or to which it may be entitled from any Governmental Authority, interest (or that portion thereof attributable to the

payment described in clause (i), above) owed to Transmission Provider for such overpayment of taxes (including any reduction in interest otherwise payable by Transmission Provider to any Governmental Authority resulting from an offset or credit); provided, however, that Transmission Provider will remit such amount promptly to Interconnection Customer only after and to the extent that Transmission Provider has received a tax refund, credit or offset from any Governmental Authority for any applicable overpayment of income tax related to Transmission Provider's Interconnection Facilities.

The intent of this provision is to leave the Parties, to the extent practicable, in the event that no taxes are due with respect to any payment for Interconnection Facilities and Network Upgrades hereunder, in the same position they would have been in had no such tax payments been made.

5.17.9 Taxes Other Than Income Taxes. Upon the timely request by Interconnection Customer, and at Interconnection Customer's sole expense, Transmission Provider may appeal, protest, seek abatement of, or otherwise contest any tax (other than federal or state income tax) asserted or assessed against Transmission Provider for which Interconnection Customer may be required to reimburse Transmission Provider under the terms of this LGIA. Interconnection Customer shall pay to Transmission Provider on a periodic basis, as invoiced by Transmission Provider, Transmission Provider's documented reasonable costs of prosecuting such appeal, protest, abatement, or other contest. Interconnection Customer and Transmission Provider shall cooperate in good faith with respect to any such contest. Unless the payment of such taxes is a prerequisite to an appeal or abatement or cannot be deferred, no amount shall be payable by Interconnection Customer to Transmission Provider for such taxes until they are assessed by a final, non-appealable order by any court or agency of competent jurisdiction. In the event that a tax payment is withheld and ultimately due and payable after appeal, Interconnection Customer will be responsible for all taxes, interest and penalties, other than penalties attributable to any delay caused by Transmission Provider.

5.17.10 Transmission Owners Who Are Not Transmission Providers. If Transmission Provider is not the same entity as the Transmission

Owner, then (i) all references in this Article 5.17 to Transmission Provider shall be deemed also to refer to and to include the Transmission Owner, as appropriate, and (ii) this LGIA shall not become effective until such Transmission Owner shall have agreed in writing to assume all of the duties and obligations of Transmission Provider under this Article 5.17 of this LGIA.

5.18 Tax Status. Each Party shall cooperate with the other to maintain the other Party's tax status. Nothing in this LGIA is intended to adversely affect any Transmission Provider's tax exempt status with respect to the issuance of bonds including, but not limited to, Local Furnishing Bonds.

5.19 Modification.

5.19.1 General. Either Party may undertake modifications to its facilities. If a Party plans to undertake a modification that reasonably may be expected to affect the other Party's facilities, that Party shall provide to the other Party sufficient information regarding such modification so that the other Party may evaluate the potential impact of such modification prior to commencement of the work. Such information shall be deemed to be confidential hereunder and shall include information concerning the timing of such modifications and whether such modifications are expected to interrupt the flow of electricity from the Large Generating Facility. The Party desiring to perform such work shall provide the relevant drawings, plans, and specifications to the other Party at least ninety (90) Calendar Days in advance of the commencement of the work or such shorter period upon which the Parties may agree, which agreement shall not unreasonably be withheld, conditioned or delayed.

In the case of a proposed Generating Facility Modification to an Existing Generating Facility that is not a Material Modification and does not require Interconnection Customer to submit an Interconnection Request, Transmission Provider shall provide, within thirty (30) Calendar Days (or such other time as the Parties may agree), an estimate of any additional modifications to the Transmission System, Transmission Provider's Interconnection Facilities or Network Upgrades necessitated by such Interconnection Customer modification and a good faith estimate of the costs thereof.

- 5.19.2 Standards.** Any additions, modifications, or replacements made to a Party's facilities shall be designed, constructed and operated in accordance with this LGIA and Good Utility Practice.
- 5.19.3 Modification Costs.** Interconnection Customer shall not be directly assigned for the costs of any additions, modifications, or replacements that Transmission Provider makes to Transmission Provider's Interconnection Facilities or the Transmission System to facilitate the interconnection of a third party to Transmission Provider's Interconnection Facilities or the Transmission System, or to provide transmission service to a third party under Transmission Provider's Tariff. Interconnection Customer shall be responsible for the costs of any additions, modifications, or replacements to Interconnection Customer's Interconnection Facilities that may be necessary to maintain or upgrade such Interconnection Customer's Interconnection Facilities consistent with Applicable Laws and Regulations, Applicable Reliability Standards or Good Utility Practice.

Article 6. Testing and Inspection

- 6.1 Pre-Commercial Operation Date Testing and Modifications.** Prior to the Commercial Operation Date, Transmission Provider shall test Transmission Provider's Interconnection Facilities and Network Upgrades and Interconnection Customer shall test the Large Generating Facility and Interconnection Customer's Interconnection Facilities to ensure their safe and reliable operation. Similar testing may be required after initial operation. Each Party shall make any modifications to its facilities that are found to be necessary as a result of such testing. Interconnection Customer shall bear the cost of all such testing and modifications. Interconnection Customer shall generate test energy at the Large Generating Facility only if it has arranged for the delivery of such test energy.
- 6.2 Post-Commercial Operation Date Testing and Modifications.** Each Party shall at its own expense perform routine inspection and testing of its facilities and equipment in accordance with Good Utility Practice as may be necessary to ensure the continued interconnection of the Large Generating Facility with the Transmission System in a safe and reliable manner. Each Party shall have the right, upon advance written notice, to require reasonable additional testing of the

other Party's facilities, at the requesting Party's expense, as may be in accordance with Good Utility Practice.

- 6.3 Right to Observe Testing.** Each Party shall notify the other Party in advance of its performance of tests of its Interconnection Facilities. The other Party has the right, at its own expense, to observe such testing.
- 6.4 Right to Inspect.** Each Party shall have the right, but shall have no obligation to: (i) observe the other Party's tests and/or inspection of any of its System Protection Facilities and other protective equipment, including Power System Stabilizers; (ii) review the settings of the other Party's System Protection Facilities and other protective equipment; and (iii) review the other Party's maintenance records relative to the Interconnection Facilities, the System Protection Facilities and other protective equipment. A Party may exercise these rights from time to time as it deems necessary upon reasonable notice to the other Party. The exercise or non-exercise by a Party of any such rights shall not be construed as an endorsement or confirmation of any element or condition of the Interconnection Facilities or the System Protection Facilities or other protective equipment or the operation thereof, or as a warranty as to the fitness, safety, desirability, or reliability of same. Any information that a Party obtains through the exercise of any of its rights under this Article 6.4 shall be deemed to be Confidential Information and treated pursuant to Article 22 of this LGIA.

Article 7. Metering

- 7.1 General.** Each Party shall comply with the Applicable Reliability Council requirements. Unless otherwise agreed by the Parties, Transmission Provider shall install Metering Equipment at the Point of Interconnection prior to any operation of the Large Generating Facility and shall own, operate, test and maintain such Metering Equipment. Power flows to and from the Large Generating Facility shall be measured at or, at Transmission Provider's option, compensated to, the Point of Interconnection. Transmission Provider shall provide metering quantities, in analog and/or digital form, to Interconnection Customer upon request. Interconnection Customer shall bear all reasonable documented costs associated with the purchase, installation, operation, testing and maintenance of the Metering Equipment.
- 7.2 Check Meters.** Interconnection Customer, at its option and expense, may install and operate, on its premises and on its side of the Point of Interconnection, one or more check meters to check Transmission Provider's meters. Such check meters shall be for check purposes only and shall not be used for the measurement of

power flows for purposes of this LGIA, except as provided in Article 7.4 below. The check meters shall be subject at all reasonable times to inspection and examination by Transmission Provider or its designee. The installation, operation and maintenance thereof shall be performed entirely by Interconnection Customer in accordance with Good Utility Practice.

7.3 Standards. Transmission Provider shall install, calibrate, and test revenue quality Metering Equipment in accordance with applicable ANSI standards.

7.4 Testing of Metering Equipment. Transmission Provider shall inspect and test all Transmission Provider-owned Metering Equipment upon installation and at least once every two (2) years thereafter. If requested to do so by Interconnection Customer, Transmission Provider shall, at Interconnection Customer's expense, inspect or test Metering Equipment more frequently than every two (2) years. Transmission Provider shall give reasonable notice of the time when any inspection or test shall take place, and Interconnection Customer may have representatives present at the test or inspection. If at any time Metering Equipment is found to be inaccurate or defective, it shall be adjusted, repaired or replaced at Interconnection Customer's expense, in order to provide accurate metering, unless the inaccuracy or defect is due to Transmission Provider's failure to maintain, then Transmission Provider shall pay. If Metering Equipment fails to register, or if the measurement made by Metering Equipment during a test varies by more than two percent from the measurement made by the standard meter used in the test, Transmission Provider shall adjust the measurements by correcting all measurements for the period during which Metering Equipment was in error by using Interconnection Customer's check meters, if installed. If no such check meters are installed or if the period cannot be reasonably ascertained, the adjustment shall be for the period immediately preceding the test of the Metering Equipment equal to one-half the time from the date of the last previous test of the Metering Equipment.

7.5 Metering Data. At Interconnection Customer's expense, the metered data shall be telemetered to one or more locations designated by Transmission Provider and one or more locations designated by Interconnection Customer. Such telemetered data shall be used, under normal operating conditions, as the official measurement of the amount of energy delivered from the Large Generating Facility to the Point of Interconnection.

Article 8. Communications

8.1 Interconnection Customer Obligations. Interconnection Customer shall maintain satisfactory operating communications with Transmission Provider's Transmission System dispatcher or representative designated by Transmission Provider. Interconnection Customer shall provide standard voice line, dedicated voice line and facsimile communications at its Large Generating Facility control room or central dispatch facility through use of either the public telephone system, or a voice communications system that does not rely on the public telephone system. Interconnection Customer shall also provide the dedicated data circuit(s) necessary to provide Interconnection Customer data to Transmission Provider as set forth in Appendix D, Security Arrangements Details. The data circuit(s) shall extend from the Large Generating Facility to the location(s) specified by Transmission Provider. Any required maintenance of such communications equipment shall be performed by Interconnection Customer. Operational communications shall be activated and maintained under, but not be limited to, the following events: system paralleling or separation, scheduled and unscheduled shutdowns, equipment clearances, and hourly and daily load data.

8.2 Remote Terminal Unit. Prior to the Initial Synchronization Date of the Large Generating Facility, a Remote Terminal Unit, or equivalent data collection and transfer equipment acceptable to the Parties, shall be installed by Interconnection Customer, or by Transmission Provider at Interconnection Customer's expense, to gather accumulated and instantaneous data to be telemetered to the location(s) designated by Transmission Provider through use of a dedicated point-to-point data circuit(s) as indicated in Article 8.1. The communication protocol for the data circuit(s) shall be specified by Transmission Provider. Instantaneous bi-directional analog real power and reactive power flow information must be telemetered directly to the location(s) specified by Transmission Provider.

Each Party will promptly advise the other Party if it detects or otherwise learns of any metering, telemetry or communications equipment errors or malfunctions that require the attention and/or correction by the other Party. The Party owning such equipment shall correct such error or malfunction as soon as reasonably feasible.

8.3 No Annexation. Any and all equipment placed on the premises of a Party shall be and remain the property of the Party providing such equipment regardless of the mode and manner of annexation or attachment to real property, unless otherwise mutually agreed by the Parties.

8.4 Provision of Data from a Variable Energy Resource. The Interconnection Customer whose Generating Facility is a Variable Energy Resource shall provide meteorological and forced outage data to the Transmission Provider to the extent necessary for the Transmission Provider's development and deployment of power

production forecasts for that class of Variable Energy Resources. The Interconnection Customer with a Variable Energy Resource having wind as the energy source, at a minimum, will be required to provide the Transmission Provider with site-specific meteorological data including: temperature, wind speed, wind direction, and atmospheric pressure. The Interconnection Customer with a Variable Energy Resource having solar as the energy source, at a minimum, will be required to provide the Transmission Provider with site-specific meteorological data including: temperature, atmospheric pressure, and irradiance. The Transmission Provider and Interconnection Customer whose Generating Facility is a Variable Energy Resource shall mutually agree to any additional meteorological data that are required for the development and deployment of a power production forecast. The Interconnection Customer whose Generating Facility is a Variable Energy Resource also shall submit data to the Transmission Provider regarding all forced outages to the extent necessary for the Transmission Provider's development and deployment of power production forecasts for that class of Variable Energy Resources. The exact specifications of the meteorological and forced outage data to be provided by the Interconnection Customer to the Transmission Provider, including the frequency and timing of data submittals, shall be made taking into account the size and configuration of the Variable Energy Resource, its characteristics, location, and its importance in maintaining generation resource adequacy and transmission system reliability in its area. All requirements for meteorological and forced outage data must be commensurate with the power production forecasting employed by the Transmission Provider. Such requirements for meteorological and forced outage data are set forth in Appendix C, Interconnection Details, of this LGIA, as they may change from time to time.

Article 9. Operations

9.1 General. Each Party shall comply with the Applicable Reliability Council requirements. Each Party shall provide to the other Party all information that may reasonably be required by the other Party to comply with Applicable Laws and Regulations and Applicable Reliability Standards.

9.2 Control Area Notification. At least three months before Initial Synchronization Date, Interconnection Customer shall notify Transmission Provider in writing of the Control Area in which the Large Generating Facility will be located. If Interconnection Customer elects to locate the Large Generating Facility in a Control Area other than the Control Area in which the Large Generating Facility is physically located, and if permitted to do so by the relevant transmission tariffs, all necessary arrangements, including but not limited to those set forth in Article 7

and Article 8 of this LGIA, and remote Control Area generator interchange agreements, if applicable, and the appropriate measures under such agreements, shall be executed and implemented prior to the placement of the Large Generating Facility in the other Control Area.

