December 20, 2013

VIA ELECTRONIC FILING

The Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C.  20426

Re:  Southwest Power Pool, Inc., Docket No. ER14-____-000
    Revisions to Modify the Generator Interconnection Procedures

Dear Secretary Bose:


I.  BACKGROUND

   A.  SPP

   SPP is a Commission-approved Regional Transmission Organization (“RTO”).² It is an Arkansas non-profit corporation with its principal place of business in Little Rock, Arkansas. SPP has 74 Members, including 14 investor-owned utilities, 11 municipal systems, 13 generation and transmission cooperatives, 4 state agencies, 11 independent power producers, 12 power marketers and 9 independent transmission companies. As an RTO, SPP is a transmission provider currently administering transmission service over portions of Arkansas, Kansas, Louisiana, Missouri, Nebraska, New Mexico, Oklahoma and Texas serving more than 6 million households in a 370,000 square-mile area.

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¹ Southwest Power Pool, Inc., FERC Electric Tariff, Sixth Revised Volume No. 1.
B. Previous Revisions to the GIP

The Commission has accepted previous revisions to the GIP as part of SPP’s continuing efforts to improve its process. In 2009, SPP filed reforms to its GIP in Docket No. ER09-1254 to (i) streamline the study process, including creating a fast-track approach for certain customers that meet specific milestones; (ii) reduce the impact of suspended projects on other projects; (iii) encourage speculative projects to enter into a preliminary queue; and (iv) discourage speculative projects from entering the final queue by increasing deposits and requiring project readiness milestones (“2009 Queue Reform”).

The need for the 2009 Queue Reforms stemmed from several factors that adversely impacted the efficient processing of Interconnection Requests in the SPP queue. First, the number of pending Interconnection Requests in the queue was at an all-time high which made it impractical for SPP to effectively manage the queue and efficiently study the requests under the previously used serial approach, which resulted in processing delays.

Second, SPP’s GIP at that time provided no mechanism for “fast-tracking” viable projects. As a result, there were commercially viable pending projects in the queue that could have been in service sooner if they could have been processed through the queue more quickly.

Third, processing Interconnection Requests was complicated by the number of projects that had suspended construction of Network Upgrades and Interconnection Facilities associated with their interconnections which prevented lower-queued projects from using the existing interconnection capacity of the transmission system that was being reserved for those projects under suspension.

As such, lower-queued projects often were required to pay for new Network Upgrades or Interconnection Facilities for which they would not have had cost responsibility had higher-queued projects not suspended construction of the upgrades. When projects assigned major Network Upgrades suspended construction of such upgrades, lower-queued projects that were relying on those Network Upgrades often had pay to expedite construction of such upgrades or, at a minimum, were left with uncertainty regarding their cost responsibility for the upgrades. If projects ultimately terminated their interconnection agreements rather than resuming construction, the effect on lower-queued projects was even greater. Such terminations led to the need for re-studies that caused delay, uncertainty, and often increased costs for lower-queued projects, which could have ended up paying for upgrades for which higher-queued projects were originally responsible.

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3 Submission of Revisions to Open Access Transmission Tariff to Reform Generation Interconnection Procedures, Docket No. ER09-1254-000 (June 1, 2009).
Finally, SPP observed a developing trend whereby an Interconnection Customer submitted a speculative Interconnection Request for more generation than it ultimately constructed. The consequence of such speculative requests was that unused transmission capacity was unavailable to lower-queued projects because it was being reserved for the higher-queued speculative project in perpetuity. As a result, lower-queued projects often had cost responsibility for upgrades they would not have needed had the unused capacity been available. In short, tying up unused capacity in this manner complicated the interconnection study process and potentially unnecessarily increased the interconnection costs of lower-queued projects.

To address these issues, SPP identified several potential revisions to its GIP in the 2009 Queue Reform that primarily focused on the study queue process and the suspension rules. SPP proposed to create three interconnection study queues: (1) the Feasibility Study queue (“Feasibility Queue”), (2) the Preliminary Interconnection System Impact Study (“PISIS”) queue (“PISIS Queue”); and the (3) Definitive Interconnection System Impact Study (“DISIS”) queue (“DISIS Queue”). Each queue had different deposit and milestone requirements. The purpose of the Feasibility Queue and the PISIS Queue was to provide the Interconnection Customer with information that would allow it to make informed decisions about moving forward and to optimize the size of its project prior to moving into the DISIS Queue. Projects that were ready to move forward without the need for further information could skip the Feasibility Queue and the PISIS Queue and directly enter the DISIS Queue, provided they could meet certain milestones demonstrating project viability. Permitting Interconnection Customers to move directly to the DISIS Queue provided fast-track processing of those interconnection projects that were ready to proceed. In other words, it provided a “first-ready, first-served” approach for non-speculative commercially viable projects.

In the 2009 Queue Reform, SPP further proposed to conduct interconnection studies on a cluster rather than serial basis. SPP’s interconnection study clusters were created from Interconnection Requests received during a 180-day window and based on the geographic location of the projects and the proposed electrical interconnection, rather than on chronological queue position. SPP used geography as the first screen to form the cluster. It then conducted a distribution factor analysis to evaluate the effect of the generation plants on transmission facilities. SPP studied the proposed projects that affected common transmission facilities in the same cluster. In the event that a generating plant was electrically isolated and did not have common impacts with other Interconnection Requests, it was studied separately. The cluster studies were designed to minimize costs, increase efficiency of the study process (as more than one request would be studied at a time), and identify more logical Network Upgrades for the entire SPP footprint. Clustering also permitted the allocation of upgrade costs among the clustered requests. SPP expected this to make interconnections more economically feasible, thereby encouraging the interconnection of generation projects that would otherwise
have been unable to interconnect because the costs of the Network Upgrades required for interconnection would have been too great for one project to bear.

Another significant change to interconnection procedures in the 2009 Queue Reform related to the suspension of Network Upgrade and Interconnection Facility construction. Prior to the 2009 Queue Reforms, Interconnection Customers could suspend construction of Network Upgrades and Interconnection Facilities for up to three years. Such suspensions significantly impacted lower-queued projects that relied upon the construction of those upgrades by higher-queued projects, which would be more onerous under the cluster study paradigm because multiple Interconnection Customers would be dependent on, and share the costs of, common upgrades. Therefore, SPP proposed new suspension provisions that reduced the suspension period from three years to eighteen months, required additional security when an Interconnection Customer wanted to suspend for any period after the first six months of the term of the interconnection agreement, and prohibited the suspension of construction of Network Upgrades for which an Interconnection Customer shared cost responsibility and which were required to provide interconnection service to other generating facilities. The modified suspension provisions were designed to help alleviate the adverse effects of suspensions on lower-queued projects by: (i) reducing the need for re-studies, (ii) ensuring that upgrades necessary for the interconnection of projects in the same cluster or subsequent clusters are constructed, (iii) discouraging speculative projects from entering and remaining in the queue, and (iv) enabling projects to move forward without delay.

The 2009 Queue Reform changes described above were accepted by the Commission in Docket No. ER09-1254. These changes have greatly improved Interconnection Request processing in SPP. An Interconnection Request no longer has to wait in the queue for long uncertain periods before having a study performed. SPP’s current cluster study process ensures that Interconnection Customers receive timely initial results regarding the viability of their Interconnection Requests. At the time of the 2009 Queue Reform filing, SPP reported that there were two-hundred-fifty-five (255) pending Interconnection Requests for 57,000 MW in its Interconnection Queue. At that time, SPP had approximately 3,125 MW of wind generation capacity in service. As of December 10, 2013 there are sixty-four (64)

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5 See 2009 Queue Reform Filing at 3.
pending Interconnection Requests for 9,601 MW.\(^7\) SPP’s latest reported figures for in-service wind generation is approximately 8,121 MW.\(^8\) SPP filed three (3) annual reports on study completion as part of the ER09-1254 docket for calendar years 2010, 2011, and 2012 and, as detailed in those reports, SPP did not miss any Tariff deadlines for completing Interconnection Feasibility Studies, PISISs, or DISISs during that time frame. Additionally, the GIP changes have greatly reduced suspensions in SPP. In 2009, there were seventeen (17) Generator Interconnection Agreements (“GIAs”) on suspension that totaled 3,544 MW. Today, there are nine (9) GIAs on suspension totaling 846 MW. Additionally, in 2010 in Docket No. ER10-681, SPP consolidated the Small Generator Interconnection Procedures in the Commission’s Order 2006 and SPP’s Large Generator Interconnection Procedures into a single GIP.\(^9\)

C. **Magnitude of the GIP Issues**

While the 2009 Queue Reform changes have improved Interconnection Request processing, not all perceived and expected benefits have been realized in the new process. SPP continues to experience significant issues with its GIP, including:

- Most Interconnection Customers have not opted to use the screening tools of the Feasibility Queue and the PISIS Queue and have opted to go directly into the DISIS Queue.
- Interconnection Customers have minimal obligations after executing a GIA.
- Interconnection Customers may only partially build the generating capacity granted in the GIA.
- Interconnection Customers are rarely ready to move forward at the same time to begin construction of shared upgrades.
- Interconnection Customers may terminate their GIAs without obligation, causing restudies for all subsequent Interconnection Customers whose Interconnection Requests were dependent on those higher-queued Interconnection Customers moving forward.

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\(^7\) This number also includes thirteen (13) new Interconnection Requests for 2,616 MW that were submitted as of the September 30, 2013 window closing.


\(^9\) Submission of Revisions to Open Access Transmission Tariff to Incorporate Interconnection Procedures for Small Generators into Attachment V, Docket No. ER10-681-000 (Jan. 29, 2010).
These issues are discussed in more detail in Section II of Hendrix Testimony.

D. 2013 Queue Reform

With this instant filing, SPP proposes to build upon those earlier efforts and further adapts the queue process in the GIP in Attachment V to the Tariff in order to account for current and anticipated issues in the SPP footprint. The main components of the instant revisions are outlined and explained in the attached testimony of Charles G. Hendrix, Manager of Generator Interconnection Studies at SPP (“Hendrix Testimony”). The major components to this phase of queue reform are explained in Sections III and IV of the Hendrix Testimony and include:

- Increased milestones required to enter DISIS Queue
- Changes to study procedures to account for only in-service generators
- Increased milestones to enter an Interconnection Facilities Study
- Requiring a financial milestone at execution of a GIA
- Limitations on extensions of in-service dates
- Addition of a performance obligation in a GIA to build the generating facility

E. Stakeholder Process

The SPP Board of Directors (“SPP Board”) directed SPP Staff to give high priority to improving both the Generator Interconnection and the Aggregate Transmission Service Study processes in response to several consecutive years of expressed Stakeholder dissatisfaction in SPP’s Annual Stakeholder Surveys. Particular issues from the stakeholders included the amount of time it took to obtain service and inefficiencies of the process that were perceived to be caused by speculative requests in both processes.

The Tariff modifications proposed in this filing were developed and approved through the SPP stakeholder process. SPP’s Markets and Operations Policy Committee (“MOPC”) directed staff to work through the Business Practice Working Group (“BPWG”) to develop improvements to the GIP. The BPWG developed policy recommendations designed specifically to address the issues SPP is currently
facing with its GIP and presented those to the MOPC. Following the approval of the policy recommendations from the BPWG, the MOPC directed the Regional Tariff Working Group ("RTWG") to develop Tariff language to implement the improvements developed by the BPWG. The RTWG approved these Tariff modifications proposed herein which were subsequently approved by the MOPC and the SPP Board for filing.

As stated previously, the Tariff revisions herein proposed by SPP are the result of the stakeholder process, and were approved by the SPP Board. While SPP recognizes that stakeholder approval does not by itself cause a filing to be just and reasonable, SPP requests that the Commission extend appropriate deference to the wishes of SPP’s stakeholders, consistent with Commission precedent. Further, the addition of this language will provide clarity to the Tariff. For these reasons, SPP requests the Commission find the proposed Tariff revisions to be just and reasonable and to accept the Tariff revisions included in this filing, effective March 1, 2014.

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10 See MOPC’s April 16-17, 2013 meeting minutes at Agenda Item 6 posted at: http://www.spp.org/publications/MOPC%20Minutes%20April%2016-17,%202013.pdf.


13 See SPP Board’s October 29, 2013 meeting minutes at Agenda Item 3 posted at: http://www.spp.org/publications/BOD102913.pdf.

II. STANDARD OF REVIEW

SPP’s reformed GIP proposal is just and reasonable under the “independent entity” standard of review. The Commission applies an “independent entity” standard to evaluate revisions proposed by RTOs to the procedures outlined in Order No. 200315 to allow independent Transmission Providers the flexibility to design interconnection procedures to accommodate regional needs.16

In Order No. 2003 and Order No. 2003-A, the Commission explained that an “RTO or ISO proposing a variation must demonstrate that the variation is just and reasonable and not unduly discriminatory, and would accomplish the purposes of Order No. 2003.”17 SPP’s proposed changes to its interconnection procedures meet the goals of Order No. 2003 “to minimize opportunities for undue discrimination and expedite the development of generation, while protecting reliability and ensuring that rates are just and reasonable” by revising the study process to accelerate the processing of requests without creating an unwarranted opportunity for undue discrimination.18

III. DESCRIPTION AND JUSTIFICATION OF PROPOSED TARIFF REVISIONS

As described in this filing, SPP proposes to revise the following sections of Attachment V of the SPP Tariff to improve its GIP.19 Capitalized terms that are not otherwise defined as new terms herein shall have the definitions specified in the Tariff.

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17 Order No. 2003 at P 827.

18 Order No. 2003 at P 11.

19 While not identical, many of the revisions to SPP’s GIP were modeled after the revisions to the Midwest Independent Transmission System Operator, Inc.’s (“MISO”) interconnection procedures accepted by the Commission in Docket No. ER12-309.
Section 1 (Definitions)

Initial Queue Position- SPP added this definition in conjunction with the definition of “Interconnection Queue Position.” This definition utilizes, as its basis, the definition formerly used for “Queue Position,” which SPP proposes to delete. Dividing this definition into two parts is needed to clarify that projects in the Interconnection Facilities Study Queue will be assigned an Interconnection Queue Position while other projects would retain their Initial Queue Position.

Interconnection Facilities Study Queue- SPP added this definition to provide that SPP will maintain a separate queue for valid Interconnection Requests for an Interconnection Facilities Study.

Interconnection Queue Position- SPP added this definition in conjunction with the definition of “Initial Queue Position.” This definition utilizes, as its basis, the definition formerly used for “Queue Position,” which SPP proposes to delete. Dividing this definition into two parts is needed to clarify that projects in the Interconnection Facilities Study Queue will be assigned an Interconnection Queue Position while other projects would retain their Initial Queue Position.

Limited Operation Interconnection Facilities Study Agreement- SPP added this definition to provide for an agreement to govern the Interconnection Facilities Study for Limited Operation in Appendix 4A.

Previous Network Upgrade- SPP added this definition to specify that Previous Network Upgrade is a Network Upgrade that is needed for the interconnection of one or more Interconnection Customer’s Generating Facilities, where the Interconnection Customer is not responsible for the cost of the Network Upgrade at the time the GIA is effective. Previous Network Upgrades are identified in Appendix A of the GIA. Previous Network Upgrades may include Network Upgrades being constructed as part of the Aggregate Transmission Service Study process or the Integrated Transmission Planning process as well as Network Upgrades assigned to earlier queued Interconnection Customers.

Queue- SPP modified this definition to add the Interconnection Facilities Study Queue to the listing of what “Queue” refers to.

Queue Position- as explained above, SPP deleted this definition and moved it to the definition of Initial Queue Position.

Shared Network Upgrades- SPP added this definition to specify that a Shared Network Upgrade shall mean a “Network Upgrade listed in Appendix A of the Generator Interconnection Agreement that is needed for the interconnection of
multiple Interconnection Customers’ Generating Facilities where such Interconnection Customers share the cost” of such Network Upgrades.

**Section 3.3.1**- SPP revised this section to clarify a reference to the DISIS Queue.

**Section 3.3.3**- SPP revised this section to specify that in the event SPP discovers or verifies a deficiency with an Interconnection Request during the GIP process, SPP will notify the Interconnection Customer as soon as practicable.

**Section 3.4**- SPP revised this section to replace a reference to Queue Position with Initial Queue Position and Interconnection Queue Position.

**Section 3.6**- SPP modified this section to replace references to Queue Position with Initial Queue Position and Interconnection Queue Position. In addition, the modifications specify that withdrawal shall result in the loss of an Interconnection Customer’s Initial Queue Position or Interconnection Queue Position, as applicable, and the forfeiture of milestones provided in Section 8.2 and 8.9, as applicable. SPP also clarified that upon a withdrawal, SPP shall update the OASIS list of Interconnection Requests.

**Section 4.1.1**- SPP revised this section to account for the Initial Queue Position and Interconnection Queue Position defined above. Under these revisions, a project’s Initial Queue Position will have less inherent significance and represents largely an identification measure. Section 4.1.1(a) was changed to clarify that all Interconnection Requests within the Feasibility Queue will have equal priority. These are conforming changes in that all requests received in a given open season have equal queue priority and are studied in the same Interconnection Feasibility Study. After the Interconnection Feasibility Study is posted, the Interconnection Customer must move forward into the PISIS Queue or withdraw. This change is stated to clarify the current tariff and is reasonable.

Section 4.1.1(b) was changed to clarify that all Interconnection Requests within the PISIS Queue shall have equal priority. The reasoning for this change is the same as for the Feasibility Queue.

Section 4.1.1(c) states that all Interconnection Requests within the DISIS shall have equal priority. This represents a change to the current Tariff in that once an Interconnection Request entered the DISIS Queue, it could not lose its queue priority (i.e. be by-passed by other Interconnection Requests). The current tariff groups the Interconnection Requests within the DISIS by the date that the Interconnection Requests entered the DISIS Queue (i.e. the DISIS study that they were studied as a part of). This results in several active cluster studies that SPP must restudy each time an Interconnection Request withdraws or a GIA terminates. With the new tariff, SPP will not have to restudy Interconnection Requests in the DISIS Queue.
Interconnection Requests will either move into the Interconnection Facilities Study Queue, remain in the DISIS Queue to be studied in the next open season, or withdraw from the Queue.

**Section 4.1.2** - SPP shall assign an Interconnection Queue Position when an Interconnection Request has met the requirements in Section 8.9 to enter the Interconnection Facilities Study Queue. The priority of its Interconnection Queue Position shall be based on the date and time that it meets the requirements of Section 8.9. The priority of the Interconnection Queue Position shall be used to determine the order of performing Facilities Studies and the cost responsibility for the upgrades. The Interconnection Queue Position shall be deemed higher than an Initial Queue Position. This change is proposed to give priority to Interconnection Customers that meet the requirements to enter the Interconnection Facilities Study, thereby giving more certainty to their network upgrade costs.  

**Section 4.1.3** - This section clarifies queue priority among the Feasibility Queue, PISIS Queue, DISIS Queue, and Interconnection Facilities Study Queue. The language regarding the Interconnection Facilities Study Queue largely follows the language regarding queue priority in Order No. 2003.

**Section 4.2** - SPP deleted the diagram at the beginning of this section as it was determined to be unnecessary.

**Section 4.2.1** - SPP modified references to the Interconnection Feasibility Study from IFS Queue to Feasibility Queue and replaced references to Queue Positions with Initial Queue Position.

**Section 4.2.2** - SPP replaced references to Queue Positions with Initial Queue Position. SPP deleted the last paragraph of this section that related to “backfilling” Interconnection Customers in group studies. Based on the nature of the PISIS Queue (all Interconnection Requests either move forward into the DISIS Queue or they withdraw), it has been found that this tariff section is unnecessary.

**Section 4.2.3** - SPP modified this section to include a DISIS Review Period in the process. The 180-day DISIS Queue Cluster Window is 180-days. This period shall begin 210 days prior to the beginning to the DISIS. Following the close of the DISIS Queue Cluster Window to resolve any deficiencies in Interconnection Requests received during the DISIS Queue Cluster Window.

SPP deleted a sentence that related to an Interconnection Customer’s Queue Position having no bearing on the allocation of the cost of the common upgrades identified in  

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20 Hendrix Testimony at Section III.B.
a Cluster Study to reflect that all DISIS Queue positions are of the same priority. SPP deleted the last paragraph of this section that related to “backfilling” Interconnection Customers in group studies. Based on its experience, SPP has found that few Interconnection Customers want to have their Interconnection Requests moved forward in the process to “backfill” a study when a higher-queued Interconnection Request withdraws. Generally when an Interconnection Request withdraws it is due to a relatively high network upgrade costs. This high network upgrade costs deters lower queued requests from requesting to be assigned those costs.

SPP also replaced references to Queue Positions with Initial Queue Position and updated referenced Section numbers.

Section 4.2.4- SPP modified references to the Interconnection Feasibility Study from IFS Queue to Feasibility Queue. SPP added a new paragraph to address changes to the DISIS study procedures separate from changes to the PISIS study procedures.

Section 4.3- SPP replaced references to Queue Positions with Initial Queue Position and Interconnection Queue Position.

Section 4.4- SPP replaced references to Queue Positions with Initial Queue Position and Interconnection Queue Position and updated referenced Section numbers.

Section 4.4.1- SPP replaced a reference to the DISIS Study Agreement with Interconnection Facilities Study Agreement. SPP is proposing to allow changes to the size of the Interconnection Request after the DISIS has been completed, but before the Interconnection Facilities Study Agreement has been executed. As stated in Section III of Hendrix Testimony, SPP is proposing this change to better align with Customer needs and allows the Customer to better size its Interconnection Request before moving into the Interconnection Facilities Study Queue where it will attain its priority.

Section 4.4.4- SPP revised this section to clarify that prior to the effective date of the GIA, extensions of less than three cumulative years in the Commercial Operation Date are not material. Extensions of more than three cumulative years are deemed to be Material Modifications. In addition, SPP clarifies that extensions of the Commercial Operation Date due to circumstances in Section 8.7 are applicable to this Section 4.4.4.

As explained in Section III.C of Hendrix Testimony, these provisions will reduce uncertainty regarding the status of larger Interconnection Requests that customers may decide to build only a portion initially and delay the remainder of the queue position indefinitely. Lower queued Interconnection Customers that are potentially harmed by these delays will have more certainty as to when that queue capacity may
become available. The Commission accepted similar language for MISO to help deal with issues in their interconnection queue.21

**Section 5.1**—SPP proposed transition procedures would apply this revised GIP to any Interconnection Request that does not have a GIA with an Effective Date as of the Effective Date of the revised GIP. The transition period to conform to the revised GIP is 60 days.

Any Interconnection Requests in the Feasibility Queue and the PISIS Queue will transition to the revised GIP upon the completion of the Feasibility Study or the PISIS that the Interconnection Request is being studied in at the time of the Revision Date. The default path for these Interconnection Requests is to move into the PISIS Queue or the DISIS Queue respectively.

For all Interconnection Requests that are currently in the DISIS Queue, regardless of their previous queue priority within the DISIS Queue, that do not meet the requirements of Section 8.9 to be included in the new Interconnection Facilities Study Queue, will be included in a transitional DISIS to be commenced at the close of the transition period provided the Interconnection Requests meets the requirements of the revised Section 8.2 to be studied in the DISIS Queue Cluster.

For all Interconnection Requests that meet the requirements of the new Section 8.9 to enter the Interconnection Facilities Study Queue will be assigned an Interconnection Queue Position that will give each Interconnection Request a priority equal to its current priority. Given that some Interconnection Requests that currently are in the Facility Study stage may not be able to meet the new Section 8.9 requirements, it is anticipated that some restudies of the existing clusters will be required at the close of the transition period as a result.

Any Interconnection Request with an effective GIA at the time of the revised GIP shall not be subject to the revised GIP unless the Interconnection Customer is not meeting the milestones listed in Appendix B of its GIA. An Interconnection Customer not meeting its milestones in Appendix B of its GIA shall be required to conform to Section 8.2 and 8.9 of the revised GIP and SPP shall revise the GIA to conform to the revised GIA and filed such revised GIA at the Commission.

In order for the milestones proposed herein to serve the purpose of demonstrating a project’s viability, the milestones need to apply to as many Interconnection Requests

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as possible. Therefore, SPP proposes to apply the queue reforms to nearly every Interconnection Request in the queue, as described above. This proposal is consistent with the “first ready, first served” approach approved in the 2009 Queue Reform. These revised procedures will permit projects that are “ready” under the updated milestones to move forward and proceed to the Interconnection Facilities Study. Any project that is not ready to proceed may remain in the DISIS. In addition, the transition procedures proposed in this filing are similar to the transition procedures approved by the Commission for MISO in Docket No. ER12-309.22

Section 6- SPP corrected grammatical errors, modified references to the Interconnection Feasibility Study from IFS Queue to Feasibility Queue, and replaced Queue Position with Interconnection Queue Position.

Section 7.3- SPP replaced Queue Position with Interconnection Queue Position.

Section 8.2- SPP revised this section to adjust the new milestones required to enter the DISIS. SPP has reduced the study deposit requirements to more closely track study deposits with historical study costs. The choices of non-technical milestones required to enter into the DISIS has been reduced to only one choice. The choice, previously a security deposit of $2,000/MW of the size of the Interconnection Request has been reduced to $1,000/MW of the size of the request. The milestone choices that were previously accepted were deleted as SPP’s experience has shown to not be a demonstration of a project’s viability as further explained in Section III.E of Hendrix Testimony.

Section 8.3- SPP added this section to provide the details of the DISIS Review Period established in Section 4.2.3. During the DISIS Review Period, SPP shall review all Interconnection Requests received during the DISIS Queue Cluster Window and notify the Interconnection Requests of any deficiencies that warrant removal from the DISIS Queue. Interconnection Customer shall have 15 Business Days from the date of the notice to cure any deficiencies. If the Interconnection Customer does not cure the deficiency within the time period, the Interconnection Request shall be deemed withdrawn. SPP added this section to better align with Interconnection Customer needs as explained in Section III.D of Hendrix Testimony.

Section 8.4- SPP revised this section to provide the details of the DISIS. The DISIS shall evaluate the impact of an Interconnection Request on the reliability of the Transmission System, considering two scenarios: 1) “Cluster Scenario” and 2) “Stand Alone Scenario.” The Cluster Scenario is very similar to the way SPP studies clusters today, except that any Interconnection Requests that do not meet the requirements for an Interconnection Facility Study will not be included as prior queued projects. The

22 See March 30 Order at PP 100-107; see also June 27 Order at PP 32-40.
Stand Alone Scenario assumes that each Interconnection Request is the lone Interconnection Request to move forward into the Facility Study.

If during the Stand Alone Scenario, SPP determines that the full amount of interconnection capacity requested by the Interconnection Customer is not available by the requested Commercial Operation Date due to transmission constraints that may be remedied by an upgrade with an in-service date beyond the Commercial Operation Date proposed by the Interconnection Customer, SPP shall quantify the amount of interconnection capacity available to the Interconnection Customer prior to the in-service date of the upgrades (“Limited Operation”). The Interconnection Customer may elect to move forward with Limited Operation by executing the Limited Operation Interconnection Facilities Study Agreement in Appendix 4A. Additionally, in accordance with the proposed Section 4.4.1, the Interconnection Customer may choose to reduce its Interconnection Request so that Limited Operation is not required. The Interconnection Customer may also be subject to Section 8.7 that deals with long lead time upgrades.

During the DISIS, SPP shall conduct a Facilities Analysis to specify and estimate the cost of the equipment, engineering, procurement and construction work needed for transmission facilities at the Point of Interconnection to physically and electrically connect the Generating Facility to the Transmission System. The Facilities Analysis is not an encompassing analysis of necessary measures to mitigate all interconnection constraints. Rather, it focuses on the interconnection substation that the Interconnection Customer is expected to interconnect to. Additionally, if preliminary analysis indicates a new transmission facility is required at the substation of interconnection, that facility may be required as well. The results of the Facilities Analysis shall be utilized during the Interconnection Facilities Study.

All of the changes in Section 8.4 were incorporated to provide better information and service to Interconnection Customers.23

Section 8.5- SPP deleted a paragraph related to study cost obligations and refunds. SPP determined that this section should have been deleted in the August 31, 2009 Compliance Filing24 submitted in Docket No. ER09-1254 in response to the Commission’s July 31, 2009 Order and was inadvertently omitted.25

23 Hendrix Testimony at Section III.F.
25 July 30 Order at P 67. The Commission directed SPP to revise section 13.3 to provide for refund of the unused portion of the study deposit upon a project’s suspension or withdrawal during or after the facilities study after SPP has
Section 8.7- SPP added this section to address Interconnection Requests that are dependent upon Previously Approved Network Upgrades. If an Interconnection Request is dependent upon a Previously Approved Network Upgrade that will not be in-service prior to the Interconnection Customer’s Commercial Operation Date, Interconnection Customer’s Commercial Operation Date may be extended for a maximum period of three (3) years pursuant to Section 4.4.4 to accommodate the in-service date for a Previously Approved Network Upgrade. If the three (3) year extension is not sufficient for a Previously Approved Network Upgrade to be placed into service prior to the Interconnection Customer’s Commercial Operation Date, the Interconnection Customer shall be tendered a Limited Operation Interconnection Facilities Study Agreement rather than an Interconnection Facilities Study Agreement. If the Interconnection Customer executes the Limited Operation Interconnection Facilities Study Agreement, the Interconnection Customer agrees to the following conditions for moving into the Interconnection Facilities Study:

a. The Generating Facility will be allowed to operate under Limited Operation in accordance with Section 8.4.3 before a Previously Approved Network Upgrade is placed into service;

b. The Interconnection Customer will meet all requirements of the GIP;

c. The Interconnection Customer will provide financial security and authorize engineering, procurement, and construction of its cost assigned Network Upgrades and interconnection facilities no later than thirty (30) days after the effective date of the GIA; and

d. If SPP determines that an earlier in-service date for a Previously Approved Network Upgrade can reasonably be met, then:

1. If the Limited Operation Interconnection Facilities Study Agreement amount identified in Section 8.4.3 is less than seventy-five (75) percent of the requested Interconnection Service, then the Interconnection Customer shall pay the cost of placing a Previously Approved Network Upgrade into service at an earlier date; or

accounted for study costs associated with the suspending or withdrawing project and restudy costs associated with any affected lower-queued customers incurred as a result of such suspensions or withdrawals. The Commission accepted this portion of the August 31 Compliance Filing in the December 17 Order.
2. If the Limited Operation Interconnection Facilities Study Agreement amount identified in Section 8.4.3 is greater than or equal to seventy-five (75) percent of the requested Interconnection Service, then the Interconnection Customer may either accept Limited Operation until the scheduled in-service date of a Previously Approved Network Upgrade or pay the cost of placing a Previously Approved Network Upgrade into service at an earlier date.