- 9.3 Transmission Provider Obligations.** Transmission Provider shall cause the Transmission System and Transmission Provider's Interconnection Facilities to be operated, maintained and controlled in a safe and reliable manner and in accordance with this LGIA. Transmission Provider may provide operating instructions to Interconnection Customer consistent with this LGIA and Transmission Provider's operating protocols and procedures as they may change from time to time. Transmission Provider will consider changes to its operating protocols and procedures proposed by Interconnection Customer.
- 9.4 Interconnection Customer Obligations.** Interconnection Customer shall at its own expense operate, maintain and control the Large Generating Facility and Interconnection Customer's Interconnection Facilities in a safe and reliable manner and in accordance with this LGIA. Interconnection Customer shall operate the Large Generating Facility and Interconnection Customer's Interconnection Facilities in accordance with all applicable requirements of the Control Area of which it is part, as such requirements are set forth in Appendix C, Interconnection Details, of this LGIA. Appendix C, Interconnection Details, will be modified to reflect changes to the requirements as they may change from time to time. Either Party may request that the other Party provide copies of the requirements set forth in Appendix C, Interconnection Details, of this LGIA.
- 9.5 Start-Up and Synchronization.** Consistent with the Parties' mutually acceptable procedures, Interconnection Customer is responsible for the proper synchronization of the Large Generating Facility to Transmission Provider's Transmission System.
- 9.6 Reactive Power and Primary Frequency Response.**

9.6.1 Power Factor Design Criteria

- 9.6.1.1 Synchronous Generation.** Interconnection Customer shall design the Large Generating Facility to maintain a composite power delivery at continuous rated power output at the Point of Interconnection at a power factor within the range of 0.95 leading to 0.95 lagging, unless the Transmission Provider has established different requirements that apply to all

synchronous generators in the Control Area on a comparable basis.

9.6.1.2 Non-Synchronous Generation. Interconnection Customer shall design the Large Generating Facility to maintain a composite power delivery at continuous rated power output at the high-side of the generator substation at a power factor within the range of 0.95 leading to 0.95 lagging, unless the Transmission Provider has established a different power factor range that applies to all non-synchronous generators in the Control Area on a comparable basis. This power factor range standard shall be dynamic and can be met using, for example, power electronics designed to supply this level of reactive capability (taking into account any limitations due to voltage level, real power output, etc.) or fixed and switched capacitors, or a combination of the two. This requirement shall only apply to newly interconnecting non-synchronous generators that have not yet executed a Facilities Study Agreement as of the effective date of the Final Rule establishing this requirement (Order No. 827).

9.6.2 Voltage Schedules. Once Interconnection Customer has synchronized the Large Generating Facility with the Transmission System, Transmission Provider shall require Interconnection Customer to operate the Large Generating Facility to produce or absorb reactive power within the design limitations of the Large Generating Facility set forth in Article 9.6.1 (Power Factor Design Criteria). Transmission Provider's voltage schedules shall treat all sources of reactive power in the Control Area in an equitable and not unduly discriminatory manner. Transmission Provider shall exercise Reasonable Efforts to provide Interconnection Customer with such schedules at least one (1) day in advance, and may make changes to such schedules as necessary to maintain the reliability of the Transmission System. Interconnection Customer shall operate the Large Generating Facility to maintain the specified output voltage or power factor at the Point of Interconnection within the design limitations of the Large Generating Facility set forth in Article 9.6.1 (Power Factor Design Criteria). If Interconnection Customer is unable to maintain the specified voltage or power factor, it shall promptly notify the System Operator.

9.6.2.1 Voltage Regulators. Whenever the Large Generating Facility is operated in parallel with the Transmission System and voltage regulators are capable of operation,

Interconnection Customer shall operate the Large Generating Facility with its voltage regulators in automatic operation. If the Large Generating Facility's voltage regulators are not capable of such automatic operation, Interconnection Customer shall immediately notify Transmission Provider's system operator, or its designated representative, and ensure that such Large Generating Facility's reactive power production or absorption (measured in MVARs) are within the design capability of the Large Generating Facility's generating unit(s) and steady state stability limits. Interconnection Customer shall not cause its Large Generating Facility to disconnect automatically or instantaneously from the Transmission System or trip any generating unit comprising the Large Generating Facility for an under or over frequency condition unless the abnormal frequency condition persists for a time period beyond the limits set forth in ANSI/IEEE Standard C37.106, or such other standard as applied to other generators in the Control Area on a comparable basis.

- 9.6.3 Payment for Reactive Power.** Transmission Provider is required to pay Interconnection Customer for reactive power that Interconnection Customer provides or absorbs from the Large Generating Facility when Transmission Provider requests Interconnection Customer to operate its Large Generating Facility outside the range specified in Article 9.6.1, provided that if Transmission Provider pays its own or affiliated generators for reactive power service within the specified range, it must also pay Interconnection Customer. Payments shall be pursuant to Article 11.6 or such other agreement to which the Parties have otherwise agreed.
- 9.6.4 Primary Frequency Response.** Interconnection Customer shall ensure the primary frequency response capability of its Large Generating Facility by installing, maintaining, and operating a functioning governor or equivalent controls. The term "functioning governor or equivalent controls" as used herein shall mean the required hardware and/or software that provides frequency responsive real power control with the ability to sense changes in system frequency and autonomously adjust the Large Generating Facility's real power output in accordance with the droop and deadband parameters and in the direction needed to correct frequency deviations. Interconnection Customer is required to install a governor or equivalent controls with the capability of operating: (1) with a maximum 5 percent droop and ± 0.036 Hz deadband; or (2) in accordance with the relevant droop, deadband, and

timely and sustained response settings from an approved NERC Reliability Standard providing for equivalent or more stringent parameters. The droop characteristic shall be: (1) based on the nameplate capacity of the Large Generating Facility, and shall be linear in the range of frequencies between 59 to 61 Hz that are outside of the deadband parameter; or (2) based an approved NERC Reliability Standard providing for an equivalent or more stringent parameter. The deadband parameter shall be: the range of frequencies above and below nominal (60 Hz) in which the governor or equivalent controls is not expected to adjust the Large Generating Facility's real power output in response to frequency deviations. The deadband shall be implemented: (1) without a step to the droop curve, that is, once the frequency deviation exceeds the deadband parameter, the expected change in the Large Generating Facility's real power output in response to frequency deviations shall start from zero and then increase (for under-frequency deviations) or decrease (for over-frequency deviations) linearly in proportion to the magnitude of the frequency deviation; or (2) in accordance with an approved NERC Reliability Standard providing for an equivalent or more stringent parameter. Interconnection Customer shall notify Transmission Provider that the primary frequency response capability of the Large Generating Facility has been tested and confirmed during commissioning. Once Interconnection Customer has synchronized the Large Generating Facility with the Transmission System, Interconnection Customer shall operate the Large Generating Facility consistent with the provisions specified in Sections 9.6.4.1 and 9.6.4.2 of this Agreement. The primary frequency response requirements contained herein shall apply to both synchronous and non-synchronous Large Generating Facilities.

9.6.4.1 Governor or Equivalent Controls. Whenever the Large Generating Facility is operated in parallel with the Transmission System, Interconnection Customer shall operate the Large Generating Facility with its governor or equivalent controls in service and responsive to frequency. Interconnection Customer shall: (1) in coordination with Transmission Provider and/or the relevant balancing authority, set the deadband parameter to: (1) a maximum of ± 0.036 Hz and set the droop parameter to a maximum of 5 percent; or (2) implement the relevant droop and deadband settings from an approved NERC Reliability Standard that provides for equivalent or more stringent parameters. Interconnection Customer shall be required to provide the status and settings of the governor or equivalent controls to

Transmission Provider and/or the relevant balancing authority upon request. If Interconnection Customer needs to operate the Large Generating Facility with its governor or equivalent controls not in service, Interconnection Customer shall immediately notify Transmission Provider and the relevant balancing authority, and provide both with the following information: (1) the operating status of the governor or equivalent controls (i.e., whether it is currently out of service or when it will be taken out of service); (2) the reasons for removing the governor or equivalent controls from service; and (3) a reasonable estimate of when the governor or equivalent controls will be returned to service.

Interconnection Customer shall make Reasonable Efforts to return its governor or equivalent controls into service as soon as practicable. Interconnection Customer shall make Reasonable Efforts to keep outages of the Large Generating Facility's governor or equivalent controls to a minimum whenever the Large Generating Facility is operated in parallel with the Transmission System.

9.6.4.2 Timely and Sustained Response. Interconnection Customer shall ensure that the Large Generating Facility's real power response to sustained frequency deviations outside of the deadband setting is automatically provided and shall begin immediately after frequency deviates outside of the deadband, and to the extent the Large Generating Facility has operating capability in the direction needed to correct the frequency deviation. Interconnection Customer shall not block or otherwise inhibit the ability of the governor or equivalent controls to respond and shall ensure that the response is not inhibited, except under certain operational constraints including, but not limited to, ambient temperature limitations, physical energy limitations, outages of mechanical equipment, or regulatory requirements. The Large Generating Facility shall sustain the real power response at least until system frequency returns to a value within the deadband setting of the governor or equivalent controls. A Commission-approved Reliability Standard with equivalent or more stringent requirements shall supersede the above requirements.

9.6.4.3 Exemptions. Large Generating Facilities that are regulated by the United States Nuclear Regulatory Commission shall be exempt from Sections 9.6.4, 9.6.4.1, and 9.6.4.2 of this Agreement. Large Generating Facilities that are behind the meter generation that is sized-to-load (i.e., the thermal load and the generation are near-balanced in real-time operation and the generation is primarily controlled to maintain the unique thermal, chemical, or mechanical output necessary for the operating requirements of its host facility) shall be required to install primary frequency response capability in accordance with the droop and deadband capability requirements specified in Section 9.6.4, but shall be otherwise exempt from the operating requirements in Sections 9.6.4, 9.6.4.1, 9.6.4.2, and 9.6.4.4 of this Agreement.

9.6.4.4 Electric Storage Resources. Interconnection Customer interconnecting an electric storage resource shall establish an operating range in Appendix C of its LGIA that specifies a minimum state of charge and a maximum state of charge between which the electric storage resource will be required to provide primary frequency response consistent with the conditions set forth in Sections 9.6.4, 9.6.4.1, 9.6.4.2, and 9.6.4.3 of this Agreement. Appendix C shall specify whether the operating range is static or dynamic, and shall consider (1) the expected magnitude of frequency deviations in the interconnection; (2) the expected duration that system frequency will remain outside of the deadband parameter in the interconnection; (3) the expected incidence of frequency deviations outside of the deadband parameter in the interconnection; (4) the physical capabilities of the electric storage resource; (5) operational limitations of the electric storage resource due to manufacturer specifications; and (6) any other relevant factors agreed to by Transmission Provider and Interconnection Customer, and in consultation with the relevant transmission owner or balancing authority as appropriate. If the operating range is dynamic, then Appendix C must establish how frequently the operating range will be reevaluated and the factors that may be considered during its reevaluation.

Interconnection Customer's electric storage resource is required to provide timely and sustained primary frequency

response consistent with Section 9.6.4.2 of this Agreement when it is online and dispatched to inject electricity to the Transmission System and/or receive electricity from the Transmission System. This excludes circumstances when the electric storage resource is not dispatched to inject electricity to the Transmission System and/or dispatched to receive electricity from the Transmission System. If Interconnection Customer's electric storage resource is charging at the time of a frequency deviation outside of its deadband parameter, it is to increase (for over-frequency deviations) or decrease (for under-frequency deviations) the rate at which it is charging in accordance with its droop parameter. Interconnection Customer's electric storage resource is not required to change from charging to discharging, or vice versa, unless the response necessitated by the droop and deadband settings requires it to do so and it is technically capable of making such a transition.

9.7 Outages and Interruptions.

9.7.1 Outages.

9.7.1.1 Outage Authority and Coordination. Each Party may in accordance with Good Utility Practice in coordination with the other Party remove from service any of its respective Interconnection Facilities or Network Upgrades that may impact the other Party's facilities as necessary to perform maintenance or testing or to install or replace equipment. Absent an Emergency Condition, the Party scheduling a removal of such facility(ies) from service will use Reasonable Efforts to schedule such removal on a date and time mutually acceptable to the Parties. In all circumstances, any Party planning to remove such facility(ies) from service shall use Reasonable Efforts to minimize the effect on the other Party of such removal.

9.7.1.2 Outage Schedules. Transmission Provider shall post scheduled outages of its transmission facilities on the OASIS. Interconnection Customer shall submit its planned maintenance schedules for the Large Generating Facility to Transmission Provider for a minimum of a rolling twenty-four month period. Interconnection Customer shall update its

planned maintenance schedules as necessary. Transmission Provider may request Interconnection Customer to reschedule its maintenance as necessary to maintain the reliability of the Transmission System; provided, however, adequacy of generation supply shall not be a criterion in determining Transmission System reliability. Transmission Provider shall compensate Interconnection Customer for any additional direct costs that Interconnection Customer incurs as a result of having to reschedule maintenance, including any additional overtime, breaking of maintenance contracts or other costs above and beyond the cost Interconnection Customer would have incurred absent Transmission Provider's request to reschedule maintenance. Interconnection Customer will not be eligible to receive compensation, if during the twelve (12) months prior to the date of the scheduled maintenance, Interconnection Customer had modified its schedule of maintenance activities.

9.7.1.3 Outage Restoration. If an outage on a Party's Interconnection Facilities or Network Upgrades adversely affects the other Party's operations or facilities, the Party that owns or controls the facility that is out of service shall use Reasonable Efforts to promptly restore such facility(ies) to a normal operating condition consistent with the nature of the outage. The Party that owns or controls the facility that is out of service shall provide the other Party, to the extent such information is known, information on the nature of the Emergency Condition, an estimated time of restoration, and any corrective actions required. Initial verbal notice shall be followed up as soon as practicable with written notice explaining the nature of the outage.

9.7.2 Interruption of Service. If required by Good Utility Practice to do so, Transmission Provider may require Interconnection Customer to interrupt or reduce deliveries of electricity if such delivery of electricity could adversely affect Transmission Provider's ability to perform such activities as are necessary to safely and reliably operate and maintain the Transmission System. The following provisions shall apply to any interruption or reduction permitted under this Article 9.7.2:

9.7.2.1 The interruption or reduction shall continue only for so long as reasonably necessary under Good Utility Practice;

9.7.2.2 Any such interruption or reduction shall be made on an equitable, non-discriminatory basis with respect to all generating facilities directly connected to the Transmission System;

9.7.2.3 When the interruption or reduction must be made under circumstances which do not allow for advance notice, Transmission Provider shall notify Interconnection Customer by telephone as soon as practicable of the reasons for the curtailment, interruption, or reduction, and, if known, its expected duration. Telephone notification shall be followed by written notification as soon as practicable;

9.7.2.4 Except during the existence of an Emergency Condition, when the interruption or reduction can be scheduled without advance notice, Transmission Provider shall notify Interconnection Customer in advance regarding the timing of such scheduling and further notify Interconnection Customer of the expected duration. Transmission Provider shall coordinate with Interconnection Customer using Good Utility Practice to schedule the interruption or reduction during periods of least impact to Interconnection Customer and Transmission Provider;

9.7.2.5 The Parties shall cooperate and coordinate with each other to the extent necessary in order to restore the Large Generating Facility, Interconnection Facilities, and the Transmission System to their normal operating state, consistent with system conditions and Good Utility Practice.

9.7.3 Under-Frequency and Over Frequency Conditions. The Transmission System is designed to automatically activate a load-shed program as required by the Applicable Reliability Council in the event of an under-frequency system disturbance. Interconnection Customer shall implement under-frequency and over-frequency relay set points for the Large Generating Facility as required by the Applicable Reliability Council to ensure "ride through" capability of the Transmission System. Large Generating Facility response to frequency deviations of pre-determined magnitudes, both under-frequency and over-frequency deviations, shall be studied and coordinated with Transmission Provider in accordance with Good Utility Practice. The term "ride through" as used herein shall mean

the ability of a Generating Facility to stay connected to and synchronized with the Transmission System during system disturbances within a range of under-frequency and over-frequency conditions, in accordance with Good Utility Practice.

9.7.4 System Protection and Other Control Requirements.

- 9.7.4.1 System Protection Facilities.** Interconnection Customer shall, at its expense, install, operate and maintain System Protection Facilities as a part of the Large Generating Facility or Interconnection Customer's Interconnection Facilities. Transmission Provider shall install at Interconnection Customer's expense any System Protection Facilities that may be required on Transmission Provider's Interconnection Facilities or the Transmission System as a result of the interconnection of the Large Generating Facility and Interconnection Customer's Interconnection Facilities.
- 9.7.4.2** Each Party's protection facilities shall be designed and coordinated with other systems in accordance with Good Utility Practice.
- 9.7.4.3** Each Party shall be responsible for protection of its facilities consistent with Good Utility Practice.
- 9.7.4.4** Each Party's protective relay design shall incorporate the necessary test switches to perform the tests required in Article 6. The required test switches will be placed such that they allow operation of lockout relays while preventing breaker failure schemes from operating and causing unnecessary breaker operations and/or the tripping of Interconnection Customer's units.
- 9.7.4.5** Each Party will test, operate and maintain System Protection Facilities in accordance with Good Utility Practice.
- 9.7.4.6** Prior to the In-Service Date, and again prior to the Commercial Operation Date, each Party or its agent shall perform a complete calibration test and functional trip test of

the System Protection Facilities. At intervals suggested by Good Utility Practice and following any apparent malfunction of the System Protection Facilities, each Party shall perform both calibration and functional trip tests of its System Protection Facilities. These tests do not require the tripping of any in-service generation unit. These tests do, however, require that all protective relays and lockout contacts be activated.

9.7.5 Requirements for Protection. In compliance with Good Utility Practice, Interconnection Customer shall provide, install, own, and maintain relays, circuit breakers and all other devices necessary to remove any fault contribution of the Large Generating Facility to any short circuit occurring on the Transmission System not otherwise isolated by Transmission Provider's equipment, such that the removal of the fault contribution shall be coordinated with the protective requirements of the Transmission System. Such protective equipment shall include, without limitation, a disconnecting device or switch with load-interrupting capability located between the Large Generating Facility and the Transmission System at a site selected upon mutual agreement (not to be unreasonably withheld, conditioned or delayed) of the Parties. Interconnection Customer shall be responsible for protection of the Large Generating Facility and Interconnection Customer's other equipment from such conditions as negative sequence currents, over- or under-frequency, sudden load rejection, over- or under-voltage, and generator loss-of-field. Interconnection Customer shall be solely responsible to disconnect the Large Generating Facility and Interconnection Customer's other equipment if conditions on the Transmission System could adversely affect the Large Generating Facility.

9.7.6 Power Quality. Neither Party's facilities shall cause excessive voltage flicker nor introduce excessive distortion to the sinusoidal voltage or current waves as defined by ANSI Standard C84.1-1989, in accordance with IEEE Standard 519, or any applicable superseding electric industry standard. In the event of a conflict between ANSI Standard C84.1-1989, or any applicable superseding electric industry standard, ANSI Standard C84.1-1989, or the applicable superseding electric industry standard, shall control.

9.8 Switching and Tagging Rules. Each Party shall provide the other Party a copy of its switching and tagging rules that are applicable to the other Party's activities. Such switching and tagging rules shall be developed on a non-discriminatory

basis. The Parties shall comply with applicable switching and tagging rules, as amended from time to time, in obtaining clearances for work or for switching operations on equipment.

9.9 Use of Interconnection Facilities by Third Parties.

9.9.1 Purpose of Interconnection Facilities. Except as may be required by Applicable Laws and Regulations, or as otherwise agreed to among the Parties, the Interconnection Facilities shall be constructed for the sole purpose of interconnecting the Large Generating Facility to the Transmission System and shall be used for no other purpose.

9.9.2 Third Party Users. If required by Applicable Laws and Regulations or if the Parties mutually agree, such agreement not to be unreasonably withheld, to allow one or more third parties to use Transmission Provider's Interconnection Facilities, or any part thereof, Interconnection Customer will be entitled to compensation for the capital expenses it incurred in connection with the Interconnection Facilities based upon the pro rata use of the Interconnection Facilities by Transmission Provider, all third party users, and Interconnection Customer, in accordance with Applicable Laws and Regulations or upon some other mutually-agreed upon methodology. In addition, cost responsibility for ongoing costs, including operation and maintenance costs associated with the Interconnection Facilities, will be allocated between Interconnection Customer and any third party users based upon the pro rata use of the Interconnection Facilities by Transmission Provider, all third party users, and Interconnection Customer, in accordance with Applicable Laws and Regulations or upon some other mutually agreed upon methodology. If the issue of such compensation or allocation cannot be resolved through such negotiations, it shall be submitted to FERC for resolution.

9.10 Disturbance Analysis Data Exchange. The Parties will cooperate with one another in the analysis of disturbances to either the Large Generating Facility or Transmission Provider's Transmission System by gathering and providing access to any information relating to any disturbance, including information from oscillography, protective relay targets, breaker operations and sequence of events records, and any disturbance information required by Good Utility Practice.

Article 10. Maintenance

- 10.1 Transmission Provider Obligations.** Transmission Provider shall maintain the Transmission System and Transmission Provider's Interconnection Facilities in a safe and reliable manner and in accordance with this LGIA.
- 10.2 Interconnection Customer Obligations.** Interconnection Customer shall maintain the Large Generating Facility and Interconnection Customer's Interconnection Facilities in a safe and reliable manner and in accordance with this LGIA.
- 10.3 Coordination.** The Parties shall confer regularly to coordinate the planning, scheduling and performance of preventive and corrective maintenance on the Large Generating Facility and the Interconnection Facilities.
- 10.4 Secondary Systems.** Each Party shall cooperate with the other in the inspection, maintenance, and testing of control or power circuits that operate below 600 volts, AC or DC, including, but not limited to, any hardware, control or protective devices, cables, conductors, electric raceways, secondary equipment panels, transducers, batteries, chargers, and voltage and current transformers that directly affect the operation of a Party's facilities and equipment which may reasonably be expected to impact the other Party. Each Party shall provide advance notice to the other Party before undertaking any work on such circuits, especially on electrical circuits involving circuit breaker trip and close contacts, current transformers, or potential transformers.
- 10.5 Operating and Maintenance Expenses.** Subject to the provisions herein addressing the use of facilities by others, and except for operations and maintenance expenses associated with modifications made for providing interconnection or transmission service to a third party and such third party pays for such expenses, Interconnection Customer shall be responsible for all reasonable expenses including overheads, associated with: (1) owning, operating, maintaining, repairing, and replacing Interconnection Customer's Interconnection Facilities; and (2) operation, maintenance, repair and replacement of Transmission Provider's Interconnection Facilities.

Article 11. Performance Obligation

- 11.1 Interconnection Customer Interconnection Facilities.** Interconnection Customer shall design, procure, construct, install, own and/or control Interconnection Customer Interconnection Facilities described in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades, at its sole expense.

11.2 Transmission Provider's Interconnection Facilities. Transmission Provider or Transmission Owner shall design, procure, construct, install, own and/or control the Transmission Provider's Interconnection Facilities described in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades, at the sole expense of the Interconnection Customer.

11.3 Network Upgrades and Distribution Upgrades. Transmission Provider or Transmission Owner shall design, procure, construct, install, and own the Network Upgrades and Distribution Upgrades described in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades. The Interconnection Customer shall be responsible for all costs related to Distribution Upgrades. Unless Transmission Provider or Transmission Owner elects to fund the capital for the Network Upgrades, they shall be solely funded by Interconnection Customer.

11.4 Transmission Credits.

11.4.1 Repayment of Amounts Advanced for Network Upgrades. Interconnection Customer shall be entitled to a cash repayment, equal to the total amount paid to Transmission Provider and Affected System Operator, if any, for the Network Upgrades, including any tax gross-up or other tax-related payments associated with Network Upgrades, and not refunded to Interconnection Customer pursuant to Article 5.17.8 or otherwise, to be paid to Interconnection Customer on a dollar-for-dollar basis for the non-usage sensitive portion of transmission charges, as payments are made under Transmission Provider's Tariff and Affected System's Tariff for transmission services with respect to the Large Generating Facility. Any repayment shall include interest calculated in accordance with the methodology set forth in FERC's regulations at 18 C.F.R. § 35.19a(a)(2)(iii) from the date of any payment for Network Upgrades through the date on which the Interconnection Customer receives a repayment of such payment pursuant to this subparagraph. Interconnection Customer may assign such repayment rights to any person.

Notwithstanding the foregoing, Interconnection Customer, Transmission Provider, and Affected System Operator may adopt any alternative payment schedule that is mutually agreeable so long as Transmission Provider and Affected System Operator take one of

the following actions no later than five years from the Commercial Operation Date: (1) return to Interconnection Customer any amounts advanced for Network Upgrades not previously repaid, or (2) declare in writing that Transmission Provider or Affected System Operator will continue to provide payments to Interconnection Customer on a dollar-for-dollar basis for the non-usage sensitive portion of the transmission charges, or develop an alternative schedule that is mutually agreeable and provides for the return of all amounts advanced for Network Upgrades not previously repaid; however, full reimbursement shall not extend beyond twenty (20) years from the Commercial Operation Date.

If the Large Generating Facility fails to achieve commercial operation, but it or another Generating Facility is later constructed and makes use of the Network Upgrades, Transmission Provider and Affected System Operator shall at that time reimburse Interconnection Customer for the amounts advanced for the Network Upgrades. Before any such reimbursement can occur, the Interconnection Customer, or the entity that ultimately constructs the Generating Facility, if different, is responsible for identifying the entity to which reimbursement must be made.

11.4.2 **Special Provisions for Affected Systems.** Unless Transmission Provider provides, under the LGIA, for the repayment of amounts advanced to Affected System Operator for Network Upgrades, Interconnection Customer and Affected System Operator shall enter into an agreement that provides for such repayment. The agreement shall specify the terms governing payments to be made by Interconnection Customer to the Affected System Operator as well as the repayment by the Affected System Operator.

11.4.3 Notwithstanding any other provision of this LGIA, nothing herein shall be construed as relinquishing or foreclosing any rights, including but not limited to firm transmission rights, capacity rights, transmission congestion rights, or transmission credits, that Interconnection Customer, shall be entitled to, now or in the future under any other agreement or tariff as a result of, or otherwise associated with, the transmission capacity, if any, created by the Network Upgrades, including the right to obtain cash reimbursements or transmission credits for transmission service that is not associated with the Large Generating Facility.

11.5 Provision of Security. At least thirty (30) Calendar Days prior to the commencement of the procurement, installation, or construction of a discrete portion of a Transmission Provider's Interconnection Facilities, Network Upgrades, or Distribution Upgrades, Interconnection Customer shall provide Transmission Provider, at Interconnection Customer's option, a guarantee, a surety bond, letter of credit or other form of security that is reasonably acceptable to Transmission Provider and is consistent with the Uniform Commercial Code of the jurisdiction identified in Article 14.2.1. Such security for payment shall be in an amount sufficient to cover the costs for constructing, procuring and installing the applicable portion of Transmission Provider's Interconnection Facilities, Network Upgrades, or Distribution Upgrades and shall be reduced on a dollar-for-dollar basis for payments made to Transmission Provider for these purposes.