If the Interconnection Customer declines to execute the Limited Operation Interconnection Facilities Study Agreement, the Interconnection Customer may either remain in the DISIS Queue, withdraw the Interconnection Request or request a reduction in the amount of interconnection capacity in Interconnection Customer’s Interconnection Request.

As explained in Section III.H of Hendrix Testimony, these provisions were added to provide certainty that Interconnection Requests that are dependent upon Network Upgrades for which they have no cost responsibility will commit to building their Generating Facility rather than holding interconnection capacity for years without making any financial commitments while long lead time upgrades are being built. This allows Interconnection Customers that do have a need to go into service to be able to move forward with more certainty.

Section 8.8- SPP revised this section to clarify when restudies will be necessary under this revised GIP. While restudies should be greatly diminished with the new process, the possibility for a restudy of certain Interconnection Requests could occur if two or more Interconnection Requests with similar electrical impacts move forward into the Interconnection Facilities Study Queue at the same time. A need to restudy the cluster scenarios of the DISIS is not expected because all Interconnection Request in the DISIS will be re-evaluated every open season.

Section 8.9- SPP revised this section to add references to the Limited Operations Facilities Study Agreement. SPP also modified the milestone required to enter the Interconnection Facilities Study Queue to be a security deposit equal to $3000/MW of the plant size. The previously offered choices to enter the Facilities Study have been removed as those choices have not shown to be indicative of viable projects.26 Section 8.9 also specifies how the security deposit will be applied or refunded if applicable.

Section 8.10- SPP revised this section to specify that the Facilities Analysis described in Section 8.4 will be utilized during the Interconnection Facilities Study. Depending

26 Hendrix Testimony at Sections III.F and III.G.
upon the nature of the results of the DISIS, the Interconnection Facilities Study may or may need to be performed for additional constraints that were identified in the DISIS.

Section 8.11- SPP deleted a paragraph related to study cost obligations and refunds. SPP determined that this section should have been deleted in the August 31 Compliance Filing submitted Docket No. in ER09-1254 in response to the Commission’s July 31 Order and was inadvertently omitted.27

Section 9- SPP replaced Queue Position with Interconnection Queue Position.

Section 11.3- SPP revised this section to clarify that SPP will file a GIA that does not conform to the pro forma GIA within 30 days of the effective date, consistent with the Commission’s Rules of Procedure.28 Any GIA that is requested to be filed unexecuted will be filed at the Commission within 10 Business Days, consistent with the current pro forma GIA.

Section 11.4- SPP revised this section to include the Transmission Owner, since the Transmission Owner is also a party to the GIA.

Section 11A.1- SPP replaced Queue Position with Interconnection Queue Position.

Section 11A.3.2- As described above for Section 11.3, SPP revised this section to clarify that SPP will file an Interim GIA that does not conform to the pro forma Interim GIA within 30 days of the effective date, consistent with the Commission’s Rules of Procedure. Any Interim GIA that is requested to be filed unexecuted will be filed at the Commission within 10 Business Days, consistent with the current pro forma Interim GIA.

Section 11A.4- SPP revised this section to include the Transmission Owner, since the Transmission Owner is also a party to the Interim GIA.

Section 13.3- SPP revised this section to clarify that milestone deposits provided in accordance with Sections 8.2 and 8.9 may also be used to pay the study costs for any

27 See supra n. 25.

28 See Prior Notice and Filing Requirements Under Part II of the Federal Power Act, 64 FERC ¶ 61,139, at 61,983-84, order on reh’g, 65 FERC ¶ 61,081 (1993) (the Commission will grant waiver of the 60-day prior notice requirement “if service agreements are filed within 30 days after service commences.”); see also 18 C.F.R. § 35.3(a)(2).
restudies in accordance with Section 8.13 that affect lower-queued Interconnection Customers. SPP also updated section references.

Appendix 3- SPP added standard contract terms to the PISIS Agreement. The contract terms are identical to those in Appendix 2, the Interconnection Feasibility Study Agreement.

Appendix 3A- SPP added standard contract terms to the DISIS Agreement. The contract terms are identical to those in Appendix 2, the Interconnection Feasibility Study Agreement.

Appendix 4- SPP added standard contract terms to the Interconnection Facilities Study Agreement. The contract terms are identical to those in Appendix 2, the Interconnection Feasibility Study Agreement.

Appendix 4A- SPP added the Limited Operation Interconnection Facilities Study Agreement. This agreement facilitates the Interconnection Customer’s election to move forward with Limited Operation in accordance with Section 8.4 of the GIP. This agreement is similar to the Interconnection Facilities Study Agreement in Appendix 4 and incorporates requirements to utilize Limited Operation from Section 8.7 of the GIP. This agreement is also intended to bind the Interconnection Customer to its intent to authorize construction of its Network Upgrades in a timely manner when negotiating Appendix B milestones in the GIA.

Appendix 5- SPP added standard contract terms to the Interim Availability Interconnection System Impact Study Agreement. The contract terms are identical to those in Appendix 2, the Interconnection Feasibility Study Agreement.

Appendix 6 (GIA)

Article 1- SPP modified the definitions of the GIA to be consistent with the definitions of the GIP, as described above.

Article 2.3- SPP added a new paragraph to this section to specify that if the Generating Facility fails to achieve Commercial Operation for three consecutive years following the Commercial Operation Date in Appendix B, SPP may terminate the GIA after giving the Interconnection Customer ninety days written notice. If only a portion of the Generating Facility fails to achieve Commercial Operation within three consecutive years following the Commercial Operation Date in Appendix B, SPP shall issue a revised GIA to reflect the amount of the Generating Facilities that achieved Commercial Operation.

Similar to the change proposed in Section 4.4.4 of the GIP, this change is intended to reduce uncertainty regarding the status of larger Interconnection Requests that
customers may decide to build only a portion initially and delay the remainder of the queue position indefinitely. Lower queued Interconnection Customers that are potentially harmed by these delays will have more certainty as to when that queue capacity may become available.29

**Article 5.9**- SPP modified this section to be consistent with Section 8.4 of the GIP. In addition, the section provides that in accordance with Section 11.6 of this GIA, the Interconnection Customer may elect to move forward with Limited Operation.

**Article 5.20**- SPP added this section to specify that if a Network Upgrade is delayed during the construction process, the Commercial Operation Date may be delayed up to six months following the in-service date for the Network Upgrade.

**Article 11.2**- SPP added a new Article 11.2 in order to include a performance obligation in the GIA. Article 11.2 provides that an Interconnection Customer shall install the Generating Facilities described in Appendix C if the GIA within three years of the Commercial Operation Date specified in Appendix B of the GIA.

This provision was added to explicitly require the Interconnection Customer to install its Generating Facility as described in Appendix C and its Interconnection Request within three years. While this obligation may be implied by the terms of the GIA, SPP’s experience has shown that many Interconnection Customers do not build the full generator capacity specified in their GIA in a timely fashion. This provision is intended to correlate to the termination provisions in Article 2.3.

As a result of the addition of a new Article 11.2, SPP renumbered all subsequent articles.

**Article 11.4.1**- SPP added a new Article 11.4.1 to specify that an Interconnection Customer agrees to fund Shared Network Upgrades, if any are determined by SPP to be required for Interconnection Customer’s interconnection.

This article is intended to make the funding requirement explicit for those instances when SPP determines by cluster studies that Network Upgrades are to be funded by more than one Interconnection Customer. The proposed language clarifies that, for Network Upgrades that are to be constructed by a Transmission Owner that is not a party to the GIA, SPP will collect the funds for those Shared Network Upgrades and disburse those funds to the appropriate Transmission Owner. Furthermore, the article clarifies that a shortfall of funding by any Interconnection Customer does not leave SPP or the Transmission Owner responsible for the shortfall.

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29 Hendrix Testimony at Section IV.
Article 11.4.2 and Article 11.4.3- SPP added articles 11.4.2 and 11.4.3 to address restudies. Restudies are an occurrence that happens regularly within the interconnection study process. The instant filing is intended to lower the frequency of restudies after an Interconnection Customer executes a GIA, but restudies will still be necessary in the proposed process. Currently, SPP addresses Interconnection Customer’s restudy exposure in Appendix A\textsuperscript{30} in the description of the Interconnection Facilities and Network Upgrades. SPP determined that such a provision should be included within the body of the GIA, specifically in Article 11.4 that deals with the subject, in order to make the requirement more explicit and ensure that it would be captured in all GIAs going forward.

Article 11.6- In Article 11.6, SPP added a requirement for the Interconnection Customer to provide an initial payment within 30 days of the execution of the GIA. As described in Section IV of Hendrix Testimony, SPP regularly sees GIAs that are terminated because the Generating Facility was not built. The Initial Payment is intended to deter speculative projects from executing the GIA. Since Interconnection Customers that sign the GIA have an immediate need to build their Generator, the initial payment is not an obstacle for these projects as they will likely need much greater funding to build their Generating Facility than it takes to fund 20% of the Network Upgrades. The Commission also approved a similar payment for MISO.\textsuperscript{31}

The initial payment is mostly refundable except in the case where Network Upgrades have been constructed or are in the process of being constructed either for the Interconnection Customer’s GIA or for a lower-queued Interconnection Customer’s GIA. These provisions are just and reasonable in that if the Interconnection Customer terminates its GIA and construction of Network Upgrades that has already commenced is now deemed unnecessary, other Interconnection Customers have been harmed by the Interconnection Customer’s actions for signing the GIA and not building its Generating Facility.

Articles 11.6.1 and 11.6.2- SPP added Article 11.6.1 and Article 11.6.2 to address instances, following the Interconnection Facilities Study, when an Interconnection Customer who determines it is being harmed by a higher-queued Interconnection Customer wishes to move ahead of the higher-queued Interconnection Customer in queue priority. The process is explained in detail in Section IV of Hendrix Testimony. To move up, the Interconnection Customer shall notify SPP of its intent to use the existing interconnection capacity of the Transmission System in order to achieve its

\textsuperscript{30} The Commission previously accepted the inclusion of the note in Appendix A of the GIA to be a conforming change. See *Sw.Power Pool, Inc.*, 132 FERC ¶ 61,160 (2010).

\textsuperscript{31} See March 30 Order at PP 178-181; see also June 27 Order at PP 90-92.
Commercial Operation Date and the Interconnection Customer will provide the greater of a) one hundred percent of the total cost of Network Upgrades, Shared Network Upgrades, Transmission Owner Interconnection Facilities and/or Distribution Upgrades specified in Appendix A or b) $4000/MW of the size of the Generating Facility. The milestones payments in Section 8.2 and 8.9 shall be applied to this requirement. This payment is not refundable upon termination of the GIA unless the higher-queued Interconnection Customer being “jumped” chooses to retain its current scope of Network Upgrades by agreeing to make its initial payment non-refundable. These funds will be applied to the Network Upgrades assigned to the Interconnection Customer.

As stated in Section IV of Hendrix Testimony, this provision is only intended to be invoked by other Interconnection Customers who determine that they are being unduly harmed by an Interconnection Customer with an executed GIA that is not building its Generating Facility. An Interconnection Customer that invokes this provision must be ready to authorize Network Upgrades for its own Generator in addition to providing a 100% initial payment for its upgrades. This provision will deter any gaming by Interconnection Customers who would attempt to use it.

An Interconnection Customer that doesn’t want to be “jumped” is given a final say as to whether it wishes to have the ability to maintain its queue priority and avoid a restudy for a new determination of Network Upgrade requirements. This, also, is to further prevent gaming of this provision.

Appendix A to GIA- SPP added new sections to Appendix A in order to specify additional information needed for the GIA such as Shared Network Upgrades and Previous Network Upgrades; the election of Energy Resource Interconnection Service or Network Resource Interconnection Service; and a description of the Point of Interconnection.

Appendix C to GIA- SPP added a new section to Appendix C to include the description of the Generating Facility.

Appendix 8 (Interim GIA)

Article 1- SPP modified the definitions of the Interim GIA to be consistent with the definitions of the GIP, as described above.

Article 5.20- SPP added Article 5.20 to the Interim GIA to be consistent with Article 5.20 of the GIA, as described above.

Article 11.6- SPP added Article 11.6 to the Interim GIA to be consistent with Article 11.6 of the GIA, as described above.
**Minor modifications** - Throughout Attachment V, SPP made minor modifications to correct spelling, capitalization and section number references.

**IV. EFFECTIVE DATES**

SPP requests that the Commission accept the proposed revisions to the Tariff to become effective March 1, 2014.

**V. ADDITIONAL INFORMATION**

A. **Documents Submitted with this Filing:**

In addition to this transmittal letter, the following documents are included with this filing:

- Clean and Redline Tariff revisions under the Sixth Revised Volume No. 1.
- Exhibit No. SPP-1: Testimony of Charles Hendrix.

B. **Service:**

SPP has electronically served a copy of this filing on all its Members and Customers. A complete copy of this filing will be posted on the SPP web site, [www.spp.org](http://www.spp.org), and is also being served on all affected state commissions.

C. **Requisite Agreement:**

These revisions to the SPP Tariff do not require any contracts or agreements.

D. **Part 35.13 Cost of Service Support**

To the extent necessary, SPP requests waiver of any provisions of section 35.13 of the Commission’s regulations that may be deemed to require cost support in the form of cost-of-service statements for the enclosed revisions. SPP notes that the enclosed revisions do not modify applicable Commission-approved rates; but clarify the procedures whereby revenue credits due to transmission customers are allocated consistent with SPP’s internal practices.
E. Communications

Correspondence and communications with respect to this filing should be sent to, and SPP requests the Secretary to include on the official service list, the following:

Nicole Wagner
Manager–Regulatory Policy
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223
Telephone: (501) 688-1642
Fax: (501) 482-2022
jwagner@spp.org

Tessie Kentner
Attorney
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223
Telephone: (501) 688-1782
Fax: (501) 482-2022
tkentner@spp.org

VI. CONCLUSION

For all of the foregoing reasons, SPP respectfully requests that the Commission accept the Tariff revisions proposed herein as just and reasonable, with the effective date of March 1, 2014.

Respectfully submitted,

/s/ Tessie Kentner
Tessie Kentner
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223
Telephone: (501) 688-1782
tkentner@spp.org

Attorney for
Southwest Power Pool, Inc.
Exhibit No. SPP-1

Testimony of Charles Hendrix
on Behalf of Southwest Power Pool, Inc.
Q. Please state your name and your business address.

A. My name is Charles Hendrix. My business address is 201 Worthen Drive, Little Rock, Arkansas, 72223.

Q. By whom and in what capacity are you employed?

A. I am the Manager of Generator Interconnection Studies at Southwest Power Pool, Inc. (“SPP”).

Q. Please summarize your educational and professional background.

A. I have held my present title since September, 2010. From November, 2008 to September, 2010 I held the title of Supervisor, Generator Interconnection Studies. From August, 2000 to March, 2002 and again from July, 2005 to November, 2008 I served as an Engineer in the Tariff Studies Department at SPP primarily working with the Generator Interconnection Procedures and associated studies and Interconnection Agreements.

From March, 2002 until June, 2005, I was employed by Arkansas Electric Cooperative Corporation as a Power Quality and Reliability Engineer. Prior to joining SPP, I was employed by utilities in the Central and Southwest Corporation. I was employed by Southwestern Electric Power Company as a
Substation Project Engineer from 1992 to 1994. From 1994 to 1998 I was employed by Central and Southwest Services as a Substation Design Engineer and Transmission Planning Engineer. From 1998 to 2000, I was employed by Public Service Company of Oklahoma as a Substation Department Supervisor.