In addition:

11.5.1 The guarantee must be made by an entity that meets the creditworthiness requirements of Transmission Provider, and contain terms and conditions that guarantee payment of any amount that may be due from Interconnection Customer, up to an agreed-to maximum amount.

11.5.2 The letter of credit must be issued by a financial institution reasonably acceptable to Transmission Provider and must specify a reasonable expiration date.

11.5.3 The surety bond must be issued by an insurer reasonably acceptable to Transmission Provider and must specify a reasonable expiration date.

11.6 Interconnection Customer Compensation. If Transmission Provider requests or directs Interconnection Customer to provide a service pursuant to Articles 9.6.3 (Payment for Reactive Power), or 13.5.1 of this LGIA, Transmission Provider shall compensate Interconnection Customer in accordance with Interconnection Customer's applicable rate schedule then in effect unless the provision of such service(s) is subject to an RTO or ISO FERC-approved rate schedule. Interconnection Customer shall serve Transmission Provider or RTO or ISO with any filing of a proposed rate schedule at the time of such filing with FERC. To the extent that no rate schedule is in effect at the time the Interconnection Customer is required to provide or absorb any Reactive Power under this LGIA, Transmission Provider agrees to compensate Interconnection Customer in such amount as would have been due Interconnection Customer had the rate schedule been in effect at the time service commenced; provided, however, that such rate schedule must be filed

at FERC or other appropriate Governmental Authority within sixty (60) Calendar Days of the commencement of service.

11.6.1 Interconnection Customer Compensation for Actions During Emergency Condition. Transmission Provider or RTO or ISO shall compensate Interconnection Customer for its provision of real and reactive power and other Emergency Condition services that Interconnection Customer provides to support the Transmission System during an Emergency Condition in accordance with Article 11.6.

Article 12. Invoice

12.1 General. Each Party shall submit to the other Party, on a monthly basis, invoices of amounts due for the preceding month. Each invoice shall state the month to which the invoice applies and fully describe the services and equipment provided. The Parties may discharge mutual debts and payment obligations due and owing to each other on the same date through netting, in which case all amounts a Party owes to the other Party under this LGIA, including interest payments or credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

12.2 Final Invoice. Within six months after the first to occur of either (a) completion of the construction of Transmission Provider's Interconnection Facilities and the Network Upgrades or (b) termination of this LGIA, Transmission Provider shall provide an invoice of the final cost of the construction of Transmission Provider's Interconnection Facilities and the Network Upgrades and shall set forth such costs in sufficient detail to enable Interconnection Customer to compare the actual costs with the estimates and to ascertain deviations, if any, from the cost estimates. Transmission Provider shall refund to Interconnection Customer any amount by which the actual payment by Interconnection Customer for estimated costs exceeds the actual costs of construction within thirty (30) Calendar Days of the issuance of such final construction invoice.

12.3 Payment. Invoices shall be rendered to the paying Party at the address specified in Appendix F. The Party receiving the invoice shall pay the invoice within thirty (30) Calendar Days of receipt. All payments shall be made in immediately available funds payable to the other Party, or by wire transfer to a bank named and account designated by the invoicing Party. Payment of invoices by either Party will not constitute a waiver of any rights or claims either Party may have under this LGIA. If Interconnection Customer has not paid the final invoice within thirty (30) Calendar Days of receipt, then Transmission Provider shall be entitled to

utilize the security provided by the Interconnection Customer under this LGIA as payment for the amount due under the final invoice. After Transmission Provider has received payment for the final invoice whether through timely payment or utilization of security, Transmission Provider shall refund any remaining security to Interconnection Customer.

12.4 Disputes. In the event of a billing dispute between Transmission Provider and Interconnection Customer, Transmission Provider shall continue to provide Interconnection Service under this LGIA as long as Interconnection Customer: (i) continues to make all payments not in dispute; and (ii) pays to Transmission Provider or into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If Interconnection Customer fails to meet these two requirements for continuation of service, then Transmission Provider may provide notice to Interconnection Customer of a Default pursuant to Article 17. Within thirty (30) Calendar Days after the resolution of the dispute, the Party that owes money to the other Party shall pay the amount due with interest calculated in accord with the methodology set forth in FERC's regulations at 18 CFR § 35.19a(a)(2)(iii).

Article 13. Emergencies

13.1 Definition. "Emergency Condition" shall mean a condition or situation: (i) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (ii) that, in the case of Transmission Provider, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to the Transmission System, Transmission Provider's Interconnection Facilities or the Transmission Systems of others to which the Transmission System is directly connected; or (iii) that, in the case of Interconnection Customer, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, the Large Generating Facility or Interconnection Customer's Interconnection Facilities' System restoration and black start shall be considered Emergency Conditions; provided, that Interconnection Customer is not obligated by this LGIA to possess black start capability.

13.2 Obligations. Each Party shall comply with the Emergency Condition procedures of the applicable ISO/RTO, NERC, the Applicable Reliability Council, Applicable Laws and Regulations, and any emergency procedures agreed to by the Joint Operating Committee.

13.3 Notice. Transmission Provider shall notify Interconnection Customer promptly when it becomes aware of an Emergency Condition that affects Transmission Provider's Interconnection Facilities or the Transmission System that may

reasonably be expected to affect Interconnection Customer's operation of the Large Generating Facility or Interconnection Customer's Interconnection Facilities. Interconnection Customer shall notify Transmission Provider promptly when it becomes aware of an Emergency Condition that affects the Large Generating Facility or Interconnection Customer's Interconnection Facilities that may reasonably be expected to affect the Transmission System or Transmission Provider's Interconnection Facilities. To the extent information is known, the notification shall describe the Emergency Condition, the extent of the damage or deficiency, the expected effect on the operation of Interconnection Customer's or Transmission Provider's facilities and operations, its anticipated duration and the corrective action taken and/or to be taken. The initial notice shall be followed as soon as practicable with written notice.

13.4 Immediate Action. Unless, in Interconnection Customer's reasonable judgment, immediate action is required, Interconnection Customer shall obtain the consent of Transmission Provider, such consent to not be unreasonably withheld, prior to performing any manual switching operations at the Large Generating Facility or Interconnection Customer's Interconnection Facilities in response to an Emergency Condition either declared by Transmission Provider or otherwise regarding the Transmission System.

13.5 Transmission Provider Authority.

13.5.1 General. Transmission Provider may take whatever actions or inactions with regard to the Transmission System or Transmission Provider's Interconnection Facilities it deems necessary during an Emergency Condition in order to (i) preserve public health and safety, (ii) preserve the reliability of the Transmission System or Transmission Provider's Interconnection Facilities, (iii) limit or prevent damage, and (iv) expedite restoration of service.

Transmission Provider shall use Reasonable Efforts to minimize the effect of such actions or inactions on the Large Generating Facility or Interconnection Customer's Interconnection Facilities.

Transmission Provider may, on the basis of technical considerations, require the Large Generating Facility to mitigate an Emergency Condition by taking actions necessary and limited in scope to remedy the Emergency Condition, including, but not limited to, directing Interconnection Customer to shut-down, start-up, increase or decrease the real or reactive power output of the Large Generating Facility; implementing a reduction or disconnection pursuant to Article 13.5.2; directing Interconnection Customer to assist with

blackstart (if available) or restoration efforts; or altering the outage schedules of the Large Generating Facility and Interconnection Customer's Interconnection Facilities. Interconnection Customer shall comply with all of Transmission Provider's operating instructions concerning Large Generating Facility real power and reactive power output within the manufacturer's design limitations of the Large Generating Facility's equipment that is in service and physically available for operation at the time, in compliance with Applicable Laws and Regulations.

13.5.2 Reduction and Disconnection. Transmission Provider may reduce Interconnection Service or disconnect the Large Generating Facility or Interconnection Customer's Interconnection Facilities, when such, reduction or disconnection is necessary under Good Utility Practice due to Emergency Conditions. These rights are separate and distinct from any right of curtailment of Transmission Provider pursuant to Transmission Provider's Tariff. When Transmission Provider can schedule the reduction or disconnection in advance, Transmission Provider shall notify Interconnection Customer of the reasons, timing and expected duration of the reduction or disconnection. Transmission Provider shall coordinate with Interconnection Customer using Good Utility Practice to schedule the reduction or disconnection during periods of least impact to Interconnection Customer and Transmission Provider. Any reduction or disconnection shall continue only for so long as reasonably necessary under Good Utility Practice. The Parties shall cooperate with each other to restore the Large Generating Facility, the Interconnection Facilities, and the Transmission System to their normal operating state as soon as practicable consistent with Good Utility Practice.

13.6 Interconnection Customer Authority. Consistent with Good Utility Practice and the LGIA and the LGIP, Interconnection Customer may take actions or inactions with regard to the Large Generating Facility or Interconnection Customer's Interconnection Facilities during an Emergency Condition in order to (i) preserve public health and safety, (ii) preserve the reliability of the Large Generating Facility or Interconnection Customer's Interconnection Facilities, (iii) limit or prevent damage, and (iv) expedite restoration of service. Interconnection Customer shall use Reasonable Efforts to minimize the effect of such actions or inactions on the Transmission System and Transmission Provider's Interconnection Facilities. Transmission Provider shall use Reasonable Efforts to assist Interconnection Customer in such actions.

13.7 Limited Liability. Except as otherwise provided in Article 11.6.1 of this LGIA, neither Party shall be liable to the other for any action it takes in responding to an Emergency Condition so long as such action is made in good faith and is consistent with Good Utility Practice.

Article 14. Regulatory Requirements and Governing Law

14.1 Regulatory Requirements. Each Party's obligations under this LGIA shall be subject to its receipt of any required approval or certificate from one or more Governmental Authorities in the form and substance satisfactory to the applying Party, or the Party making any required filings with, or providing notice to, such Governmental Authorities, and the expiration of any time period associated therewith. Each Party shall in good faith seek and use its Reasonable Efforts to obtain such other approvals. Nothing in this LGIA shall require Interconnection Customer to take any action that could result in its inability to obtain, or its loss of, status or exemption under the Federal Power Act, the Public Utility Holding Company Act of 1935, as amended, or the Public Utility Regulatory Policies Act of 1978.

14.2 Governing Law.

- 14.2.1** The validity, interpretation and performance of this LGIA and each of its provisions shall be governed by the laws of the state where the Point of Interconnection is located, without regard to its conflicts of law principles.
- 14.2.2** This LGIA is subject to all Applicable Laws and Regulations.
- 14.2.3** Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, rules, or regulations of a Governmental Authority.

Article 15. Notices.

15.1 General. Unless otherwise provided in this LGIA, any notice, demand or request required or permitted to be given by either Party to the other and any instrument required or permitted to be tendered or delivered by either Party in writing to the other shall be effective when delivered and may be so given, tendered or delivered, by recognized national courier, or by depositing the same with the United States Postal Service with postage prepaid, for delivery by certified or

registered mail, addressed to the Party, or personally delivered to the Party, at the address set out in Appendix F, Addresses for Delivery of Notices and Billings.

Either Party may change the notice information in this LGIA by giving five (5) Business Days written notice prior to the effective date of the change.

- 15.2 Billings and Payments.** Billings and payments shall be sent to the addresses set out in Appendix F.
- 15.3 Alternative Forms of Notice.** Any notice or request required or permitted to be given by a Party to the other and not required by this Agreement to be given in writing may be so given by telephone, facsimile or email to the telephone numbers and email addresses set out in Appendix F.
- 15.4 Operations and Maintenance Notice-** Each Party shall notify the other Party in writing of the identity of the person(s) that it designates as the point(s) of contact with respect to the implementation of Articles 9 and 10.

Article 16. Force Majeure

16.1 Force Majeure.

16.1.1 Economic hardship is not considered a Force Majeure event.

16.1.2 Neither Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 4), other than the obligation to pay money when due, if prevented from fulfilling such obligation by Force Majeure. A Party unable to fulfill any obligation hereunder (other than an obligation to pay money when due) by reason of Force Majeure shall give notice and the full particulars of such Force Majeure to the other Party in writing or by telephone as soon as reasonably possible after the occurrence of the cause relied upon. Telephone notices given pursuant to this article shall be confirmed in writing as soon as reasonably possible and shall specifically state full particulars of the Force Majeure, the time and date when the Force Majeure occurred and when the Force Majeure is reasonably expected to cease. The Party affected shall exercise due diligence to remove such disability with reasonable dispatch, but shall not be required to accede or agree to any provision not satisfactory to it in order to settle and terminate a strike or other labor disturbance.

Article 17. Default

17.1 Default

17.1.1 General. No Default shall exist where such failure to discharge an obligation (other than the payment of money) is the result of Force Majeure as defined in this LGIA or the result of an act of omission of the other Party. Upon a Breach, the non-breaching Party shall give written notice of such Breach to the breaching Party. Except as provided in Article 17.1.2, the breaching Party shall have thirty (30) Calendar Days from receipt of the Default notice within which to cure such Breach; provided however, if such Breach is not capable of cure within thirty (30) Calendar Days, the breaching Party shall commence such cure within thirty (30) Calendar Days after notice and continuously and diligently complete such cure within ninety (90) Calendar Days from receipt of the Default notice; and, if cured within such time, the Breach specified in such notice shall cease to exist.

17.1.2 Right to Terminate. If a Breach is not cured as provided in this article, or if a Breach is not capable of being cured within the period provided for herein, the non-breaching Party shall have the right to declare a Default and terminate this LGIA by written notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not that Party terminates this LGIA, to recover from the breaching Party all amounts due hereunder, plus all other damages and remedies to which it is entitled at law or in equity. The provisions of this article will survive termination of this LGIA.