I received a Bachelor’s Degree in Electrical Engineering from Louisiana Tech University in 1992. I am a registered Professional Engineer in the state of Oklahoma.

Q. Please briefly describe your duties as Manager of Generator Interconnection Studies.

A. My primary duty is to administer the Generator Interconnection Procedures (“GIP”) of the SPP Open Access Transmission Tariff (“Tariff” or “OATT”). These duties include overseeing the validation process of new Interconnection Requests and managing the engineering staff and external consultants that perform studies analyzing requests for Interconnection Service. I also oversee the Generator Interconnection Agreement (“GIA”) process and facilitate negotiations between the Interconnection Customers and the Transmission Owners necessary to finalize agreements.

Q. Have you previously testified before a regulatory commission?

A. Yes. I have filed testimony before the Arkansas Public Service Commission in 2009 in Docket No. 08-168-U. I have also participated on a panel in front of the Commission at the Technical Conference on Interconnection Queuing Practices in Docket No. AD08-2.
Q. What is the purpose of your testimony in this docket?

A. This testimony, identified as Exhibit No. SPP-1, will provide the rationale supporting SPP’s request to revise its GIP in Attachment V of its Tariff.

I. PREVIOUS CHANGES TO SPP’S GENERATOR INTERCONNECTION PROCEDURES

Q. Please describe SPP’s previous efforts to improve the Generator Interconnection Procedures.

A. SPP filed revisions to its Large Generator Interconnection Procedures (“LGIP”) in June 2009 in Docket No. ER09-1254 (“2009 Queue Reform”). Prior to June 2009, SPP’s LGIP largely followed FERC’s Order 2003 rulemaking procedures. The 2009 filing included the following improvements in order to more efficiently process requests in the queue while allowing for a “first ready – first served” process:

- Created a standard status for studying all Interconnection Requests in the SPP footprint in clusters that begin every 180 days.
- Created three different queues (the Interconnection Feasibility Study, the Preliminary Interconnection System Impact Study (“PISIS”), and the Definitive Interconnection System Impact Study (“DISIS”) to allow Interconnection Customers the ability to acquire information about their desired interconnection location while not interfering with other Interconnection Customers who were ready to build.
- Re-aligned the study deposit structure and technical parameters and

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1 SPP revised its LGIP in accordance with Order 2003 in Docket ER04-434 which included certain Independent Entity Variations.
information for each queue to better align costs with projects that were
further along in their development process.

- Revised the suspension procedures in the Large Generator Interconnection
  Agreement (“LGIA”) to reduce the number of times suspension was
  invoked by Interconnection Customers.

SPP made additional revisions in 2010, in Docket No. ER10-681, to consolidate
the small GIPs in FERC Order No. 2006 and the LGIP processes into a single set
of GIPs.

Q. Has SPP undergone any other efforts to facilitate the interconnection of
generators?

A. In 2009, to facilitate the administration of the Generator Interconnection queue
(“GI Queue”), SPP began to evaluate a set of six transmission expansion projects,
five at 345 kV and one at 138 kV, known as the “Priority Projects.” The SPP
Board of Directors approved the Priority Projects in June 2010. The Priority
Projects were estimated to cost $1.1 billion and are to be regionally funded using
SPP’s Highway/Byway cost allocation methodology described in Attachment J of
the SPP Tariff. Most of the Priority Projects are expected to be in service by
2015. The Priority Projects are shown in Figure 1 as the lines in purple. These
projects form a strong connection between the eastern and western parts of the
SPP footprint. Following the approval of the Priority Projects in June 2010, SPP’s
Interconnection Studies found that these projects enabled the interconnection of
many generators and Interconnection Agreements were finalized for those
generators.
Additional transmission projects were evaluated and approved in the 2012 Integrated Transmission Planning ("ITP") 10-Year Assessment ("ITP10"). The majority of the transmission projects in the Priority Projects and the 2012 ITP10 that connect the eastern and western parts of the SPP footprint continue to be identified in Interconnection Studies as enabling the interconnection of many generators in the queue in a cost effective manner.

II. STATUS OF SPP’S GENERATOR INTERCONNECTION QUEUE

Q. Please describe the current nature of Generator Interconnection Requests in SPP.

A. The SPP GIP identifies those upgrades that are necessary to maintain
interconnection to the remainder of the Transmission System. It does not identify upgrades necessary to deliver energy to individual consuming load-serving entities. Recently, Generator Interconnection Requests within SPP have been primarily requests from wind generators wishing to locate in the western part of the SPP footprint where relatively insufficient transmission infrastructure currently exists. This concentration of wind requests has resulted in interconnection studies that generally identify high upgrade costs to construct the requisite transmission upgrades. Figure 2 shows the concentration of GIAs in SPP. The high concentration of requests in western Oklahoma and western Kansas can be seen in Figure 2.
Q. How many Generator Interconnection Requests have been found to require the Priority Projects for Interconnection Service?

A. Appendix 1 lists the amount of generation in the SPP GI Queue that was found to require the Priority Projects for Interconnection Service through the DISIS-2010-002 Cluster Study.

SPP executed forty (40) GIAs totaling 7,885 MW of generation that were found to
require the Priority Projects for Interconnection Service. The Interconnection Facilities and Network Upgrades cost allocated to these GIAs total $195 million while the required Network Upgrades that were funded by the SPP Region (Priority Projects) total $1.1 billion.

In contrast, in the latest version of DISIS-2011-001, Interconnection Customers totaling 4,741 MW have been cost allocated $894 million in Interconnection Facilities and Network Upgrades.² It should be noted that the DISIS-2011-001 customers also benefit from the Priority Projects.

Q. What problems are caused by so many GIAs being dependent upon such large upgrades?

A. Large transmission upgrades generally have relatively long lead times for engineering, procurement, construction, and regulatory issues relative to the time required to build some generator facilities. The typical lead time for some of the larger 345 kV transmission line projects approved by SPP’s Board of Directors is in excess of four (4) years. By contrast, some types of generating facilities may take as little as 9-18 months to construct. Generally, the longest construction lead time item required for interconnection of some generators is the utility substation which has a typical lead time of 18 months. Currently, when generators are studied and found to require these long lead time upgrades for interconnection, the in-service date for the generator generally has been set by the parties to the

GIA to match the in-service date of the transmission upgrade\(^3\). The result is that a GIA is finalized up to four years in advance of the generator’s requested in-service date and the generator is not obligated to provide any sort of financial commitment for two to three years in some cases.

This situation is illustrated in Figure 3 below. In this example, the customer signs a GIA on January 10, 2011 and has no financial obligation until July 1, 2013. This means that for over two years all subsequent interconnection studies are conducted assuming this project has gone or will go into service as planned.

**Figure 3.**

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\(^3\) Interconnection Customers may request earlier in-service dates through the Limited Operation process consistent with GIA Article 5.9.
The problem with this becomes evident in the studies for lower-queued projects, such as the projects mentioned in my last response for DISIS-2011-001 that were cost assigned over $894 million in upgrades. The studies for lower-queued projects indicate that new upgrades are required for the lower-queued projects and that engineering and construction needs to begin soon after the GIA is finalized. This can be illustrated by Figure 4 below. These lower-queued interconnection requests find that they are significantly disadvantaged as they must make financial commitments sooner in order to have the upgrades required for their interconnection in service. However, it is uncertain at the time that the Interconnection Customer must make a commitment as to whether the upgrades will eventually be required. This is because the higher-queued interconnection customers have not made any commitments that would allow SPP to determine whether the previously approved upgrades will be fully subscribed or not. The result is that SPP finds that the lower-queued customers are very wary to make such a financial commitment at the time it is required and attempt to find ways to avoid entering into an Interconnection Agreement until such time that the status of higher-queued projects becomes more clearly defined.

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4 See Tariff at Attachment V, Section 4.1.2 of SPP’s current GIP – 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.
Q. What problems has SPP experienced with restudies in the GI Queue?

A. As I described earlier, the Interconnection Customers currently near the top of the GI Queue (earliest queued generators) have relatively low interconnection costs due to their ability to utilize capacity made available by transmission projects funded regionally within SPP such as the Priority Projects. When lower-queued Interconnection Customers have gone through the study process, they have found upgrade costs can be quite high when all Interconnection Requests, including higher-queued requests, are taken into consideration because interconnection capacity has been subscribed to by higher-queued Interconnection Customers. Alternatively, a lower-queued Interconnection Customer may have a low upgrade
cost but may be dependent upon a higher-queued Interconnection Customer funding a Network Upgrade. In either case, the ability of the higher-queued customer to go into service affects the lower-queued customer. This leads to cost uncertainty for lower-queued Interconnection Requests that will only be realized by later restudies when a higher-queued Interconnection Customer either goes into service, is withdrawn from the GI Queue, or its GIA is terminated.

When Interconnection Requests are withdrawn from the GI Queue or GIAs are terminated, the result is that all lower-queued DISIS studies must be restudied. Table 1 demonstrates the restudy problem seen in SPP. This could result in additional costs to lower-queued Interconnection Customers who were dependent upon an upgrade being funded by higher-queued Interconnection Customers.
Table 1. Status of Interconnection Requests (through DISIS-2011-002)

<table>
<thead>
<tr>
<th>Study Designation*</th>
<th>Requests in original Impact Study</th>
<th>Requests that withdrew before executing GIA</th>
<th>Requests that executed GIA</th>
<th>Requests that have achieved COD (does not include partial COD***)</th>
<th>Requests that have terminated since executing GIA**</th>
<th>Requests that have executed GIA but have not achieved total COD and have not been terminated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grandfathered Requests</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
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<td>10</td>
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<tr>
<td>Transition Cluster (ICS-2008-001)</td>
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<td>23</td>
<td>4</td>
<td>4</td>
<td>15</td>
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<td>4</td>
<td>9</td>
<td>4</td>
<td>0</td>
<td>5</td>
</tr>
</tbody>
</table>

*Studies after DISIS-2011-002 are not included due to backlogs in processing GIAs (partially attributable to restudies of higher queued withdrawals)

** Only includes GIAs terminated since 1/1/2011

*** COD - Commercial Operation Date

Table 1 shows the status of Interconnection Requests in the various cluster studies currently being evaluated by SPP staff. When referring to grandfathered Interconnection Requests, the columns of interest are the last two columns. Grandfathered Interconnection Requests are those requestors that signed a GIA prior to the 2009 Queue Reform. SPP has terminated GIAs for nineteen grandfathered Interconnection Requests in the past three years. Each time a grandfathered request GIA is terminated, it creates the need to restudy all
Interconnection Requests in lower-queued cluster studies. The potential for ten
more restudies still exists as it is unclear whether the remaining grandfathered
Interconnection Requests will build out their generation facilities.

The fact that the grandfathered Interconnection Requests withdrawing from the GI
Queue caused so many restudies is somewhat expected. The grandfathered
Interconnection Requests were not subject to any of the new procedures applied to
Interconnection Requests since the 2009 Queue Reform. Those grandfathered
Interconnection Requests have been able to remain in the GI Queue with a GIA
up to this time primarily because of the more lenient suspension requirements. As
a result, there has been no certainty of the viability of these project assignments.

For Interconnection Requests in the Transition Cluster (Interconnection Requests
that were partially grandfathered under pre-2009 Queue Reform) and all
subsequent clusters, the additional columns of interest are the number of
Interconnection Requests in the initial impact study vs. the number of
Interconnection Requests that have signed GIAs. These GI Queue withdrawals
represent the need for restudies of those individual clusters and each of the lower-
queued clusters. It is normal for many of these withdrawals to occur either after
the initial impact study or after the subsequent iterations of the impact study.
Each withdrawal does not necessarily indicate a separate restudy.

The data in the final column can be misleading regarding the cluster studies (ICS-
2008-001 and beyond). Many of the cluster study Interconnection requests have
Network Upgrade requirements in their GIAs that required a delay of the in-service date until all Network Upgrades could be placed in service. Most of these Network Upgrade requirements are the Priority Projects discussed earlier in my testimony and expected to be in service by 2015. The most common in-service year for these Interconnection Requests is 2015. Many of these GIAs will soon have construction milestones that have to be met for these Interconnection Requests to continue forward. When those milestones come due, these Interconnection Requests may move to the “terminated” column if they do not meet the milestones in Appendix B of their respective GIAs which will trigger the need for more restudies of lower-queued requests. What is not known even at that time is whether the generation will be built out at its full output or whether the generation will be only partially built. Until those questions can be answered, there is uncertainty as to the viability of those generator projects. The uncertainty of their viability has further hampered lower-queued projects from moving forward into a GIA.

Q. Can an Interconnection Request with a signed GIA be subject to these restudies?

A. Yes, Interconnection Requests with signed GIAs are subject to the restudy when higher-queued Interconnection Requests are withdrawn from the GI Queue. This places cost uncertainty on those lower-queued Interconnection Customers.

Q. Can an Interconnection Request that is already in Commercial Operation be subject to these restudies?

A. Yes.

Q. What financial obligations do Interconnection Customers have when they
execute a GIA?

A. Because Interconnection Service has no inherent cost beyond the cost of any upgrades necessary to interconnect, in most cases Interconnection Customers have no financial obligations upon the execution of the GIA. Most financial obligations occur later in the term of the GIA when engineering, procurement, and construction of Network Upgrades and Interconnection Facilities are set to begin. An Interconnection Customer may elect to terminate its GIA before these obligations are set to occur without any termination costs. While the Interconnection Customer is liable for the cost of restudies this may cause, the restudies are more damaging to the customers being restudied and who will get a new set of Network Upgrades and corresponding costs for its GIA.

Q. In your opinion, what are the effects of the lack of financial obligations imposed with the signing of GIAs?

A. Interconnection Customers with a higher-queue position and low upgrade costs do not always have the substantive financial motivation to either build their generation consistent with the Interconnection Service being provided or terminate their GIA when the project is not viable. SPP monitors the milestones in Appendix B of the GIAs for Interconnection Customers and when the Tariff allows, terminates GIAs when an Interconnection Customer has failed to meet its milestones. Termination of the GIA allows the interconnection capacity provided in the terminated GIA to be made available for others to use. Currently, in the entire Interconnection Queue, there are fifty signed GIAs for over 9,500 MW that
have not placed any generation in service, as shown in Appendix 2.\textsuperscript{5}

Additionally, there is motivation for Interconnection Customers with higher-queue positions to hold on to their favorable queue positions as long as possible. One circumstance SPP has commonly experienced is when Interconnection Customers near the end of the time they can wait before their GIAs are terminated, their projects are sold and queue position transfers occur up to the last minute. This type of activity encourages Interconnection Customers with higher-queue positions to hold on to those positions as long as they can.

Finally, there are a number of GIAs for projects that have not been placed into service and do not have meaningful milestones. Most of these are for GIAs that have completed a partial or phased build out, but the remaining phases are not built. Table 2 shows that these GIAs currently have a total of about 1,200 MW of generation that is not built. This number has the potential to increase dramatically as several GIAs for large amounts of interconnection capacity are in the process of meeting their construction milestones for Network Upgrades. However, it is unclear how much generation will actually go into service.

\textsuperscript{5} This information is based on the Generator Interconnection Queue as of December 10, 2013. This total figure differs from Appendix 1 because this figure includes grandfathered GIAs and GIAs not dependent upon Priority Projects.
Table 2. GIAs with partially built Generation as of December 1, 2013$^6$

<table>
<thead>
<tr>
<th>ID#</th>
<th>Requested MW</th>
<th>MW Presently in Service</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>180</td>
<td>120</td>
</tr>
<tr>
<td>2</td>
<td>200</td>
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<td>161</td>
</tr>
<tr>
<td>12</td>
<td>300</td>
<td>171</td>
</tr>
</tbody>
</table>

| 2911 | 1758 |

Q. Please describe generally the viability of certain Interconnection Requests that have signed GIAs with little or no financial obligation?