Article 18. Indemnity, Consequential Damages and Insurance

18.1 Indemnity. The Parties shall at all times indemnify, defend, and hold the other Party 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, demand, 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 other Party's action or inactions of its obligations under this LGIA on behalf of the

Indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the Indemnified Party.

18.1.1 Indemnified Person. If an Indemnified Person is entitled to indemnification under this Article 18 as a result of a claim by a third party, and the Indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 18.1, to assume the defense of such claim, such Indemnified Person may at the expense of the Indemnifying Party contest, settle or consent to the entry of any judgment with respect to, or pay in full, such claim.

18.1.2 Indemnifying Party. If an Indemnifying Party is obligated to indemnify and hold any Indemnified Person harmless under this Article 18, the amount owing to the Indemnified Person shall be the amount of such Indemnified Person's actual Loss, net of any insurance or other recovery.

18.1.3 Indemnity Procedures. Promptly after receipt by an Indemnified Person of any claim or notice of the commencement of any action or administrative or legal proceeding or investigation as to which the indemnity provided for in Article 18.1 may apply, the Indemnified Person shall notify the Indemnifying Party of such fact. Any failure of or delay in such notification shall not affect a Party's indemnification obligation unless such failure or delay is materially prejudicial to the Indemnifying Party.

The Indemnifying Party shall have the right to assume the defense thereof with counsel designated by such Indemnifying Party and reasonably satisfactory to the Indemnified Person. If the defendants in any such action include one or more Indemnified Persons and the Indemnifying Party and if the Indemnified Person reasonably concludes that there may be legal defenses available to it and/or other Indemnified Persons which are different from or additional to those available to the Indemnifying Party, the Indemnified Person shall have the right to select separate counsel to assert such legal defenses and to otherwise participate in the defense of such action on its own behalf. In such instances, the Indemnifying Party shall only be required to pay the fees and expenses of one additional attorney to represent an Indemnified Person or Indemnified Persons having such differing or additional legal defenses.

The Indemnified Person shall be entitled, at its expense, to participate in any such action, suit or proceeding, the defense of which has been assumed by the Indemnifying Party.

Notwithstanding the foregoing, the Indemnifying Party (i) shall not be entitled to assume and control the defense of any such action, suit or proceedings if and to the extent that, in the opinion of the Indemnified Person and its counsel, such action, suit or proceeding involves the potential imposition of criminal liability on the Indemnified Person, or there exists a conflict or adversity of interest between the Indemnified Person and the Indemnifying Party, in such event the Indemnifying Party shall pay the reasonable expenses of the Indemnified Person, and (ii) shall not settle or consent to the entry of any judgment in any action, suit or proceeding without the consent of the Indemnified Person, which shall not be reasonably withheld, conditioned or delayed.

18.2 Consequential Damages. Other than the Liquidated Damages heretofore described, in no event shall either Party be liable under any provision of this LGIA for any losses, damages, costs or expenses for any special, indirect, incidental, consequential, or punitive damages, including but not limited to loss of profit or revenue, loss of the use of equipment, cost of capital, cost of temporary equipment or services, whether based in whole or in part in contract, in tort, including negligence, strict liability, or any other theory of liability; provided, however, that damages for which a Party may be liable to the other Party under another agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

18.3 Insurance. Each party shall, at its own expense, maintain in force throughout the period of this LGIA, and until released by the other Party, the following minimum insurance coverages, with insurers authorized to do business in the state where the Point of Interconnection is located:

18.3.1 Employers' Liability and Workers' Compensation Insurance providing statutory benefits in accordance with the laws and regulations of the state in which the Point of Interconnection is located.

18.3.2 Commercial General Liability Insurance including premises and operations, personal injury, broad form property damage, broad form blanket contractual liability coverage (including coverage for the contractual indemnification) products and completed operations coverage, coverage for explosion, collapse and underground hazards,

independent contractors coverage, coverage for pollution to the extent normally available and punitive damages to the extent normally available and a cross liability endorsement, with minimum limits of One Million Dollars (\$1,000,000) per occurrence/One Million Dollars (\$1,000,000) aggregate combined single limit for personal injury, bodily injury, including death and property damage.

- 18.3.3** Comprehensive Automobile Liability Insurance for coverage of owned and non-owned and hired vehicles, trailers or semi-trailers designed for travel on public roads, with a minimum, combined single limit of One Million Dollars (\$1,000,000) per occurrence for bodily injury, including death, and property damage.
- 18.3.4** Excess Public Liability Insurance over and above the Employers' Liability Commercial General Liability and Comprehensive Automobile Liability Insurance coverage, with a minimum combined single limit of Twenty Million Dollars (\$20,000,000) per occurrence/Twenty Million Dollars (\$20,000,000) aggregate.
- 18.3.5** The Commercial General Liability Insurance, Comprehensive Automobile Insurance and Excess Public Liability Insurance policies shall name the other Party, its parent, associated and Affiliate companies and their respective directors, officers, agents, servants and employees ("Other Party Group") as additional insured. All policies shall contain provisions whereby the insurers waive all rights of subrogation in accordance with the provisions of this LGIA against the Other Party Group and provide thirty (30) Calendar Days advance written notice to the Other Party Group prior to anniversary date of cancellation or any material change in coverage or condition.
- 18.3.6** The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance and Excess Public Liability Insurance policies shall contain provisions that specify that the policies are primary and shall apply to such extent without consideration for other policies separately carried and shall state that each insured is provided coverage as though a separate policy had been issued to each, except the insurer's liability shall not be increased beyond the amount for which the insurer would have been liable had only one insured been covered. Each Party shall be responsible for its respective deductibles or retentions.

- 18.3.7** The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance and Excess Public Liability Insurance policies, if written on a Claims First Made Basis, shall be maintained in full force and effect for two (2) years after termination of this LGIA, which coverage may be in the form of tail coverage or extended reporting period coverage if agreed by the Parties.
- 18.3.8** The requirements contained herein as to the types and limits of all insurance to be maintained by the Parties are not intended to and shall not in any manner, limit or qualify the liabilities and obligations assumed by the Parties under this LGIA.
- 18.3.9** Within ten (10) days following execution of this LGIA, and as soon as practicable after the end of each fiscal year or at the renewal of the insurance policy and in any event within ninety (90) days thereafter, each Party shall provide certification of all insurance required in this LGIA, executed by each insurer or by an authorized representative of each insurer.
- 18.3.10** Notwithstanding the foregoing, each Party may self-insure to meet the minimum insurance requirements of Articles 18.3.2 through 18.3.8 to the extent it maintains a self-insurance program; provided that, such Party's senior secured debt is rated at investment grade or better by Standard & Poor's and that its self-insurance program meets the minimum insurance requirements of Articles 18.3.2 through 18.3.8. For any period of time that a Party's senior secured debt is unrated by Standard & Poor's or is rated at less than investment grade by Standard & Poor's, such Party shall comply with the insurance requirements applicable to it under Articles 18.3.2 through 18.3.9. In the event that a Party is permitted to self-insure pursuant to this article, it shall notify the other Party that it meets the requirements to self-insure and that its self-insurance program meets the minimum insurance requirements in a manner consistent with that specified in Article 18.3.9.
- 18.3.11** The Parties agree to report to each other in writing as soon as practical all accidents or occurrences resulting in injuries to any person, including death, and any property damage arising out of this LGIA.

Article 19. Assignment

19.1 Assignment. This LGIA may be assigned by either Party only with the written consent of the other; provided that either Party may assign this LGIA 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 LGIA; and provided further that Interconnection Customer shall have the right to assign this LGIA, without the consent of Transmission Provider, for collateral security purposes to aid in providing financing for the Large Generating Facility, provided that Interconnection Customer will promptly notify Transmission Provider of any such assignment. Any financing arrangement entered into by Interconnection Customer pursuant to this article will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify Transmission Provider of the date and particulars of any such exercise of assignment right(s), including providing the Transmission Provider with proof that it meets the requirements of Articles 11.5 and 18.3. Any attempted assignment that violates this article is void and ineffective. Any assignment under this LGIA shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

Article 20. Severability

20.1 Severability. If any provision in this LGIA is finally determined to be invalid, void or unenforceable by any court or other Governmental Authority having jurisdiction, such determination shall not invalidate, void or make unenforceable any other provision, agreement or covenant of this LGIA; provided that if Interconnection Customer (or any third party, but only if such third party is not acting at the direction of Transmission Provider) seeks and obtains such a final determination with respect to any provision of the Alternate Option (Article 5.1.2), or the Negotiated Option (Article 5.1.4), then none of these provisions shall thereafter have any force or effect and the Parties' rights and obligations shall be governed solely by the Standard Option (Article 5.1.1).

Article 21. Comparability

21.1 Comparability. The Parties will comply with all applicable comparability and code of conduct laws, rules and regulations, as amended from time to time.

Article 22. Confidentiality

22.1 Confidentiality. Confidential Information shall include, without limitation, all information relating to a Party's technology, research and development, business affairs, and pricing, and any information supplied by either of the Parties to the other prior to the execution of this LGIA.

Information is Confidential Information only if it is clearly designated or marked in writing as confidential on the face of the document, or, if the information is conveyed orally or by inspection, if the Party providing the information orally informs the Party receiving the information that the information is confidential.

If requested by either Party, the other Party shall provide in writing, the basis for asserting that the information referred to in this Article 22 warrants confidential treatment, and the requesting Party may disclose such writing to the appropriate Governmental Authority. Each Party shall be responsible for the costs associated with affording confidential treatment to its information.

22.1.1 Term. During the term of this LGIA, and for a period of three (3) years after the expiration or termination of this LGIA, except as otherwise provided in this Article 22, each Party shall hold in confidence and shall not disclose to any person Confidential Information.

22.1.2 Scope. Confidential Information shall not include information that the receiving Party can demonstrate: (1) is generally available to the public other than as a result of a disclosure by the receiving Party; (2) was in the lawful possession of the receiving Party on a non-confidential basis before receiving it from the disclosing Party; (3) was supplied to the receiving Party without restriction by a third party, who, to the knowledge of the receiving Party after due inquiry, was under no obligation to the disclosing Party to keep such information confidential; (4) was independently developed by the receiving Party without reference to Confidential Information of the disclosing Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or Breach of this LGIA; or (6) is required, in accordance with Article 22.1.7 of the LGIA, Order of Disclosure, to be disclosed by any Governmental Authority or is otherwise required to be disclosed by law or subpoena, or is necessary in any legal proceeding establishing rights and obligations under this LGIA. Information designated as

Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the other Party that it no longer is confidential.

- 22.1.3 Release of Confidential Information.** Neither Party shall release or disclose Confidential Information to any other person, except to its Affiliates (limited by the Standards of Conduct requirements), subcontractors, employees, consultants, or to parties who may be or considering providing financing to or equity participation with Interconnection Customer, or to potential purchasers or assignees of Interconnection Customer, on a need-to-know basis in connection with this LGIA, unless such person has first been advised of the confidentiality provisions of this Article 22 and has agreed to comply with such provisions. Notwithstanding the foregoing, a Party providing Confidential Information to any person shall remain primarily responsible for any release of Confidential Information in contravention of this Article 22.
- 22.1.4 Rights.** Each Party retains all rights, title, and interest in the Confidential Information that each Party discloses to the other Party. The disclosure by each Party to the other Party of Confidential Information shall not be deemed a waiver by either Party or any other person or entity of the right to protect the Confidential Information from public disclosure.
- 22.1.5 No Warranties.** By providing Confidential Information, neither Party makes any warranties or representations as to its accuracy or completeness. In addition, by supplying Confidential Information, neither Party obligates itself to provide any particular information or Confidential Information to the other Party nor to enter into any further agreements or proceed with any other relationship or joint venture.
- 22.1.6 Standard of Care.** Each Party shall use at least the same standard of care to protect Confidential Information it receives as it uses to protect its own Confidential Information from unauthorized disclosure, publication or dissemination. Each Party may use Confidential Information solely to fulfill its obligations to the other Party under this LGIA or its regulatory requirements.
- 22.1.7 Order of Disclosure.** If a court or a Government Authority or entity with the right, power, and apparent authority to do so requests or

requires either Party, by subpoena, oral deposition, interrogatories, requests for production of documents, administrative order, or otherwise, to disclose Confidential Information, that Party shall provide the other Party with prompt notice of such request(s) or requirement(s) so that the other Party may seek an appropriate protective order or waive compliance with the terms of this LGIA. Notwithstanding the absence of a protective order or waiver, the Party may disclose such Confidential Information which, in the opinion of its counsel, the Party is legally compelled to disclose. Each Party will use Reasonable Efforts to obtain reliable assurance that confidential treatment will be accorded any Confidential Information so furnished.

22.1.8 Termination of Agreement. Upon termination of this LGIA for any reason, each Party shall, within ten (10) Calendar Days of receipt of a written request from the other Party, use Reasonable Efforts to destroy, erase, or delete (with such destruction, erasure, and deletion certified in writing to the other Party) or return to the other Party, without retaining copies thereof, any and all written or electronic Confidential Information received from the other Party.

22.1.9 Remedies. The Parties agree that monetary damages would be inadequate to compensate a Party for the other Party's Breach of its obligations under this Article 22. Each Party accordingly agrees that the other Party shall be entitled to equitable relief, by way of injunction or otherwise, if the first Party Breaches or threatens to Breach its obligations under this Article 22, which equitable relief shall be granted without bond or proof of damages, and the receiving Party shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the Breach of this Article 22, but shall be in addition to all other remedies available at law or in equity. The Parties further acknowledge and agree that the covenants contained herein are necessary for the protection of legitimate business interests and are reasonable in scope. No Party, however, shall be liable for indirect, incidental, or consequential or punitive damages of any nature or kind resulting from or arising in connection with this Article 22.