A. As stated earlier, SPP initially had forty (40) GIAs for 7,885 MW finalized that required the Priority Projects for Interconnection Service. To date, eight of these GIAs have been terminated for various reasons including not meeting the construction and financial milestones in Appendix B of their GIAs. As shown in Appendix 1, the GIAs that are still active with 2015 or earlier in-service dates have had approximately $58 million paid by the Interconnection Customer towards construction of their Network Upgrades and Interconnection Facilities. Of the GIAs that have not placed any generation in service, the Interconnection

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$^6$ The total figure differs from the sum of generation discussed in Appendix 1 because Table 2 includes grandfathered GIAs.
Customers have committed approximately $10 million. These GIAs represent approximately 6,167 MW of generation. To state it another way, for the past three years, approximately 6,167 MW of interconnection capacity that was provided for by the Priority Projects has been held by Interconnection Customers who to date have committed $10 million in Interconnection Facilities and Network Upgrade costs.

Q. Please describe factors impacting the viability of Interconnection Requests in the DISIS Queue.

A. Currently to enter a DISIS request, an Interconnection Customer selects one of the following items to submit to SPP:

- Security equal to $2000/MW of the plant size (refundable at commercial operation or if GIA is not executed by Interconnection Customer); or
- An executed contract (or comparable evidence) for the sale of electric energy or capacity from the Generating Facility; or
- Statement signed by an officer or authorized agent of the Interconnection Customer attesting that the Generating Facility is included in an applicable state resource plan; or
- Other information that the Transmission Provider deems to be reasonable evidence that the Generating Facility will qualify as a Designated Resource; or
- Purchase Order for generating equipment specific to Queue Position or statement signed by an officer or authorized agent of the Interconnection Customer attesting that the Generating Facility is included to be supplied with turbines with a manufacturer’s blanket purchase agreement that Interconnection Customer is a party. This agreement shall be provided to Transmission Provider; or
- Application for an air permit (if applicable); or

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The majority of these GIAs were executed in late 2010 or early 2011.
- Filing a Notice of Proposed Construction or Alteration with the Federal Aviation Administration (if applicable).

SPP’s experience has shown that these milestones are not indicative of the viability of an Interconnection Requests. A Federal Aviation Administration permit for a “no-hazard” determination was proposed and accepted by SPP stakeholders in the 2009 Queue Reform proceeding as being indicative of a viable project. However, experience has shown that nearly all wind farm projects use this milestone to enter the DISIS Queue and the provision of the milestone has not deterred projects from withdrawing from the queue or, in some cases, going on suspension. Additionally, if the Interconnection Customer changes turbine manufacturers that result in different size turbines (i.e. use a 2 MW turbine instead of a 2.5 MW turbine), the permit may no longer be valid. The milestone of submitting a purchase order for generating equipment has been difficult for SPP to administer because of the complexity of such agreements and manufacturing arrangements. Purchase orders have generally been considered suspect at the time of the initial Interconnection Request because experience has shown that Interconnection Customers rarely use the generator manufacturer submitted with the initial Interconnection Request. History has shown that Interconnection Requests are usually restudied at least one time and as much as four or five additional times as Interconnection Customers shop around for which generator they wish to install before a generator is ever built or the GIA is eventually terminated.

Q. The 2009 Queue Reform measures provided the PISIS and Feasibility Study
processes for use by the Interconnection Customers to gain more information about their Interconnection Requests before entering the DISIS. What has been SPP’s experience with Interconnection Customers using these processes before they enter the DISIS Queue?

A. SPP’s experience is that Interconnection Customers rarely use the PISIS and Feasibility Study processes. So far in 2013, three (3) Interconnection Requests entered the PISIS Queue\(^8\) and two (2) Interconnection Requests entered the Feasibility Study Queue\(^9\). This compares to thirty (30) Interconnection Requests that have entered directly into the DISIS Queue in 2013.\(^{10}\) This reluctance to use the preliminary processes and entering straight into the DISIS indicates that the entry requirements into the DISIS are too lenient and that Interconnection Customers find little value in using the preliminary processes because so many speculative Interconnection Requests are already in the DISIS.

Q. Please describe SPP’s experience with Interconnection Customers funding upgrades.

A. SPP started performing cluster studies as part of the regular procedures with the 2009 Queue Reform filing. One of the expected benefits of performing cluster studies, in addition to being able to process many Interconnection Requests simultaneously, was the ability for multiple Interconnection Requests to share the costs of larger upgrades that may be required for the interconnection of those projects. This would result in more transmission upgrades being constructed as

\(^8\) Taken from PISIS-2013-001 and PISIS-2013-002 (currently under study).
\(^9\) Taken from FCS-2013-003 and FCS-2013-004 (currently under study).
\(^{10}\) Taken from DISIS-2013-001 and DISIS-2013-002 (currently under study).
these customers shared these costs.

In practice, our experience has been different. Studies for lower-queued Interconnection Requests are impacted by higher-queued Interconnection Requests and all existing GIAs. As more generators are studied for interconnection to the transmission system, larger and more expensive transmission upgrades are identified for lower-queued generation based on the assumption that all previously queued customers with a GIA will build their generation facility. As transmission investment has a “lumpy” quality, meaning transmission investments will have high cost but will allow for a lot of interconnection availability, this can cause high upgrade costs for lower-queued customers even though they may be clustered together, particularly as more and more Interconnection Requests withdraw from the cluster study. Experience has shown that generation projects having high upgrade costs shared with other Interconnection Customers are problematic because multiple Interconnection Customers are rarely ready to move forward with construction at the same time. This results in a problem for funding these large, high cost upgrades when the time comes to construct them.

High upgrade costs for lower-queued Interconnection Customers do not always deter those customers from signing a GIA. Those Interconnection Customers reason that if the higher-queued generator with a GIA does not get built, their upgrade costs will be reduced. Those Interconnection Customers may execute GIAs with the expectation that the higher-queued generation with GIAs will not
be built. However, SPP’s experience has shown that many Interconnection Customers are not ready to commit when they do not have a clear picture of the upgrades that are required for their interconnection.

III. SPP’S PROPOSED REVISIONS TO THE GENERATOR INTERCONNECTION PROCEDURES

Q. Please describe the proposed revisions to the GIP.

A. SPP is proposing changes to the DISIS process. The proposed process attempts to establish a path that will allow Interconnection Customers who are ready to construct their projects the ability to do so without the current uncertainties related to having a lower-queued position. The new process builds upon the “first ready” approach established by SPP in the 2009 Queue Reform filing. The new process incorporates additional time into the DISIS process to allow Interconnection Customers to remedy deficiencies in their applications before the studies begin. Interconnection Customers that are ready to move forward with their projects should be able to move through the process, shown below in Figure 5, as long as they are able to meet the required financial and construction milestones and be able to start construction of their projects within 11 months of the start of the DISIS study process. Interconnection Customers must be ready to authorize engineering, procurement, and construction of Interconnection Facilities and Network Upgrades within 30 days of completing a GIA. While the process established in 2009 was very successful in clearing the backlog of Interconnection Requests in the Generator Interconnection Queue that had been unable to receive an Interconnection Study and getting GIAs finalized for those Interconnection
Requests, the proposed process in 2013 is intended to provide a clear path for a generator to place its Generating Facility into Commercial Operation. The process is shown below in Figure 5.

**Figure 5. New Generator Interconnection Process**

Q. Is SPP proposing any revisions to the Interconnection Feasibility Study or PISIS?

A. No. Those study processes remain the same. The intent of the Feasibility Study and PISIS processes as developed in the 2009 Queue Reform was to give Interconnection Customers an avenue for determining the viability of their...
projects before entering into the DISIS Queue. Unfortunately, few Interconnection Customers have utilized this process and have opted to jump right into the DISIS Queue, which has led to the delays and uncertainty we have today. SPP believes that the proposed changes to the DISIS procedures will encourage Interconnection Customers to use these processes rather than enter speculative Interconnection Requests into the DISIS Queue.

A. TRANSITION TO REVISED GENERATOR INTERCONNECTION PROCEDURES

Q. Will these new requirements apply to all projects in the GI Queue?

A. Interconnection Requests subject to study or restudy, for which a GIA has been executed but has not yet commenced Commercial Operations are subject to the new procedures with the exception of those Interconnection Requests with executed GIAs currently meeting their Appendix B milestones. Interconnection Requests with GIAs currently in Commercial Operation with their full generation amount would not be affected by the new procedures. In order for the milestones proposed herein to serve the purpose of demonstrating a project’s viability, the milestones need to apply to as many Interconnection Requests as possible. Therefore, SPP proposes to apply the queue reforms to nearly every Interconnection Request in the queue, as described above. This proposal is consistent with the “first ready, first served” approach approved in the 2009 Queue Reform. These revised procedures will permit projects that are “ready” under the updated milestones to move forward and proceed to the Interconnection Facilities Study. Any project that is not ready to proceed may remain in the DISIS.
B. QUEUE PRIORITY

Q. Is SPP changing the way that queue priority is determined?

A. Yes. Presently an Interconnection Request will receive queue priority when it enters the DISIS Queue. In other words, Interconnection Requests entering into the Feasibility or PISIS Queues may be bypassed by Interconnection Requests entering the DISIS Queue. In the new procedures, Interconnection Requests that have completed all requirements to move into the Interconnection Facilities Study will have queue priority over other Interconnection Requests. When Interconnection Requests are submitted, they will receive an Initial Queue Position identifying the request until the Interconnection Customer meets the requirements to enter the Interconnection Facilities Study. At that time, the Interconnection Request will be assigned an Interconnection Queue Position. An Interconnection Queue Position, based on the date and time of entry into the Interconnection Facilities Study Queue, determines the priority for which the Interconnection Request has its Interconnection Facilities Study performed and the assignment of costs for Network Upgrades in the Interconnection Facilities Study. All Interconnection Requests with an Initial Queue Position will have equal queue priority within their respective queues (i.e. Feasibility Study, PISIS, DISIS).

Q. Why did SPP change to the way queue priority is determined?

A. The new process is placing new requirements to be able to enter into the Interconnection Facilities Study. The rationale for this change is that only projects that are ready to authorize construction of their Network Upgrades just
after the completion of the GIA, if not sooner through an Engineering and Procurement Agreement, will move into the Interconnection Facilities Study. By giving priority to Interconnection Requests having met all requirements to enter into the Interconnection Facilities Study, those Interconnection Requests will move ahead of other less viable Interconnection Requests and not have the current exposure to restudies they currently have.

Q. How is Queue Priority determined for Interconnection Requests that must transition to the new process?

A. Interconnection Requests that have already executed an Interconnection Facilities Study Agreement will be required to meet the milestone payments in Section 8.2 and 8.9 of the GIP. Once this occurs, they will be assigned an Interconnection Queue Position based on their current queue priority (i.e. current Interconnection Requests in the DISIS-2010-002 study will have queue priority over Interconnection Requests in the DISIS-2011-001 study).

Interconnection Requests that have executed a DISIS Agreement will be required to meet the milestone payment in Section 8.2, but will not have priority over other requests in the DISIS Queue.

Under the transition provisions, these Interconnection Requests would have 60 days from the effective date of the proposed process to execute the proper study agreements and make such payments.
C. MODIFICATIONS

Q. Why is SPP changing the way modifications of generator size are evaluated?

A. In the 2009 Queue Reform, SPP proposed the creation of the DISIS Queue so only “definitive” projects would move forward into the DISIS. One of the requirements of a “definitive” project was to provide a “definitive MW amount”, that is, no changes were allowed in the MW size of the Interconnection Request after the execution of the DISIS Agreement. The rationale for this provision was that only viable projects were being studied in the DISIS in a cluster. The results of the DISIS would likely include common upgrades that were shared amongst multiple Interconnection Requests. If one Interconnection Request was allowed to modify (lower) its MW amount, the result would be that some customers would face decreased costs at the expense of the other Interconnection Customers that would face increased costs. As discussed earlier in my testimony, it has been on rare occasions that multiple customers have agreed to finance shared upgrades by moving forward simultaneously. The result is that SPP has not yet been able to construct a Network Upgrade whose funding was shared by more than one Interconnection Customer. With the commencement of the “Stand Alone” study scenario\(^ {11}\), Interconnection Customers will be able to determine what amount they will be able to reduce their Interconnection Request to avoid substantial upgrades costs or to avoid the need to wait on previously approved long lead time upgrades to be completed. By allowing the Interconnection Customer to resize their request at the end of the DISIS, the queue gets adjusted for the amount of generation that will be built in a timely manner, resulting in situations that are

\(^{11}\) Testimony at Section III.F.
positive for all parties involved.

Q. **Why is SPP changing the way extensions of Commercial Operation Date are evaluated?**

A. SPP has proposed Tariff revisions to specify that extensions of Commercial Operation Date of the Generating Facility beyond three (3) years are material modification. As stated earlier, SPP has seen problems with Interconnection Customers installing only a portion of their Generation Facility under their GIA. Currently the amount of generation, subject to GIAs, that has been partially built totals just under 1,200 MW. In SPP’s experience, this outstanding generation may remain partially built for years. As I discussed earlier, SPP must account for this partially built generation in its studies going forward and the result has been expensive Network Upgrades for lower-queued Interconnection Customers that may not have been needed if the interconnection capacity had been released by un-built generation. By allowing Interconnection Customers no more than 3 years of extension to build their generation, unused interconnection capacity can be released for use by lower-queued Interconnection Customers.

D. **DISIS REVIEW PERIOD**

Q. **Are the open seasons changing?**

A. No. An open season will remain 6 months in durations. SPP did add a 30-day DISIS Review Period following the close of the season to allow SPP time to work with Interconnection Customers to review Interconnection Requests and cure any deficiencies in applications.
Q. Please describe the DISIS Review Period.

A. The new process would delay the start of the study for 30 days after the close of the open season window. During this 30-day period, preliminary work would begin by SPP, but the study would not begin in earnest. Applications would be validated by SPP and material deficiency notices would be submitted to customers for remedy. Also, scoping meetings would be held during this period. No new Interconnection Requests would be accepted during this timeframe for purposes of inclusion in the related DISIS. Any Interconnection Requests that have not met all the requirements or cured any material deficiencies will be removed from the DISIS Queue at the end of the 30 days. SPP will notify an Interconnection Customer of any deficiencies that would warrant removal and give the Customer the minimum of the currently allowed 15 business days to cure the deficiency or 30 calendar days after the window closes.

Q. Why was the DISIS Review Period added to the process?

A. Currently at the close of an open season, SPP finds itself spending a great deal of time working with Interconnection Customers to resolve deficiencies with Interconnection Requests before SPP is able to begin conducting the DISIS. This DISIS Review Period should also give ample time to schedule scoping meetings that have in the past been skipped by Interconnection Customers who proceeded directly into the DISIS stage.

E. DISIS STUDY DEPOSITS AND MILESTONES

Q. Did SPP change the study deposit amounts for the DISIS Queue?

A. Yes.
Q. Why?
A. SPP is proposing to adjust its study deposits to better reflect the current cost of interconnection studies.

Q. Did SPP change milestones to enter the DISIS Queue?
A. Yes. SPP proposal is that the only non-technical milestone accepted to enter the DISIS Queue is a payment of security equal to $1000/MW of the plant size. This represents a reduction in the present milestone of $2000/MW of the plant size, but also removes the other options currently available to enter the DISIS.

Q. Why?
A. SPP’s experience has shown that the current milestones required to enter a DISIS request, discussed in Section II above, are not indicative of the viability of a generator interconnection project. SPP has found that the most indicative measure of a generator project’s viability has been the ability to meet financial milestones. Furthermore, a milestone based on the size of the Interconnection Request is beneficial as it requires customers to correctly size their Interconnection Requests on the front end and discourages the holding of interconnection capacity that will not be used.

Q. Is the DISIS security payment refundable?
A. Yes. The security payment is refundable at Commercial Operation of the Generating Facility or if the Interconnection Request is withdrawn before the Interconnection Facilities Study Agreement is executed.

Q. Is SPP proposing to change any of the technical milestones to enter the DISIS?
A. No, the Interconnection Customer is still required to provide all technical
parameters of its Generating Facility at the time the DISIS begins.

F. DISIS STUDY PROCEDURES

Q. Please describe the changes to the DISIS study procedures.

A. The DISIS study procedures are being enhanced in several ways. First, Interconnection Requests will be studied with in-service projects queued ahead of them as well as any Interconnection Requests that have proceeded to the Interconnection Facilities Study under the new process. Interconnection Requests that have not proceeded to the Interconnection Facilities Study will not be considered as higher-queued projects. They will be included in the DISIS study as equally-queued projects. In other words, any request for generator interconnection will remain in the DISIS phase until that customer is prepared to commit to the Interconnection Facilities Study. This results in one DISIS cluster and all Interconnection Requests that are in the DISIS study have the same queue priority. For the DISIS, this process will allow SPP to continually refine the upgrades necessary to accommodate all generation in the DISIS Queue. Currently, certain clusters may be assigned large expensive upgrades for interconnection while a subsequent cluster may face no upgrades at all. By studying all pending Interconnection Requests in the same cluster, upgrades can be optimized and costs may be shared more appropriately if for some reason all generators decided to build their Generating Facilities at the same time.

Interconnection Requests that do not progress to the Interconnection Facilities Study may remain in the DISIS cluster or they may choose to withdraw their
Interconnection Request. At the time of their withdrawal, the Interconnection Customer will receive a refund of their DISIS non-technical milestone and their unused study deposits. The Interconnection Customer would then be able to re-enter the DISIS at the next study cycle with a new Initial Queue Position.

Second, the DISIS will consist of two different studies. The first part of the study will be similar as it is done today- studying all Interconnection Requests that are queued equally together with higher-queued projects also considered. This is called the “Cluster Scenario.” SPP’s experience has shown that this scenario will result in large amounts of upgrades, the cost of which will be shared among multiple Interconnection Customers. The second part of the DISIS will be performed under the “Stand Alone Scenario.” The Stand Alone Scenario will assume the Interconnection Customer’s Interconnection Request is the only request that will move forward into the Interconnection Facilities Study. This study should give the Interconnection Customer more realistic answers for interconnecting assuming it is ready to move forward with its project.

Third, in the case that additional upgrades are required in the Stand Alone Scenario, SPP will also perform a Limited Operation Scenario to give the Interconnection Customer the availability of interconnection service prior to the completion of Network Upgrades beyond what is needed at the interconnection substation. Under the new provisions for modifications, the Interconnection Customer will also have the option of reducing the size of its Interconnection Request.
Finally, SPP will begin a Facilities Analysis at the start of the DISIS study. This Facilities Analysis will be similar to an Interconnection Facilities Study performed today, but will only be for facilities at the Point of Interconnection. By performing this new Facilities Analysis earlier in the process, the Transmission Owners are engaged earlier in the process and will provide better and more informative estimates at the DISIS stage. This is expected to streamline the completion of the Interconnection Facilities Study.

G. INTERCONNECTION FACILITIES STUDY

Q. What happens at the completion of the DISIS?

A. The DISIS study will be posted for the Interconnection Customer. The results of the Cluster Scenario will primarily be for informational purposes. The Interconnection Customer will have the following options regarding the Stand Alone Scenario:

1. If the study indicates that Interconnection Service can be immediately granted under the Stand Alone Scenario, or requires only Network Upgrades that the Interconnection Customer is required to fund, the Customer will be tendered an Interconnection Facilities Study Agreement;

2. If the study indicates that Interconnection Service requires additional Network Upgrades that are being funded by another entity, the Interconnection Customer will receive a Limited Operation Interconnection Facilities Study Agreement which will be described in more detail later in my testimony.

   a. The Interconnection Customer may choose to modify its Interconnection
Request by reducing the amount of the Interconnection Request so that Limited Operation is not required; or

3. The Interconnection Customer may choose to not execute either the Interconnection Facilities Study Agreement or the Limited Operation Interconnection Facilities Study Agreement and either remain in the DISIS or withdraw from the Queue.

Q. What are the new requirements to move into the Interconnection Facilities Study?

A. The primary changes to the Interconnection Facilities Study Agreement are the non-technical milestones to enter the Facilities Study Agreement and the process for how SPP will deal with Interconnection Requests that require Previously Approved Network Upgrades such as the Priority Projects.

Q. What are the new non-technical milestone requirements?

A. The non-technical milestones to enter the Interconnection Facilities Study are proposed to be changed to require additional financial security equal to $3,000/MW of the plant size ($4,000/MW total when combined with the $1,000/MW DISIS security payment) of the Interconnection Requests. Examples of fees and study and milestone deposits are shown in Table 3. There are no proposed caps on the size of deposits. Again, the goal of the new process is to ensure that viable projects move forward into the Interconnection Facilities Study. The proposed deposit structure should accomplish this. The size of the deposit based on the size of the Interconnection Request will encourage Interconnection
Customers to correctly size their request and not to request more Interconnection Service than they can practically build.

Table 3. Deposit Structure

<table>
<thead>
<tr>
<th>Request</th>
<th>Application Fee</th>
<th>DISIS Study Deposit</th>
<th>DISIS Milestone Deposit</th>
<th>Interconnection Facilities Study Milestone Deposit</th>
<th>Total Fees &amp; Deposits</th>
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<td>10 MW</td>
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Q. Why did SPP change the milestones for entering the Interconnection Facilities Study?

A. As with the DISIS, the current choices of non-monetary milestones and requirements to enter the Facilities Study have not shown to be indicative of projects that will be built. A deposit based on size of the generator, rather than on cost of Network Upgrades, was considered appropriate because of issues experienced with previously approved upgrades as discussed earlier in my testimony. Many stakeholders, including many wind developers, favored a higher deposit total than what was ultimately adopted, while few if any favored a lower amount. Many generator developers have recognized the same issue as

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12 Current requirements to enter the Facilities Study track the requirements to enter the DISIS with the exception that an option to provide financial security equal to Customer’s shared upgrades replaces the option of $2,000/MW of plant size.
SPP that speculative projects are not only causing problems administering the queue but are preventing their viable projects from moving forward. The deposit, based on the size of the Interconnection Request, will encourage Interconnection Customers to correctly size their request and not to request more Interconnection Service than they can practically build.

In addition, SPP’s experience has been that what really distinguishes projects that will go forward from ones that will not is how well they are financed. Further, the ability to meet a cash milestone is easily determined and SPP will not need to expend resources beyond determining whether the deposit has been provided.

Q. Are these milestone payments refundable?

A. Yes. The milestone payment may be refundable if the Interconnection Request is withdrawn prior to the execution of a GIA unless (1) the withdrawal of the Interconnection Request is determined by SPP to cause increased facility upgrade costs to any Interconnection Customer in the Interconnection Facilities Queue and (2) the total Network Upgrade costs estimates in the Interconnection Facilities Study increased by less than 25% over the Network Upgrade costs estimates in the DISIS for the withdrawing Interconnection Customer.

Following the execution of a GIA, the security deposit shall be applied toward the cost of constructing any Network Upgrades and Interconnection Facilities identified in the GIA. Any remaining funds shall be refunded to the Interconnection Customer following the Commercial Operation Date, or
Q. What happens if more than one Interconnection Customer moves into the Interconnection Facilities Study in the same study cycle?

A. First, it will be determined whether the Interconnection Customers that have opted to move forward into the Interconnection Facilities Study are impacted by each other. If there are no impacts between the two projects, both projects may move forward into the Interconnection Facilities Study. If it is determined that there are common impacts between the projects, a restudy of the DISIS for the affected projects will be performed during the Interconnection Facilities Study. The affected projects will receive new cost allocations and/or Limited Operation availability amounts. The Interconnection Customers will then need to determine if they still wish to move forward into the Interconnection Facilities Study or remain in the DISIS.

H. PREVIOUSLY APPROVED NETWORK UPGRADES

Q. How does SPP propose to address Interconnection Customers’ requests that are dependent upon Previously Approved Network Upgrades?

A. As discussed earlier, SPP routinely faces the issue of an Interconnection Customer signing a GIA that has Network Upgrade requirements for Previously Approved Network Upgrades. In the past, these upgrades have included the Priority Projects and Balanced Portfolio projects, identified through SPP’s Transmission Planning Process in Attachment O to the SPP Tariff. In the future, SPP expects that ITP upgrades will be identified as Previously Approved Network Upgrades. An Interconnection Customer is not expected to place their generation in-service in
an expedited manner if the Interconnection Customer is waiting for construction of required Network Upgrades to be completed. As discussed earlier, this presents problems because an Interconnection Customer may execute a GIA but not have any financial obligations for several months or years.

SPP proposes the following to alleviate this issue. At the completion of the DISIS, if the Interconnection Customer is identified as needing a Previously Approved Network Upgrade, the following will occur: (1) based on the Interconnection Customer’s requested operation date in their Interconnection Request, SPP will apply the Tariff allowed delay of three years to the in-service date; (2) if the three year delay in in-service date still does not allow for the upgrades to be complete, the Customer will be notified that the system is not ready and will not receive an Interconnection Facilities Study Agreement. The Customer will then have the following options:

a. The Interconnection Customer can remain in the DISIS or can withdraw from the queue and enter again at a later date; or

b. The Interconnection Customer may modify its Interconnection Request to reduce its generator size to receive an Interconnection Facilities Study; or

c. The Interconnection Customer may continue to move forward into the Interconnection Facilities Study and GIA as if the upgrade was not identified. However, they may only operate under a Limited Operation up to a maximum amount of generation. This amount will be identified in the

---

13 One in which a Notification to Construct has already been issued but is not yet in-service.
14 See Proposed Tariff at Attachment V, Section 4.4.4.
DISIS. This limited maximum amount will be in effect until the Network Upgrades can be put into place and is conditional on:

1. All other requirements of the process being met;

2. The Interconnection Customer authorizing engineering, procurement, and construction of its Network Upgrades and Interconnection Facilities no later than 30 days after the effective date of the GIA; and

3. Consistent with the current Tariff, if the Network Upgrades can be feasibly accelerated to better align with the Interconnection Customer’s needs, the Interconnection Customer will be assigned the acceleration charge for an earlier in-service date. If construction of the upgrade has already begun, acceleration may not be considered feasible. SPP will not require acceleration of the upgrade (even if feasible) if the Customer is deemed able to interconnect at least 75% of its nameplate generation without the upgrade being accelerated.

Q. In subsection 3 above, you mentioned acceleration. Please explain the process for accelerating a previously approved upgrade?

A. Current GIP Section 12.2.3 allows for acceleration of Network Upgrades that are part of the SPP Transmission Expansion Plan. If SPP determines that a Network Upgrade can be accelerated, the Customer is to be charged those acceleration costs to meet their in-service date. The most pertinent example of a Network Upgrade that can be accelerated is one that has yet to begin engineering or design
work. Network Upgrades that are already under construction that can accelerated only by compressing the construction schedule at additional costs would not be considered feasible in this context. Such acceleration in those instances would be at the Customer’s option.

IV. SPP’S PROPOSED REVISIONS TO THE GENERATOR INTERCONNECTION AGREEMENT

Q. Is SPP proposing any changes to its GIA?
A. Yes.

Q. Please describe.
A. The changes to the GIA include provisions for 1) terminating the GIA or revising the GIA if any portion of the Generating Facility fails to achieve Commercial Operation for three (3) consecutive years, 2) addressing delays in construction of Network Upgrades, 3) clarifying restudy provisions, and 4) requiring an initial payment.

Q. Please describe the changes related to the termination of a GIA.
A. A provision is proposed to be added to the GIA that allows the Transmission Provider (or Interconnection Customer) to terminate the GIA or reduce the MW associated with the GIA if the generator does not build the generating facility or only builds a portion of the generating facility specified in the GIA within 3 years of the in-service date given in the GIA. The language also includes provisions for phased Interconnection Requests that were not initially proposed to be phased. For example, an Interconnection Customer requests a 500 MW generator but only installs 100 MW. The language in the GIA will address the extensions of the
remaining 400 MW. This provision will help terminate GIAs for projects with early queue positions and low upgrade costs that have not built their Generating Facilities. This will better facilitate Interconnection Customers that are ready to build their Generating Facilities but currently find themselves blocked by these higher-queued customers that have no commitment to build.

Q. How does the GIA address delays in constructing Network Upgrades?

A. The proposed language also includes provisions allowing a delay in the case that major Network Upgrades, such as long transmission lines, are delayed during the construction process and the timely interconnection of generation may not be possible. Six months after the completion of the Network Upgrade was determined in the SPP stakeholder process to be sufficient allowance for delay.

Q. How does the GIA address Interconnection Customer’s exposure to restudies?

A. Currently, SPP includes language addressing restudies as a note in Appendix A of the GIA.\textsuperscript{15} SPP is proposing to insert language into Article 11 of the GIA to more adequately address the Interconnection Customer’s exposure to restudies. To date, the primary cause for restudy is the withdrawal or termination of a GIA associated with a higher-queued project. While the new process is intended to greatly lower the exposure to restudy that lower-queued Interconnection Customers face, SPP determined that it would be beneficial to specifically address restudies in the GIA. The proposed language provides that restudies can occur under the following circumstances:

1) Withdrawal of a higher-queued Interconnection Request or termination of a GIA of a higher-queued Interconnection Request;

2) Changes in equipment design standards or reliability criteria; and

3) The Interconnection Customer has been by-passed by a lower-queued Interconnection Customer who has provided 100% payment of its Network Upgrades and Interconnection Facilities.

Q Please describe the initial payment that is required at the execution of the GIA.

A. SPP is proposing to insert language into the GIA that requires (1) a potentially non-refundable initial payment for the greater of a Letter of Credit for 20% of Interconnection Facilities and Network Upgrades upon execution of the GIA; or (2) previously provided milestone deposits ($4,000/MW) converted to non-refundable and required to be applied towards construction.

Q. How did SPP determine the amount for the initial payment?

During the SPP stakeholder process, many stakeholders felt that a larger initial payment, up to 100 percent of Interconnection Facilities and Network Upgrades was necessary, while others felt that it should be lower. This number represents a compromise reached among SPP’s stakeholders. The “greater of” amount of $4,000/MW of the size of the generator was added to address the situation where Network Upgrades assigned to the Interconnection Customer may be very low to non-existent, thus rendering the Customer with little commitment.