22.1.10 Disclosure to FERC, its Staff, or a State. Notwithstanding anything in this Article 22 to the contrary, and pursuant to 18 CFR section 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from one of the

Parties that is otherwise required to be maintained in confidence pursuant to this LGIA, the Party shall provide the requested information to FERC or its staff, within the time provided for in the request for information. In providing the information to FERC or its staff, the Party must, consistent with 18 CFR section 388.112, request that the information be treated as confidential and non-public by FERC and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying the other Party to this LGIA prior to the release of the Confidential Information to FERC or its staff. The Party shall notify the other Party to the LGIA when it is notified by FERC or its staff that a request to release Confidential Information has been received by FERC, at which time either of the Parties may respond before such information would be made public, pursuant to 18 CFR section 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner, if consistent with the applicable state rules and regulations.

22.1.11

Subject to the exception in Article 22.1.10, any information that a Party claims is competitively sensitive, commercial or financial information under this LGIA ("Confidential Information") shall not be disclosed by the other Party to any person not employed or retained by the other Party, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the other Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this LGIA or as a transmission service provider or a Control Area operator including disclosing the Confidential Information to an RTO or ISO or to a regional or national reliability organization. The Party asserting confidentiality shall notify the other Party in writing of the information it claims is confidential. Prior to any disclosures of the other Party's Confidential Information under this subparagraph, or if any third party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the disclosing Party agrees to promptly notify the other Party in writing and agrees to assert confidentiality and cooperate with the other Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

Article 23. Environmental Releases

23.1 Each Party shall notify the other Party, first orally and then in writing, of the release of any Hazardous Substances, any asbestos or lead abatement activities, or any type of remediation activities related to the Large Generating Facility or the Interconnection Facilities, each of which may reasonably be expected to affect the other Party. The notifying Party shall: (i) provide the notice as soon as practicable, provided such Party makes a good faith effort to provide the notice no later than twenty-four hours after such Party becomes aware of the occurrence; and (ii) promptly furnish to the other Party copies of any publicly available reports filed with any Governmental Authorities addressing such events.

Article 24. Information Requirements

24.1 Information Acquisition. Transmission Provider and Interconnection Customer shall submit specific information regarding the electrical characteristics of their respective facilities to each other as described below and in accordance with Applicable Reliability Standards.

24.2 Information Submission by Transmission Provider. The initial information submission by Transmission Provider shall occur no later than one hundred eighty (180) Calendar Days prior to Trial Operation and shall include Transmission System information necessary to allow Interconnection Customer to select equipment and meet any system protection and stability requirements, unless otherwise agreed to by the Parties. On a monthly basis Transmission Provider shall provide Interconnection Customer a status report on the construction and installation of Transmission Provider's Interconnection Facilities and Network Upgrades, including, but not limited to, the following information: (1) progress to date; (2) a description of the activities since the last report; (3) a description of the action items for the next period; and (4) the delivery status of equipment ordered.

24.3 Updated Information Submission by Interconnection Customer. The updated information submission by Interconnection Customer, including manufacturer information, shall occur no later than one hundred eighty (180) Calendar Days prior to the Trial Operation. Interconnection Customer shall submit a completed copy of the Large Generating Facility data requirements contained in Appendix ~~31~~ to the LGIP. It shall also include any additional information provided to Transmission Provider for the Feasibility and Facilities Study. Information in this submission shall be the most current Large Generating Facility design or expected

performance data. Information submitted for stability models shall be compatible with Transmission Provider standard models. If there is no compatible model, Interconnection Customer will work with a consultant mutually agreed to by the Parties to develop and supply a standard model and associated information.

If Interconnection Customer's data is materially different from what was originally provided to Transmission Provider pursuant to the Interconnection Study Agreement between Transmission Provider and Interconnection Customer, then Transmission Provider will conduct appropriate studies to determine the impact on Transmission Provider Transmission System based on the actual data submitted pursuant to this Article 24.3. The Interconnection Customer shall not begin Trial Operation until such studies are completed.

24.4 Information Supplementation. Prior to the Operation Date, the Parties shall supplement their information submissions described above in this Article 24 with any and all "as-built" Large Generating Facility information or "as-tested" performance information that differs from the initial submissions or, alternatively, written confirmation that no such differences exist. The Interconnection Customer shall conduct tests on the Large Generating Facility as required by Good Utility Practice such as an open circuit "step voltage" test on the Large Generating Facility to verify proper operation of the Large Generating Facility's automatic voltage regulator.

Unless otherwise agreed, the test conditions shall include: (1) Large Generating Facility at synchronous speed; (2) automatic voltage regulator on and in voltage control mode; and (3) a five percent change in Large Generating Facility terminal voltage initiated by a change in the voltage regulators reference voltage. Interconnection Customer shall provide validated test recordings showing the responses of Large Generating Facility terminal and field voltages. In the event that direct recordings of these voltages is impractical, recordings of other voltages or currents that mirror the response of the Large Generating Facility's terminal or field voltage are acceptable if information necessary to translate these alternate quantities to actual Large Generating Facility terminal or field voltages is provided. Large Generating Facility testing shall be conducted and results provided to Transmission Provider for each individual generating unit in a station.

Subsequent to the Operation Date, Interconnection Customer shall provide Transmission Provider any information changes due to equipment replacement, repair, or adjustment. Transmission Provider shall provide Interconnection Customer any information changes due to equipment replacement, repair or adjustment in the directly connected substation or any adjacent Transmission

Provider-owned substation that may affect Interconnection Customer's Interconnection Facilities equipment ratings, protection or operating requirements. The Parties shall provide such information no later than thirty (30) Calendar Days after the date of the equipment replacement, repair or adjustment.

Article 25. Information Access and Audit Rights

- 25.1 Information Access.** Each Party (the "disclosing Party") shall make available to the other Party information that is in the possession of the disclosing Party and is necessary in order for the other Party to: (i) verify the costs incurred by the disclosing Party for which the other Party is responsible under this LGIA; and (ii) carry out its obligations and responsibilities under this LGIA. The Parties shall not use such information for purposes other than those set forth in this Article 25.1 and to enforce their rights under this LGIA.
- 25.2 Reporting of Non-Force Majeure Events.** Each Party (the "notifying Party") shall notify the other Party when the notifying Party becomes aware of its inability to comply with the provisions of this LGIA for a reason other than a Force Majeure event. The Parties agree to cooperate with each other and provide necessary information regarding such inability to comply, including the date, duration, reason for the inability to comply, and corrective actions taken or planned to be taken with respect to such inability to comply. Notwithstanding the foregoing, notification, cooperation or information provided under this article shall not entitle the Party receiving such notification to allege a cause for anticipatory breach of this LGIA.
- 25.3 Audit Rights.** Subject to the requirements of confidentiality under Article 22 of this LGIA, each Party shall have the right, during normal business hours, and upon prior reasonable notice to the other Party, to audit at its own expense the other Party's accounts and records pertaining to either Party's performance or either Party's satisfaction of obligations under this LGIA. Such audit rights shall include audits of the other Party's costs, calculation of invoiced amounts, Transmission Provider's efforts to allocate responsibility for the provision of reactive support to the Transmission System, Transmission Provider's efforts to allocate responsibility for interruption or reduction of generation on the Transmission System, and each Party's actions in an Emergency Condition. Any audit authorized by this article shall be performed at the offices where such accounts and records are maintained and shall be limited to those portions of such accounts and records that relate to each Party's performance and satisfaction of obligations under this LGIA. Each Party shall keep such accounts and records for a period equivalent to the audit rights periods described in Article 25.4.

25.4 Audit Rights Periods.

25.4.1 Audit Rights Period for Construction-Related Accounts and Records. Accounts and records related to the design, engineering, procurement, and construction of Transmission Provider's Interconnection Facilities and Network Upgrades shall be subject to audit for a period of twenty-four months following Transmission Provider's issuance of a final invoice in accordance with Article 12.2.

25.4.2 Audit Rights Period for All Other Accounts and Records. Accounts and records related to either Party's performance or satisfaction of all obligations under this LGIA other than those described in Article 25.4.1 shall be subject to audit as follows: (i) for an audit relating to cost obligations, the applicable audit rights period shall be twenty-four months after the auditing Party's receipt of an invoice giving rise to such cost obligations; and (ii) for an audit relating to all other obligations, the applicable audit rights period shall be twenty-four months after the event for which the audit is sought.

25.5 Audit Results. If an audit by a Party determines that an overpayment or an underpayment has occurred, a notice of such overpayment or underpayment shall be given to the other Party together with those records from the audit which support such determination.

Article 26. Subcontractors

26.1 General. Nothing in this LGIA shall prevent a Party from utilizing the services of any subcontractor as it deems appropriate to perform its obligations under this LGIA; provided, however, that each Party shall require its subcontractors to comply with all applicable terms and conditions of this LGIA in providing such services and each Party shall remain primarily liable to the other Party for the performance of such subcontractor.

26.2 Responsibility of Principal. The creation of any subcontract relationship shall not relieve the hiring Party of any of its obligations under this LGIA. The hiring Party shall be fully responsible to the other Party for the acts or omissions of any subcontractor the hiring Party hires as if no subcontract had been made; provided, however, that in no event shall Transmission Provider be liable for the actions or

inactions of Interconnection Customer or its subcontractors with respect to obligations of Interconnection Customer under Article 5 of this LGIA. Any applicable obligation imposed by this LGIA upon the hiring Party shall be equally binding upon, and shall be construed as having application to, any subcontractor of such Party.

26.3 No Limitation by Insurance. The obligations under this Article 26 will not be limited in any way by any limitation of subcontractor's insurance.

Article 27. Disputes

27.1 Submission. In the event either Party has a dispute, or asserts a claim, that arises out of or in connection with this LGIA or its performance, such Party (the "disputing Party") shall provide the other Party with written notice of the dispute or claim ("Notice of Dispute"). Such dispute or claim shall be referred to a designated senior representative of each Party for resolution on an informal basis as promptly as practicable after receipt of the Notice of Dispute by the other Party. In the event the designated representatives are unable to resolve the claim or dispute through unassisted or assisted negotiations within thirty (30) Calendar Days of the other Party's receipt of the Notice of Dispute, such claim or dispute may, upon mutual agreement of the Parties, be submitted to arbitration and resolved in accordance with the arbitration procedures set forth below. In the event the Parties do not agree to submit such claim or dispute to arbitration, each Party may exercise whatever rights and remedies it may have in equity or at law consistent with the terms of this LGIA.

27.2 External Arbitration Procedures. Any arbitration initiated under this LGIA shall be conducted before a single neutral arbitrator appointed by the Parties. If the Parties fail to agree upon a single arbitrator within ten (10) Calendar Days of the submission of the dispute to arbitration, each Party shall choose one arbitrator who shall sit on a three-member arbitration panel. The two arbitrators so chosen shall within twenty (20) Calendar Days select a third arbitrator to chair the arbitration panel. In either case, the arbitrators shall be knowledgeable in electric utility matters, including electric transmission and bulk power issues, and shall not have any current or past substantial business or financial relationships with any party to the arbitration (except prior arbitration). The arbitrator(s) shall provide each of the Parties an opportunity to be heard and, except as otherwise provided herein, shall conduct the arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("Arbitration Rules") and any applicable FERC regulations or RTO rules; provided, however, in the

event of a conflict between the Arbitration Rules and the terms of this Article 27, the terms of this Article 27 shall prevail.

27.3 Arbitration Decisions. Unless otherwise agreed by the Parties, the arbitrator(s) shall render a decision within ninety (90) Calendar Days of appointment and shall notify the Parties in writing of such decision and the reasons therefor. The arbitrator(s) shall be authorized only to interpret and apply the provisions of this LGIA and shall have no power to modify or change any provision of this Agreement in any manner. The decision of the arbitrator(s) shall be final and binding upon the Parties, and judgment on the award may be entered in any court having jurisdiction. The decision of the arbitrator(s) may be appealed solely on the grounds that the conduct of the arbitrator(s), or the decision itself, violated the standards set forth in the Federal Arbitration Act or the Administrative Dispute Resolution Act. The final decision of the arbitrator must also be filed with FERC if it affects jurisdictional rates, terms and conditions of service, Interconnection Facilities, or Network Upgrades.

27.4 Costs. Each Party shall be responsible for its own costs incurred during the arbitration process and for the following costs, if applicable: (1) the cost of the arbitrator chosen by the Party to sit on the three member panel and one half of the cost of the third arbitrator chosen; or (2) one half the cost of the single arbitrator jointly chosen by the Parties.

Article 28. Representations, Warranties, and Covenants

28.1 General. Each Party makes the following representations, warranties and covenants:

28.1.1 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 the Large Generating Facility, Interconnection Facilities and Network Upgrades owned by such Party, as applicable, are 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 LGIA 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 LGIA.

- 28.1.2 Authority.** Such Party has the right, power and authority to enter into this LGIA, to become a Party hereto and to perform its obligations hereunder. This LGIA 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).
- 28.1.3 No Conflict.** The execution, delivery and performance of this LGIA 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.
- 28.1.4 Consent and Approval.** Such Party has sought or obtained, or, in accordance with this LGIA 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 LGIA, and it will provide to any Governmental Authority notice of any actions under this LGIA that are required by Applicable Laws and Regulations.