Q. What is the purpose of the initial payment?

A. This provision is intended to deter speculative requests from entering into a GIA.

As stated in Table 1, there have been a total of twenty-nine projects that have
voluntarily terminated their GIA, exceeded their allotted suspension time, or  
breached their GIA. Currently, there are fifty GIAs for 9,500 MW that have not  
placed any generation in service (as shown in Appendix 2) and most of those  
Interconnection Customers had no financial obligation for entering into a GIA.  
Under this new requirement, Interconnection Customers entering into a GIA are  
ready to start constructing their upgrades immediately so making a down payment  
of 20% of the Network Upgrades will not be an issue with these projects  
considering the amount of capital it takes to construct the Generating Facility.  

Q. Is the down payment refundable?  

A. Yes. If the GIA is later terminated before all funds are spent on Network  
Upgrades for the GIA, then any remaining funds will be refunded less:  

a. any funds that have been committed for the construction of the  
   Network Upgrades and Interconnection Facilities specified in  
   Appendix A of its GIA;  

b. any funds that have been committed for the construction of those  
   Shared Network Upgrades or to those Network Upgrades assigned  
   to another Interconnection Customer where such upgrade costs  
   would not have been assigned but for the termination of the GIA;  
   and  

c. any cost that has been incurred for the construction of those Shared  
   Network Upgrades or to those Network Upgrades that were paid  
   for by another Interconnection Customer that are now unnecessary  
   due to the termination of the GIA.
Withholding funds for b. and c. above is proposed since these funds will be used to offset costs for Network Upgrades paid by other Interconnection Customers that are now deemed unnecessary due to the termination of the GIA and has imposed undue cost on those Interconnection Customers.

Q. Please explain the provisions of GIA Articles 11.6.1 and 11.6.2 regarding the ability to convert this down payment to non-refundable?

A. These provisions are the final provisions to allow Interconnection Customers with viable projects to move forward toward building their project. These provisions are initiated by the action of a lower-queued Interconnection Customer. SPP will not initiate these provisions as a Transmission Provider. If a lower-queued customer feels that it is being unduly harmed in its ability to move through the interconnection process and is being allocated large amounts of costs for Network Upgrades due to a higher-queued customer not having a viable project, it may state its intent to move up in queue priority and use the existing capability of the Transmission System. This might occur when an Interconnection Customer goes through the Limited Operation Study process but is still informed of lack of capacity due to an earlier queued project which may have a GIA, but has made no commitment beyond the refundable down payment. To follow through on its intent, that Interconnection Customer must provide an initial payment of 100% of its Interconnection Facilities and Network Upgrades assigned to it (or the greater of $4,000/MW of the Interconnection Request) to move up in queue priority within the Interconnection Facilities Study Queue provided. To do so, the Interconnection Customer has already executed the Interconnection Facilities
Study Agreement for Limited Operation that authorizes construction of all
Network Upgrades within 30 days of execution of the GIA.

However, the higher-queued Interconnection Customer is given final choice when
confronted with this situation to maintain its current GIA. The Interconnection
Customer has the following options:

1) Do nothing. This will result in a restudy by SPP in accordance with
   Section 11.4 of the GIA and a new determination of Network Upgrade
costs.

2) Within 30 days, Interconnection Customer may state its intent to
   convert its initial payment already being held by SPP to non-
   refundable status. By doing so, the Interconnection Customer is
   authorizing the Transmission Owner to begin using the down payment
   for construction of Network Upgrades.

V. SPP’S PROPOSED REVISIONS WILL ADDRESS THE ISSUES WITH
THE CURRENT GENERATOR INTERCONNECTION PROCEDURES

Q. How will the proposed revisions address the issues SPP is currently facing?

A. The proposed revisions are intended to add more certainty to the interconnection
   process for Interconnection Customers that have real projects and have deadlines
   to meet their generator in-service dates. While the process established in the 2009
   Queue Reform was very successful in clearing the backlog of Interconnection
   Requests in the GI Queue that could not receive an Interconnection Study and
   getting GIAs finalized for those Interconnection Requests, the proposed process
in 2013 is intended to provide a clear path for a generator to place its Generating Facility into Commercial Operation. Changes to the DISIS procedures provide more flexibility and useful information to Interconnection Customers before they enter the Interconnection Facilities Study Queue. The provision to collapse all DISIS clusters into a single cluster will greatly reduce restudy time. Assigning queue priority to projects who have met all requirements to enter the Interconnection Facilities Study should prevent blockages in the queue, greatly simplify cluster studies, and reduce viable project’s exposure to restudy. The requirement to have Interconnection Customers who proceed to the Interconnection Facilities Study be ready to authorize construction of network upgrades at the completion of the GIA as well as providing financial milestones and an initial down payment at GIA execution should ensure that only non-speculative requests sign a GIA and therefore do not hold interconnection capacity captive.

Q. Does this conclude your testimony?

A. Yes.
State of Arkansas

County of Pulaski

AFFIDAVIT OF CHARLES G. HENDRIX

Charles G. Hendrix, being first duly sworn, deposes and says that he has read the foregoing “Testimony of Charles G. Hendrix on Behalf of Southwest Power Pool, Inc.,” that he is familiar with the contents thereof, and that the matters and things set forth therein are true and correct to the best of his knowledge, information and belief.

Charles G. Hendrix

Subscribed and sworn to before me this 20th day of December, 2013.

Michelle Harris
Notary Public

My commission expires: 04-01-2018
Appendix 1

GIAs through DISIS-2010-002 with dependencies on Priority Projects
<table>
<thead>
<tr>
<th>ID#</th>
<th>MW</th>
<th>Fuel</th>
<th>Effective Date of GIA</th>
<th>Current Status of GIA</th>
<th>Date Terminated (if terminated)</th>
<th>Amount Presently in Service</th>
<th>GIA In Service Date</th>
<th>GIA In Service Amount</th>
<th>Network Upgrade and Interconnection Facilities Costs</th>
<th>Network Upgrade costs paid by Customer as of 11/1/2013</th>
<th>Percentage of Network Upgrade costs paid by Customer as of 11/1/2013</th>
<th>Dependencies (Y/N) on Priority Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>GIA #1</td>
<td>205.5 Wind</td>
<td>2/15/2013 Active</td>
<td>10/1/2015</td>
<td>0.00</td>
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<td>40.00%</td>
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<td>$2,564,167</td>
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Appendix 2

Executed GIAs that have not reached Commercial Operation
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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 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 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.

Breach shall mean the failure of a Party to perform or observe any material term or condition of the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable.

Breaching Party shall mean a Party that is in Breach of the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable.

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 is studied together, instead of serially, for the purpose of conducting the Interconnection Studies.
**Commercial Operation** shall mean the status of a 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 commences Commercial Operation as agreed to by the Parties pursuant to Appendix E to the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable.

**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.

**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.

**Default** shall mean the failure of a Breaching Party to cure its Breach in accordance with Article 17 of the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable.

**Definitive Interconnection System Impact Study** shall mean an engineering study that evaluates the impact of the proposed interconnection on the safety and reliability of 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 a Preliminary Interconnection System Impact Study or that may be caused by the withdrawal or addition of an Interconnection Request, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Generator Interconnection Procedures.

**Definitive Interconnection System Impact Study Agreement** shall mean the form of agreement contained in Appendix 3A of the Generator Interconnection Procedures for conducting the Definitive Interconnection System Impact Study.

**Definitive Interconnection System Impact Study Queue** shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for a Definitive Interconnection System Impact Study.

**Dispute Resolution** shall mean the procedure in Section 12 of the Tariff 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 Owner’s facilities and equipment that are not included in the Transmission System. The voltage levels at which Distribution Systems operate differ among areas.
**Distribution Upgrades** shall mean the additions, modifications, and upgrades to the 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 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 the Transmission System, or the electric systems of others to which the Transmission Provider's Transmission System is directly connected; or (3) that, in the case of Transmission Owner, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to Transmission Owner’s Interconnection Facilities; or (4) 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 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 System to be eligible to deliver the Generating Facility's electric output using the existing firm or nonfirm capacity of the 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 Owner 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.


**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 of electricity identified in the Interconnection Request, but shall not include the Interconnection Customer's Interconnection Facilities.

**Generating Facility Capacity** shall mean the net capacity of the Generating Facility and the aggregate net capacity of the Generating Facility where it includes multiple energy production devices.

**Generator Interconnection Agreement (GIA)** shall mean the form of interconnection agreement applicable to an Interconnection Request pertaining to a Generating Facility that is included in Appendix 6 to these Generator Interconnection Procedures.

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

**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, Transmission Owner 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.

**Initial Queue Position** shall mean the order of a valid Interconnection Request, relative to all other pending valid Interconnection Requests. The Initial Queue Position is established based upon the date and time of receipt of the valid Interconnection Requests by Transmission Provider.
**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 Owner’s Interconnection Facilities to obtain back feed power.

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

**Interconnection Customer's Interconnection Facilities** shall mean all facilities and equipment, as identified in Appendix A of the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable, 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 System. Interconnection Customer's Interconnection Facilities are sole use facilities.

**Interconnection Facilities** shall mean the Transmission Owner’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 System. Interconnection Facilities are sole use facilities and shall not include Distribution Upgrades, Stand Alone Network Upgrades or Network Upgrades.

**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 Owner's Interconnection Facilities and Network Upgrades as identified in the Definitive Interconnection System Impact Study), the cost of those facilities, and the time required to interconnect the Generating Facility with the Transmission System. The scope of the study is defined in Section 8 of the Generator Interconnection Procedures.

**Interconnection Facilities Study Agreement** shall mean the form of agreement contained in Appendix 4 of the Generator Interconnection Procedures for conducting the Interconnection Facilities Study.

**Interconnection Facilities Study Queue** shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for an 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 System, the scope of which is described in Section 6 of the Generator Interconnection Procedures.

**Interconnection Feasibility Study Agreement** shall mean the form of agreement contained in Appendix 2 of the Generator Interconnection Procedures for conducting the Interconnection Feasibility Study.
**Interconnection Feasibility Study Queue** shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for an Interconnection Feasibility Study.

**Interconnection Queue Position** shall mean the order of a valid Interconnection Request within the Interconnection Facilities Study Queue, relative to all other pending valid Interconnection Requests within the Interconnection Facilities Study Queue, which is established based upon the requirements in Section 4.1.3.

**Interconnection Request** shall mean an Interconnection Customer's request, in the form of Appendix 1 to the 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 System.

**Interconnection Service** shall mean the service provided by the Transmission Provider associated with interconnecting the Interconnection Customer's Generating Facility to the 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 Generator Interconnection Agreement and, if applicable, the Tariff.

**Interconnection Study** shall mean any of the following studies: the Interconnection Feasibility Study, the Preliminary Interconnection System Impact Study, the Definitive Interconnection System Impact Study, the Interim Availability Interconnection System Impact Study, and the Interconnection Facilities Study described in the Generator Interconnection Procedures.

**Interconnection Study Agreement** shall mean any of the following agreements: the Interconnection Feasibility Study Agreement, the Preliminary Interconnection System Impact Study Agreement, the Definitive Interconnection System Impact Study Agreement, the Interim Availability Interconnection System Impact Study Agreement, and the Interconnection Facilities Study Agreement described in the Generator Interconnection Procedures.

**Interim Availability Interconnection System Impact Study** shall mean an engineering study that evaluates the impact of the proposed interconnection on the safety and reliability of the Transmission System and, if applicable, an Affected System for the purpose of providing Interim Interconnection Service. The study shall identify and detail the system impacts that would result if the Generating Facility were interconnected without project modifications or system modifications on an interim basis.

**Interim Availability Interconnection System Impact Study Agreement** shall mean the form of agreement contained in Appendix 5 of the Generator Interconnection Procedures for conducting the Interim Availability Interconnection System Impact Study.

**Interim Generator Interconnection Agreement (Interim GIA)** shall mean the form of interconnection agreement applicable to an Interconnection Request pertaining to a Generating Facility to allow interconnection to the Transmission System prior to the completion of the Interconnection Study process.
**Interim 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 Interim Generator Interconnection Agreement and, if applicable, the Tariff.

**IRS** shall mean the Internal Revenue Service.

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

**Limited Operation Interconnection Facilities Study Agreement** shall mean the form of agreement contained in Appendix 4A of the Generator Interconnection Procedures for conducting the Interconnection Facilities Study.

**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 another Party's performance, or non-performance of its obligations under the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable, on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnifying Party.

**Material Modification** shall mean those modifications that have a material impact on the cost or timing of any Interconnection Request with a later Queue priority date.

**Metering Equipment** shall mean all metering equipment installed or to be installed at the Generating Facility pursuant to the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable, 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 Corporation 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 Generating Facility with the Transmission System in a manner comparable to that in which the Transmission Owner integrates its generating facilities to serve Native Load Customers as a Network Resource. 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 System required at or beyond the point at which the Interconnection Facilities
connect to the Transmission System to accommodate the interconnection of the Generating Facility to the Transmission System.

**Notice of Dispute** shall mean a written notice of a dispute or claim that arises out of or in connection with the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable, or its performance.

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

**Point of Change of Ownership** shall mean the point, as set forth in Appendix A to the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable, where the Interconnection Customer's Interconnection Facilities connect to the Transmission Owner's Interconnection Facilities.

**Point of Interconnection** shall mean the point, as set forth in Appendix A to the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable, where the Interconnection Facilities connect to the Transmission System.

**Preliminary Interconnection System Impact Study** shall mean an engineering study that evaluates the impact of the proposed interconnection on the safety and reliability of 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 an Interconnection Feasibility Study or that may be caused by an Interconnection Request, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Generator Interconnection Procedures.

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

**Preliminary Interconnection System Impact Study Queue** shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for a Preliminary Interconnection System Impact Study.

**Previous Network Upgrade** shall mean a Network Upgrade that is needed for the interconnection of one or more Interconnection Customers’ Generating Facilities, where the Interconnection Customer is not responsible for the cost and which is identified in Appendix A of the Generator Interconnection Agreement.

**Queue** shall mean the Interconnection Feasibility Study Queue, the Preliminary Interconnection System Impact Study Queue, the Definitive Interconnection System Impact Study Queue, or the Interconnection Facilities Study Queue, as applicable.

**Reasonable Efforts** shall mean, with respect to an action required to be attempted or taken by a Party under the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable, 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.
**Scoping Meeting** shall mean the meeting between representatives of the Interconnection Customer, Transmission Owner 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.

**Shared Network Upgrade** shall mean a Network Upgrade listed in Appendix A of the Generator Interconnection Agreement that is needed for the interconnection of multiple Interconnection Customers’ Generating Facilities where such Interconnection Customers share the cost.

**Site Control** shall mean documentation reasonably demonstrating: (1) ownership of, a leasehold interest in, or a right to develop a site of sufficient size for the purpose of constructing the Generating Facility; (2) an option to purchase or acquire a leasehold site of sufficient size 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 of sufficient size for such purpose

**Small Generating Facility** shall mean a Generating Facility that has an aggregate net Generating Facility Capacity of no more than 2 MW.

**Stand Alone Network Upgrades** shall mean Network Upgrades that an Interconnection Customer may construct without affecting day-to-day operations of the Transmission System during their construction. The Transmission Provider, Transmission Owner and the Interconnection Customer must agree as to what constitutes Stand Alone Network Upgrades and identify them in Appendix A to the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable.

**System Protection Facilities** shall mean the equipment, including necessary protection signal communications equipment, required to protect (1) the 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 System or on other delivery systems or other generating systems to which the 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 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 Owner's Interconnection Facilities shall mean all facilities and equipment owned, controlled, or operated by the Transmission Owner from the Point of Change of Ownership to the Point of Interconnection as identified in Appendix A to the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable, including any modifications, additions or upgrades to such facilities and equipment. Transmission Owner's Interconnection Facilities are sole use facilities and shall not include Distribution Upgrades, Stand Alone Network Upgrades or Network Upgrades.