Article 29. Joint Operating Committee

- 29.1 Joint Operating Committee.** Except in the case of ISOs and RTOs, Transmission Provider shall constitute a Joint Operating Committee to coordinate operating and technical considerations of Interconnection Service. At least six (6) months prior to the expected Initial Synchronization Date, Interconnection Customer and Transmission Provider shall each appoint one representative and one alternate to the Joint Operating Committee. Each Interconnection Customer shall notify Transmission Provider of its appointment in writing. Such appointments may be changed at any time by similar notice. The Joint Operating Committee shall meet as necessary, but not less than once each calendar year, to carry out the duties set forth herein. The Joint Operating Committee shall hold a meeting at the request of either Party, at a time and place agreed upon by the representatives. The Joint Operating Committee shall perform all of its duties consistent with the provisions of this LGIA. Each Party shall cooperate in providing to the Joint Operating Committee all information required in the

performance of the Joint Operating Committee's duties. All decisions and agreements, if any, made by the Joint Operating Committee, shall be evidenced in writing. The duties of the Joint Operating Committee shall include the following:

- 29.1.1** Establish data requirements and operating record requirements.
- 29.1.2** Review the requirements, standards, and procedures for data acquisition equipment, protective equipment, and any other equipment or software.
- 29.1.3** Annually review the one (1) year forecast of maintenance and planned outage schedules of Transmission Provider's and Interconnection Customer's facilities at the Point of Interconnection.
- 29.1.4** Coordinate the scheduling of maintenance and planned outages on the Interconnection Facilities, the Large Generating Facility and other facilities that impact the normal operation of the interconnection of the Large Generating Facility to the Transmission System.
- 29.1.5** Ensure that information is being provided by each Party regarding equipment availability.
- 29.1.6** Perform such other duties as may be conferred upon it by mutual agreement of the Parties.

Article 30. Miscellaneous

- 30.1 Binding Effect.** This LGIA and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.
- 30.2 Conflicts.** In the event of a conflict between the body of this LGIA and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this LGIA shall prevail and be deemed the final intent of the Parties.
- 30.3 Rules of Interpretation.** This LGIA, 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 LGIA, 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 LGIA), 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 Article, Section or Appendix means such Article of this LGIA or such Appendix to this LGIA, or such Section to the LGIP or such Appendix to the LGIP, as the case may be; (6) "hereunder", "hereof", "herein", "hereto" and words of similar import shall be deemed references to this LGIA as a whole and not to any particular Article 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".

30.4 Entire Agreement. This LGIA, including all Appendices and Schedules attached hereto, 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 LGIA. 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 LGIA.

30.5 No Third Party Beneficiaries. This LGIA 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.

30.6 Waiver. The failure of a Party to this LGIA to insist, on any occasion, upon strict performance of any provision of this LGIA 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 LGIA 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 LGIA. Termination or Default of this LGIA for any reason by Interconnection Customer shall not constitute a waiver of Interconnection Customer's legal rights to obtain an

interconnection from Transmission Provider. Any waiver of this LGIA shall, if requested, be provided in writing.

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

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

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

30.10 Modification by the Parties. The Parties may by mutual agreement amend the Appendices to this LGIA by a written instrument duly executed by the Parties. Such amendment shall become effective and a part of this LGIA upon satisfaction of all Applicable Laws and Regulations.

30.11 Reservation of Rights. Transmission Provider shall have the right to make a unilateral filing with FERC to modify this LGIA with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Interconnection Customer shall have the right to make a unilateral filing with FERC to modify this LGIA pursuant to section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by the other Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this LGIA shall limit the rights of the Parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.

30.12 No Partnership. This LGIA 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.

IN WITNESS WHEREOF, the Parties have executed this LGIA in duplicate originals, each of which shall constitute and be an original effective Agreement between the Parties.

[Insert name of Transmission Provider or Transmission Owner, if applicable]

By: _____ By: _____

Title: _____ Title: _____

Date: _____ Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

Appendix A to LGIA

Interconnection Facilities, Network Upgrades and Distribution Upgrades

1. Interconnection Facilities:

(a) [insert Interconnection Customer's Interconnection Facilities]:

(b) [insert Transmission Provider's Interconnection Facilities]:

2. Network Upgrades:

(a) [insert Stand Alone Network Upgrades]:

(b) [insert Other Network Upgrades]:

3. Distribution Upgrades:

Appendix B to LGIA

Milestones

Appendix C to LGIA

Interconnection Details

Appendix D to LGIA

Security Arrangements Details

Infrastructure security of Transmission System equipment and operations and control hardware and software is essential to ensure day-to-day Transmission System reliability and operational security. FERC will expect all Transmission Providers, market participants, and Interconnection Customers interconnected to the Transmission System to comply with the recommendations offered by the President's Critical Infrastructure Protection Board and, eventually, best practice recommendations from the electric reliability authority. All public utilities will be expected to meet basic standards for system infrastructure and operational security, including physical, operational, and cyber-security practices.

Appendix E to LGIA

Commercial Operation Date

This Appendix E is a part of the LGIA between Transmission Provider and Interconnection Customer.

[Date]

[Transmission Provider Address]

Re: _____ Large Generating Facility

Dear _____:

On **[Date]** **[Interconnection Customer]** has completed Trial Operation of Unit No. _____. This letter confirms that **[Interconnection Customer]** commenced Commercial Operation of Unit No. _____ at the Large Generating Facility, effective as of **[Date plus one day]**.

Thank you.

[Signature]

[Interconnection Customer Representative]

Appendix F to LGIA

Addresses for Delivery of Notices and Billings

Notices:

Transmission Provider:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

Billings and Payments:

Transmission Provider:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

Alternative Forms of Delivery of Notices (telephone, facsimile or email):

Transmission Provider:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

APPENDIX G TO THE LGIA

INTERCONNECTION REQUIREMENTS FOR A WIND GENERATING PLANT

Appendix G sets forth requirements and provisions specific to a wind generating plant. All other requirements of this LGIA continue to apply to wind generating plant interconnections.

A. Technical Standards Applicable to a Wind Generating Plant

i. Low Voltage Ride-Through (LVRT) Capability

A wind generating plant shall be able to remain online during voltage disturbances up to the time periods and associated voltage levels set forth in the standard below. The LVRT standard provides for a transition period standard and a post-transition period standard.

Transition Period LVRT Standard

The transition period standard applies to wind generating plants subject to FERC Order 661 that have either: (i) interconnection agreements signed and filed with the Commission, filed with the Commission in unexecuted form, or filed with the Commission as non-conforming agreements between January 1, 2006 and December 31, 2006, with a scheduled in-service date no later than December 31, 2007, or (ii) wind generating turbines subject to a wind turbine procurement contract executed prior to December 31, 2005, for delivery through 2007.

1. Wind generating plants are required to remain in-service during three-phase faults with normal clearing (which is a time period of approximately 4 – 9 cycles) and single line to ground faults with delayed clearing, and subsequent post-fault voltage recovery to pre-fault voltage unless clearing the fault effectively disconnects the generator from the system. The clearing time requirement for a three-phase fault will be specific to the wind generating plant substation location, as determined by and documented by the transmission provider. The maximum clearing time the wind generating plant shall be required to withstand for a three-phase fault shall be 9 cycles at a voltage as low as 0.15 p.u., as measured at the high side of the wind generating plant step-up transformer (i.e. the transformer that steps the voltage up to the transmission interconnection voltage or “GSU”), after which, if the fault remains following the location-specific normal clearing time for three-phase faults, the wind generating plant may disconnect from the transmission system.
2. This requirement does not apply to faults that would occur between the wind generator terminals and the high side of the GSU or to faults that would result in a voltage lower than 0.15 per unit on the high side of the GSU serving the facility.
3. Wind generating plants may be tripped after the fault period if this action is intended as part of a special protection system.
4. Wind generating plants may meet the LVRT requirements of this standard by the performance of the generators or by installing additional equipment (e.g., Static VAR Compensator, etc.) within the wind generating plant or by a combination of generator performance and additional equipment.

5. Existing individual generator units that are, or have been, interconnected to the network at the same location at the effective date of the Appendix G LVRT Standard are exempt from meeting the Appendix G LVRT Standard for the remaining life of the existing generation equipment. Existing individual generator units that are replaced are required to meet the Appendix G LVRT Standard.

Post-transition Period LVRT Standard

All wind generating plants subject to FERC Order No. 661 and not covered by the transition period described above must meet the following requirements:

1. Wind generating plants are required to remain in-service during three-phase faults with normal clearing (which is a time period of approximately 4 – 9 cycles) and single line to ground faults with delayed clearing, and subsequent post-fault voltage recovery to prefault voltage unless clearing the fault effectively disconnects the generator from the system. The clearing time requirement for a three-phase fault will be specific to the wind generating plant substation location, as determined by and documented by the transmission provider. The maximum clearing time the wind generating plant shall be required to withstand for a three-phase fault shall be 9 cycles after which, if the fault remains following the location-specific normal clearing time for three-phase faults, the wind generating plant may disconnect from the transmission system. A wind generating plant shall remain interconnected during such a fault on the transmission system for a voltage level as low as zero volts, as measured at the high voltage side of the wind GSU.

2. This requirement does not apply to faults that would occur between the wind generator terminals and the high side of the GSU.
3. Wind generating plants may be tripped after the fault period if this action is intended as part of a special protection system.
4. Wind generating plants may meet the LVRT requirements of this standard by the performance of the generators or by installing additional equipment (e.g., Static VAr Compensator) within the wind generating plant or by a combination of generator performance and additional equipment.
5. Existing individual generator units that are, or have been, interconnected to the network at the same location at the effective date of the Appendix G LVRT Standard are exempt from meeting the Appendix G LVRT Standard for the remaining life of the existing generation equipment. Existing individual generator units that are replaced are required to meet the Appendix G LVRT Standard.

ii. Power Factor Design Criteria (Reactive Power)

The following reactive power requirements apply only to a newly interconnecting wind generating plant that has executed a Facilities Study Agreement as of the effective date of the Final Rule establishing the reactive power requirements for non-synchronous generators in section 9.6.1 of this LGIA (Order No. 827). A wind generating plant to which this provision applies shall maintain a power factor within the range of 0.95 leading to 0.95 lagging, measured at the Point of Interconnection as defined in this LGIA, if the Transmission Provider's System Impact Study shows that such a requirement is necessary to ensure safety or reliability. The power factor range standard can be met by

using, for example, power electronics designed to supply this level of reactive capability (taking into account any limitations due to voltage level, real power output, etc.) or fixed and switched capacitors if agreed to by the Transmission Provider, or a combination of the two. The Interconnection Customer shall not disable power factor equipment while the wind plant is in operation. Wind plants shall also be able to provide sufficient dynamic voltage support in lieu of the power system stabilizer and automatic voltage regulation at the generator excitation system if the System Impact Study shows this to be required for system safety or reliability.

iii. Supervisory Control and Data Acquisition (SCADA) Capability

The wind plant shall provide SCADA capability to transmit data and receive instructions from the Transmission Provider to protect system reliability. The Transmission Provider and the wind plant Interconnection Customer shall determine what SCADA information is essential for the proposed wind plant, taking into account the size of the plant and its characteristics, location, and importance in maintaining generation resource adequacy and transmission system reliability in its area.

APPENDIX ~~11~~7 TO THE LGIP

INTERCONNECTION PROCEDURES FOR A WIND GENERATING PLANT

This Appendix 11 to the LGIP and Appendix G of the LGIA sets forth procedures specific to a wind generating plant. All other requirements of this LGIP continue to apply to wind generating plant interconnections.

A. **Special Procedures Applicable to Wind Generators**

The wind plant Interconnection Customer, in completing the Interconnection Request required by Section 3-34.4 of this LGIP, may provide to the Transmission Provider a set of preliminary electrical design specifications depicting the wind plant as a single equivalent generator. Upon satisfying these and other applicable Interconnection Request conditions, the wind plant may enter the queue and receive the base case data as provided for in this LGIP.

No later than six months after submitting an Interconnection Request completed in this manner, the wind plant Interconnection Customer must submit completed detailed electrical design specifications and other data (including collector system layout data) needed to allow the Transmission Provider to complete the System Impact Study.

APPENDIX 812

Generator Replacement Coordinator

1. OVERVIEW

1.1 Purposes and Objectives

This Appendix 128 sets forth a framework whereby objective and verifiable assurance is provided to Interconnection Customers and the Federal Energy Regulatory Commission (“Commission”) that Transmission Provider’s Generation Replacement process under Attachment M – Large Generator Interconnection Procedures of the Tariff (“LGIP”) is administered in a nondiscriminatory manner consistent with reliability and Good Utility Practice. To achieve these objectives, the Transmission Provider will contract with a third party that meets the independence requirements described in this Appendix. This party, referred to herein as the Generator Replacement Coordinator (“GRC”), will implement the provisions of this Appendix by performing the functions set forth herein.

1.2 Applicability

The Transmission Provider, the GRC, and any Interconnection Customer that submits a Generation Replacement request shall be subject to the terms, conditions, and obligations of this Appendix.

1.3 Effective Date and Term

This Appendix 128 shall remain in effect for an Initial Term of three (3) years and shall continue in effect thereafter until terminated by an order of the Commission. After the Initial Term, Transmission Provider shall have the right to request termination of this Appendix 128 pursuant to Federal Power Act Section 205.

If, during the period of effectiveness of this Appendix 128, the agreement between the Transmission Provider and the GRC is terminated, Transmission Provider shall select a replacement GRC and provide notice to the Commission that such replacement GRC meets the qualifications of Section 2 of this Appendix.

1.4 Definitions

The capitalized terms used herein shall have the meaning ascribed to them in Section 1 of the LGIP. Capitalized terms not included in Section 1 of the LGIP shall be defined as follows:

Generation Replacement Coordinator (“GRC”): the party that meets the independence criteria of Section 2 and contracts with the Transmission Provider to implement the provisions of this Appendix 812.

Replacement Interconnection Studies: Collectively refers to Replacement Impact Studies, Reliability Assessment Studies, Replacement Interconnection Studies.

2. GENERATION REPLACEMENT COORDINATOR

2.1 Retention of the Generation Replacement Coordinator

The Transmission Provider shall contract with an independent qualified party to be known as the Generation Replacement Coordinator (GRC). The GRC shall have experience and expertise appropriate to process and conduct Replacement Interconnection Studies. The Transmission Provider and the GRC shall negotiate the terms and conditions upon which the GRC will contract with the Transmission Provider. Nothing in this Appendix 128 shall be interpreted or construed as creating a partnership, joint venture, or fiduciary or agency relationship between the Transmission Provider and the GRC.

2.2 Independence of the GRC

2.2.1. To maintain independence, the GRC will satisfy and maintain compliance with the following criteria: (i) the GRC will not be an Interconnection Customer; (ii) the GRC, its employees and its board of directors will be prohibited from having a direct financial interest in any Interconnection Customer, the Transmission Provider, or their Affiliates; (iii) the GRC will not own any transmission, generation or distribution facilities in the region consisting of the Transmission Provider's Balancing Area and first tier Balancing Areas or any of the Transmission Provider's Affiliates; and (iv) the GRC's decision making process will be independent of control by an Interconnection Customer, the Transmission Provider, or their Affiliates. The GRC shall exercise independent decision-making in performing all activities associated with its responsibilities under this Appendix. The GRC shall maintain its offices separate from the offices of the Transmission Provider and its Affiliates. No employees of the GRC shall share office space with any employee of an Interconnection Customer, the Transmission Provider, or their Affiliates.

2.2.2. To further ensure the independence of the GRC and meet the objectives established in this Appendix, the GRC will have the authority to collect and analyze data relevant to its responsibilities, and submit reports directly to the Commission. In response to the GRC's reports to the Commission that fall within the scope of this Appendix, the Transmission Provider may submit comments on the report to the Commission.

2.3 Standards of Conduct and Conflicts of Interest

2.3.1. All employees of the GRC performing functions under this Appendix 128 shall be treated, for purposes of the Commission's Standards of Conduct set

forth in 18 C.F.R. § 358 as the equivalent of transmission function employees of the Transmission Provider.

2.3.2. The GRC shall adopt a policy on conflicts of interest establishing appropriate standards for the professional and financial independence of the GRC from Transmission Provider and its Affiliates, consistent with Commission policies and regulations. In addition, the GRC shall adopt ethics policies and standards for its employees and subcontractors working on the Transmission Provider's Generator Replacement process. The GRC, including each employee performing functions under this Appendix ~~128~~, shall comply at all times with the conflicts of interest and ethics policies. The GRC shall certify such compliance to the Commission and the Transmission Provider prior to issuing its first Replacement Interconnection Study and upon request by the Commission.

3. GENERATION REPLACEMENT FUNCTIONS

3.1 The GRC's Administration of the Generation Replacement Process

The GRC shall administer the Generation Replacement process included as LGIP Section 3.9.

3.2 The GRC's Specific Generation Replacement Responsibilities

The GRC will process and evaluate all Generation Replacement requests on a nondiscriminatory basis consistent with LGIP Section ~~43~~.9. In processing and evaluating Generation Replacement requests, the GRC's responsibilities include the following:

- (1) Collecting from the Interconnection Customer and the Transmission Provider all information necessary for the processing and evaluation of a Generation Replacement request.
- (2) Determining that all preconditions necessary for a valid Generation Replacement request have been met;
- (3) Determining whether some or all of the service subject to a Generation Replacement request must be processed as a new request for Interconnection Service.
- (4) Maintaining a queue for Generation Replacement requests;
- (5) Performing the necessary Replacement Interconnection Studies;
- (6) Providing to the Transmission Provider for the Transmission Provider to post on its OASIS in a timely fashion (and without modification by the

Transmission Provider) for each Generation Replacement, information regarding the expected Commercial Operation Date of the Replacement Generating Facility, and the type of requested Interconnection Service;

- (7) Providing all notices related to the processing and evaluation of a Generation Replacement request to the Interconnection Customer;
- (8) Independently reviewing and validating data, information, and analyses provided by Transmission Provider to GRC in connection with Generator Replacement process;
- (9) Responding to inquiries from an Interconnection Customer in connection with its Generator Replacement request; and
- (10) Providing a copy of each final study report, along with the underlying study, to the Transmission Provider.

3.3 The Transmission Provider's Duties and Responsibilities

Other than the functions pursuant to LGIP Section ~~43~~.9 performed by the GRC, as described in Section 3.2 above, Transmission Provider will continue to administer, and perform all Transmission Provider functions pursuant to, its Tariff. In addition, Transmission Provider shall perform the following functions referenced in LGIP Section ~~43~~.9:

- (1) Providing the data, information, and analyses (as well as updates, changes, or additions to such data, information, and analyses) required by the GRC to perform Replacement Interconnection Studies and to process Generator Replacement requests, ("Required Information");
- (2) Posting to OASIS (as provided by the GRC and without modification by the Transmission Provider) for each Generation Replacement, information regarding the expected Commercial Operation Date of the Replacement Generating Facility and the type of requested Interconnection Service; and
- (3) Whenever the GRC determines that some or all of a Generation Replacement request must be processed as a new request for Interconnection Service, Transmission Provider shall process the new request for Interconnection Service pursuant to the LGIP provisions applicable to a new request for Interconnection Service.

4. COORDINATION BETWEEN TRANSMISSION PROVIDER AND THE GRC

4.1 General

- 4.1.1.** Transmission Provider and the GRC will coordinate as necessary for the GRC to perform its functions.
- 4.1.2.** Whenever Transmission Provider provides Required Information to the GRC, the Transmission Provider shall supply such Required Information using Good Utility Practice and its knowledge of the Transmission System to provide the Required Information in a manner consistent with its obligation to respond to Generation Replacement requests on a nondiscriminatory basis. Upon receiving Required Information, the GRC shall use its independent judgment to review the information and determine whether the information satisfies applicable Tariff requirements and is otherwise consistent with the requirement to respond to Generation Replacement requests on a nondiscriminatory basis.
- 4.1.3.** The GRC shall use its independent judgment to determine whether additional, updated, or modified Required Information is required by the GRC to perform Replacement Interconnection Studies and to process Generator Replacement requests.

4.2 Dispute Resolution

- 4.2.1.** If (i) the GRC believes that the Required Information provided by the Transmission Provider is insufficient, and (ii) the Transmission Provider disagrees, then GRC and Transmission Provider shall meet and confer in an effort to resolve the matter. Both parties shall have an obligation to use reasonable efforts to resolve the dispute expeditiously.
- 4.2.2.** If the dispute cannot be resolved informally and relates to a matter that affects multiple current or future Interconnection Customers, then the GRC shall take all reasonable steps, on an expeditious basis, to refer the dispute to the Commission's Dispute Resolution Service or its successor entity.
- 4.2.3.** If the dispute cannot be resolved informally and relates to a specific Generator Replacement request, then the GRC shall seek to resolve the matter expeditiously by meeting with the affected Interconnection Customer and the Transmission Provider. Following this meeting, if the matter cannot be resolved informally, then any of the Interconnection Customer, Transmission Provider, or the GRC may refer the dispute to the Commission's Dispute Resolution Service.
- 4.2.4.** Nothing in this Section 4.2 shall restrict the right of an Interconnection Customer to (i) request that the Commission's Dispute Resolution Service

attempt to resolve a dispute, or (ii) submit a complaint pursuant to FPA Section 206.

5. ERO COMPLIANCE

The GRC will perform its functions under this Appendix [128](#) in accordance with the NERC TPL-001 Reliability Standard, the Transmission Provider's Long-Range Planning Criteria, and the Transmission Provider's Generator Interconnection Guidelines. These documents specify the criteria used by the Transmission Provider to assess the reliability of all proposed interconnection requests to ensure compliance with required NERC Reliability Standards and the Transmission Provider's OATT. The Transmission will provide these documents to the GRC and update them as necessary.

6. DATA COLLECTION AND DISCLOSURE

6.1 Access to Transmission Provider's Data and Information

- 6.1.1.** To the extent the GRC requests access to Required Information from the Transmission Provider that was originally provided to the Transmission Provider by a third-party, then that Required Information shall be treated as Confidential Information, unless the information already is available from a public source or is otherwise subject to disclosure pursuant to any tariff or agreement administered by the Transmission Provider.
- 6.1.2.** To the extent Transmission Provider considers Required Information requested by the GRC to be Confidential Information, Transmission Provider shall provide the Required Information to the GRC but may designate the data or other information to be Confidential Information pursuant to Section 6.3 of this Appendix [128](#).
- 6.1.3.** To the extent Transmission Provider considers Required Information requested by the GRC to be subject to a legal privilege, the Transmission Provider may notify the GRC of the applicable legal privilege and may withhold the data or other information from the GRC.
- 6.1.4.** In the event that a dispute arises over access to data or information, either the Transmission Provider or GRC may refer the matter to the Commission's Dispute Resolution Service.

6.2 Access to Data and Information of Interconnection Customers

6.2.1. Data Requests

If the GRC determines that additional data or other information is required to accomplish the objectives of this Appendix, the GRC may request such information from the Interconnection Customer. Any such request shall be

accompanied by an explanation of the need for such data or other information, and, to the extent the data qualifies as Confidential Information, an acknowledgment of the obligation of the GRC to maintain the confidentiality of the data. All information provided to the GRC by Interconnection Customers that has been labeled as confidential by an Interconnection Customer, shall be treated as Confidential Information, unless already available from a public source or otherwise subject to disclosure under any tariff or agreement administered by the Transmission Provider.

6.2.2. Enforcement of Data Requests

Any Interconnection Customer receiving an information request from the GRC shall furnish all information, in the requested form or format, that is reasonably necessary to achieve the purposes or objectives of this Appendix, whenever the requested information is not readily available from some other source that is more convenient, less burdensome and less expensive, and not subject to a legal privilege. No party that is the subject of a data request shall be required to produce any summaries, analyses, or reports of the data that do not exist at the time of the data request. In the event that a dispute arises over access to data or information, either the Interconnection Customer or the GRC may refer the dispute to the Commission's Dispute Resolution Service.

6.3 Confidentiality

The GRC shall use all reasonable procedures necessary to protect and to preserve the confidentiality of Confidential Information obtained pursuant to this Appendix. Except as may be required by subpoena or other compulsory process, the GRC shall not disclose Confidential Information to any person or entity without prior written consent of the party supplying the Confidential Information. To the extent the GRC requires access to Confidential Information obtained by Transmission Provider from third parties, the GRC shall not disclose the Confidential Information to any person or entity without prior written consent of the party supplying the Confidential Information to the Transmission Provider, except as may be required by subpoena or other compulsory process. Upon receipt of a subpoena or other compulsory process for the disclosure of Confidential Information, the GRC shall promptly notify the party that provided the data and shall provide all reasonable assistance requested by the party to prevent disclosure, and shall not release the data until the party provides written consent or until the party's legal avenues are exhausted. The confidentiality of data and information provided to the Commission shall be maintained with a protective order or other procedures of the agency for protecting Confidential Information.

6.4 Access to Data by the Commission

The GRC shall provide data, information, or reports relating to Transmission Provider's Generator Replacement process to the Commission upon request, with a copy provided to the Transmission Provider. Notwithstanding anything in this Section 6 to the contrary, if the Commission or its staff, during the course of an investigation or otherwise, request information from the GRC that the GRC is otherwise required to maintain in confidence pursuant to this Appendix, the GRC shall provide the requested information to the Commission or its staff, within the time provided for in the request for information. In providing the information to the Commission or its staff, the GRC may, consistent with 18 C.F.R. § 388.112, request that the information be treated as confidential and non-public by the Commission and its staff and that the information be withheld from public disclosure. The GRC shall notify the party from whom the information was obtained when the GRC is notified by Commission or its staff that a request for public disclosure of, or decision to publicly disclose, confidential information has been received, at which time either the GRC or the party may respond before such information is made public, pursuant to 18 C.F.R. § 388.112.

6.5 Collection and Retention of Information

The GRC shall regularly collect and maintain the information necessary for implementing this Appendix. The GRC shall ensure that data and information necessary to carry out its duties is retained in usable form and shall be turned over to any successor GRC consistent with Section 6.3 above. The GRC shall adopt policies and procedures for the retention of information provided by Interconnection Customers. At the end of the applicable retention period, the GRC shall provide the data and information to the Transmission Provider. The Transmission Provider shall retain that information consistent with the applicable Commission and NERC document retention requirements.

7. BUDGETING AND FUNDING

The GRC and the Transmission Provider shall reach agreement on budgeting and funding the GRC's functions under this Appendix to ensure, among other things, that the GRC has sufficient funding to discharge its responsibilities and obligations as GRC and that the terms of payment of the GRC by the Transmission Provider do not result in inappropriate incentives to favor the Transmission Provider or any Interconnection Customer over the interests of another. If a dispute arises over the budgeting or funding of the GRC, either party may refer the matter to the Commission's Dispute Resolution Service.

8. RIGHTS AND REMEDIES

8.1 With the exception of the limitation of liability provisions agreed to by the GRC and the Transmission Provider, nothing herein shall prevent the Transmission Provider or any other person or entity from asserting any rights it may have under

the Federal Power Act or any other applicable law, statute, or regulation, including the filing of a petition with or otherwise initiating a proceeding before the Commission regarding any matter that is the subject of this Appendix.

- 8.2** An Interconnection Customer may submit a complaint under Section 206 of the Federal Power Act if it believes that the GRC or Transmission Provider is performing its functions in a manner inconsistent with this Appendix or is otherwise acting in manner inconsistent with any rule, regulation or policy adopted by the Commission.