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.
Section 3. Interconnection Requests

3.1 General.

An Interconnection Customer shall submit to Transmission Provider an Interconnection Request in the form of Appendix 1 to this GIP and the deposit along with the other items in Section 3.3.1 of these Generator Interconnection Procedures. Transmission Provider shall apply the deposit toward the cost of the applicable 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.

3.2 Identification of Types of Interconnection Services.

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.

3.2.1 Energy Resource Interconnection Service.

3.2.1.1 The Product. Energy Resource Interconnection Service allows Interconnection Customer to connect the Generating Facility to the Transmission System and be eligible to deliver the 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.

3.2.1.2 The Study. The study consists of short circuit/fault duty, 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 Generating Facility and would also identify the maximum allowed output, at the time the study is performed, of the interconnecting Generating Facility without requiring additional Network Upgrades.

3.2.2 Network Resource Interconnection Service.

3.2.2.1 The Product. Transmission Provider must conduct the necessary studies and the Transmission Owner construct the Network Upgrades needed to integrate the Generating Facility in a manner comparable to that in which Transmission Owner integrates its generating facilities to serve Native Load Customers as Network Resources. Network Resource Interconnection Service allows Interconnection Customer's Generating Facility to be designated as a Network Resource, up to the 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.

3.2.2.2 The Study. The Interconnection Study for Network Resource Interconnection Service shall assure that Interconnection Customer's Generating Facility meets the requirements for Network Resource Interconnection Service and as a general matter, that such Generating Facility's interconnection is also studied with Transmission System at peak load, under a variety of severely stressed conditions, to determine whether, with the Generating Facility at full output, the aggregate of generation in the local area can be delivered to the aggregate of load on Transmission System, consistent with Applicable Reliability Standards. This approach assumes that some portion of existing Network Resources are displaced by the output of Interconnection Customer's 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.

3.3 Valid Interconnection Request.

3.3.1 Initiating an Interconnection Request.
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 1, and (iii) demonstration of Site Control; provided, however, demonstration of Site Control is not required for inclusion of an Interconnection Request in the Interconnection Feasibility Study Queue. Specifications for acceptable site size for the purpose of demonstrating Site Control are posted on the Transmission Provider’s website, available at: http://sppoasis.spp.org/documents/swpp/transmission/studies/Interconnection%20Request%20Guidelines%20for%20Posting.pdf; Interconnection Customer may propose an alternative site size for Transmission Provider approval. Transmission Provider shall approve a demonstration of Site Control with an alternative site size when the Interconnection Customer submits to Transmission Provider a final layout drawing of the Generating Facility that includes at a minimum: (i) the spacing and number of turbines; (ii) the cable requirements to interconnect the individual turbines to the collector substation and the cable requirements from the collector substation to the interconnection substation; (iii) the resistance and impedance measurements of the interconnecting cable and (iv) acknowledgment by Interconnection Customer that the layout drawing is intended to be final and not subsequently substantially changed. Interconnection Customer may modify the layout drawing of a project until it submits an Interconnection Request into the Definitive Interconnection System Impact Study Queue (“DISIS Queue”). Once an Interconnection Request has been submitted in the DISIS Queue, and Transmission Provider has approved the final layout drawing and demonstration of Site Control, any subsequent change to the design of the Generating Facility as depicted in the layout drawing will be subject to Section 4.4 and will be evaluated to determine whether the change constitutes a Material Modification under Section 4.4. Deposits provided pursuant to this section shall be applied toward any Interconnection Studies pursuant to the Interconnection Request.

The expected In-Service Date of the new 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 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 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.

3.3.2 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.

### 3.3.3 Deficiencies in Interconnection Request.

An Interconnection Request will not be considered to be a valid request until all items in Section 3.3.1 have been received by Transmission Provider; provided however, that demonstration of Site Control is not required for inclusion of an Interconnection Request in the Interconnection Feasibility Study Queue. If an Interconnection Request fails to meet the requirements set forth in Section 3.3.1, 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. In the event that Transmission Provider discovers or verifies a deficiency later in the GIP process, Transmission Provider will notify Interconnection Customer as soon as practicable. 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 3.3.3 shall be treated in accordance with Section 3.6.

### 3.3.4 Scoping Meeting.

Within ten (10) Business Days after receipt of a valid Interconnection Request, Transmission Provider shall establish a date agreeable to the Transmission Owner and the 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, Transmission Owner and Interconnection Customer shall provide 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, Transmission Owner and Interconnection Customer will also make available 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 6.1, and one or
more available alternative Point(s) of Interconnection. The duration of the
meeting shall be sufficient to accomplish its purpose.

3.4 OASIS Posting.

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 Initial Queue Position, and Interconnection
Queue Position, as 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. The
list will not disclose the identity of Interconnection Customer until
Interconnection Customer executes a GIA or requests that Transmission Provider
file an unexecuted GIA with FERC. Transmission Provider shall post to its
OASIS site any deviations from the study timelines set forth herein. Interconnection Study reports and Re-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
Generating Facility's In-Service Date.

3.5 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 GIP.
Transmission Provider will include such Affected System Operators in all
meetings held with Interconnection Customer as required by this GIP.
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.

3.6 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 GIP, except as
provided in Section 13.5 (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 Initial Queue Position or Interconnection Queue Position, as applicable, and the forfeiture of milestone deposits provided in Sections 8.2 and 8.9, as applicable. If an Interconnection Customer disputes the withdrawal and loss of its Initial Queue Position or Interconnection Queue Position, then during Dispute Resolution, Interconnection Customer's Interconnection Request is eliminated from the applicable Queue until such time that the outcome of Dispute Resolution would restore its Initial Queue Position or Interconnection 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 list of Interconnection Requests and (ii) refund to Interconnection Customer any portion of Interconnection Customer's deposit or study payments that exceeds 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 13.1, 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.
Section 4. Interconnection Request Evaluation Process

4.1 Queue Position.

4.1.1 The Transmission Provider shall assign an Initial Queue Position to each Interconnection Request based on the date and time of receipt of the valid Interconnection Requests; 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 3.3.3, then Transmission Provider shall assign Interconnection Customer an Initial Queue Position based on the date the application form was originally submitted to the Transmission Provider. The Initial Queue Position of each Interconnection Request will be used solely as an identifier for the Interconnection Request.

a. All Interconnection Requests within the Interconnection Feasibility Study Queue (“Feasibility Queue”) shall have equal priority.

b. All Interconnection Requests within the Preliminary Interconnection System Impact Study Queue (“PISIS Queue”) shall have equal priority.

c. All Interconnection Requests within the DISIS Queue shall have equal priority.

4.1.2 The Transmission Provider shall assign an Interconnection Queue Position for Interconnection Requests within the Interconnection Facilities Study Queue based upon the date and time the Interconnection Customer satisfies all of the requirements of Section 8.9 to enter an Interconnection Facilities Study. The priority of the Interconnection Queue Position of each Interconnection Request as determined in Section 4.1.3 will be used to determine the order of performing the Interconnection Facilities Studies and determination of cost responsibility for the facilities necessary to accommodate the Interconnection Request.

4.1.3 An Initial Queue Position in the PISIS Queue shall be deemed higher than all Initial Queue Positions in the Feasibility Queue. An Initial Queue Position in the DISIS Queue shall be deemed higher than all Initial Queue Positions in the PISIS Queue. Once an Interconnection Customer has met all requirements for an Interconnection Facilities Study, including the execution of a Interconnection Facilities Study Agreement or a Limited Operation Interconnection Facilities Study Agreement, its Interconnection Queue Position shall be deemed higher than those in the DISIS Queue. A higher queued Interconnection Request in the Interconnection Facilities Study Queue is one that has been placed “earlier” in the Interconnection Facilities Study Queue in relation to another Interconnection Request.
shall be considered to be placed in the Interconnection Facilities Study Queue at the same time if the Interconnection Requests were studied in the same Definitive Interconnection System Impact Study and each meets the requirements of Section 8.9 following the completion of that study. Moving a Point of Interconnection shall result in a lowering of Interconnection Queue Position if it is deemed a Material Modification under Section 4.4.3.

4.2 General Study Process.

4.2.1 Feasibility Queue Study Procedures.

The Transmission Provider shall accept Interconnection Requests for Interconnection Feasibility Studies during a ninety (90) Calendar Day period, hereinafter referred to as the "Feasibility Queue Cluster Window", every (90) Calendar Days. Following the close of the Feasibility Queue Cluster Window, the Transmission Provider shall complete the study of valid Interconnection Requests within the Feasibility Queue during the (90) Calendar Day period following the close of the Feasibility Queue Cluster Window as described under Section 6.3. The Transmission Provider shall, without regard to Interconnection Queue Position, simultaneously study two or more valid Interconnection Requests within the Feasibility Queue on the basis of geographic location and proposed electrical interconnection as specified in the Interconnection Requests in a non-discriminatory manner without regard to the nature of the underlying Interconnection Service, whether Energy Resource Interconnection Service or Network Resource Interconnection Service (“Cluster Study”). The Initial Queue Position of an Interconnection Request shall have no bearing on the allocation of the cost of the common upgrades identified in a Cluster Study.

The Transmission Provider may study an Interconnection Request separately to the extent warranted by Good Utility Practice based upon the electrical remoteness of the proposed Generating Facility. The Transmission Provider shall study individual Interconnection Requests within the Feasibility Queue not included within a Cluster Study based upon Initial Queue Position without regard to the nature of the underlying Interconnection Service, whether Energy Resource Interconnection Service or Network Resource Interconnection Service.

4.2.2 PISIS Queue Study Procedures.

The Transmission Provider shall accept Interconnection Requests for Preliminary Interconnection System Impact Studies during a one-hundred-eighty (180) Calendar Day period, hereinafter referred to as the "PISIS Queue Cluster Window", every one-hundred-eighty (180) days. Following the close of the PISIS Queue Cluster Window, the Transmission Provider shall complete the study of valid Interconnection Requests within the PISIS Queue in accordance with the timeline specified in Section 7.4. The Transmission Provider shall, without regard to Initial Queue Position, simultaneously study two or more valid
Interconnection Requests within the PISIS Queue on the basis of geographic location and proposed electrical interconnection as specified in the Interconnection Requests in a non-discriminatory manner without regard to the nature of the underlying Interconnection Service, whether Energy Resource Interconnection Service or Network Resource Interconnection Service (“Cluster Study”). The Initial Queue Position of an Interconnection Request shall have no bearing on the allocation of the cost of the common upgrades identified in a Cluster Study.

The Transmission Provider may study an Interconnection Request separately to the extent warranted by Good Utility Practice based upon the electrical remoteness of the proposed Generating Facility.

The Transmission Provider shall study individual Interconnection Requests within the PISIS Queue not included within a Cluster Study based upon Initial Queue Position without regard to the nature of the underlying Interconnection Service, whether Energy Resource Interconnection Service or Network Resource Interconnection Service.

Cluster Studies performed within the Preliminary Interconnection System Impact Study phase 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.

4.2.3 DISIS Queue Study Procedures.

The Transmission Provider shall accept Interconnection Requests for Definitive Interconnection System Impact Studies during a one-hundred-eighty (180) Calendar Day period, hereinafter referred to as the "DISIS Queue Cluster Window", every one-hundred-eighty (180) days. The one-hundred-eighty (180) Calendar Day period shall begin two-hundred-ten (210) days prior to the beginning of the Definitive Interconnection System Impact Study. Following the close of the DISIS Queue Cluster Window, there shall be a 30 Calendar Day review period “DISIS Review Period” to resolve any deficiencies in the Interconnection Requests received during the DISIS Queue Cluster Window. Following the DISIS Review Period, the Transmission Provider shall complete the study of valid Interconnection Requests within the DISIS Queue in accordance with the timeline specified in Section 8.5. The Transmission Provider shall simultaneously study two or more valid Interconnection Requests within the DISIS Queue on the basis of geographic location and proposed electrical interconnection as specified in the Interconnection Requests in a non-discriminatory manner without regard to the nature of the underlying Interconnection Service, whether Energy Resource Interconnection Service or Network Resource Interconnection Service (“Cluster Study”).

The Transmission Provider may study an Interconnection Request separately to the extent warranted by Good Utility Practice based upon the electrical
remoteness of the proposed Generating Facility. The Transmission Provider shall study individual Interconnection Requests within the DISIS Queue not included within a Cluster Study based upon Initial Queue Position without regard to the nature of the underlying Interconnection Service, whether Energy Resource Interconnection Service or Network Resource Interconnection Service.

Cluster Studies performed within the Definitive Interconnection System Impact Study phase 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.

4.2.4 Changes to Study Procedures.

The Feasibility Queue Cluster Window, the PISIS Queue Cluster Window and the DISIS Queue Cluster Window described in the following subsections have a fixed time interval based on fixed annual opening and closing dates.

Any changes to the established PISIS Queue Cluster Window 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 changes and continuing thereafter through the end date of the first queue cluster window that is to be modified.

Any changes to the established DISIS Queue Cluster Window 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 changes and continuing thereafter through the end date of the first queue cluster window that is to be modified.

Any changes to the established Feasibility Queue Cluster Window and opening or closing dates shall be announced with a posting on Transmission Provider's OASIS beginning at least ninety Calendar Days in advance of changes and continuing thereafter through the end date of the first queue cluster window that is to be modified.

4.2.5 Study Cost and Network Upgrade Cost Allocation.

The Transmission Provider shall determine each Interconnection Customer’s share of Interconnection Feasibility Study costs, Preliminary Interconnection System Impact Study costs and/or Definitive Interconnection System Impact Study cost by allocating 50% of the applicable study costs to Interconnection Customers pro-rata based on number of Interconnection Requests included in the applicable study and by allocating 50% of the applicable study costs to Interconnection Customers pro-rata based on requested MWs included in the applicable study.
For Network Upgrades identified in Cluster Studies, the Transmission Provider shall calculate each Interconnection Customer’s share of Network Upgrade costs in the following manner:

a. All Network Upgrades that are required to provide Interconnection Service for all Interconnection Requests included in a Cluster Study shall be included in a cluster cost allocation assessment group (“CCAAG”). The cost of each Network Upgrade component will be allocated to each Interconnection Customer in the CCAAG on a pro-rata impact basis as provided for in paragraph b below. With regard to the cost allocation, the Transmission Provider shall review all Network Upgrades and determine the earliest date that each upgrade is required to be in-service in order to provide the requested Interconnection Service (“Date Upgrade Needed”).

b. An allocation of the cost of each Network Upgrade to each Interconnection Customer shall be determined on a pro-rata basis for the positive incremental power flow impacts of the requested service on such Network Upgrade in proportion to the total of all positive incremental power flow impacts on such Network Upgrade. For each Network Upgrade identified, the average incremental power flow impact of each Interconnection Request in the Cluster Study shall be determined using each seasonal model available for the Cluster Study period during which the generating facility associated with the Interconnection Request is most likely to be generating at nameplate capacity, after the Date Upgrade Needed of such upgraded facility. Each impact amount shall be determined by first establishing a set of initial seasonal base cases that excludes flows associated with all requests included in the Cluster Study. Then each request will be added to the models and the change in flow across such Network Upgrades shall be determined for each request included in the Cluster Study. The cost of a Network Upgrade allocated to each request shall be proportional to the average positive incremental impact of each request on such Network Upgrade divided by the total average positive incremental impact of all requests included in the Cluster Study on such Network Upgrade. The cost of each Network Upgrade shall be allocated to requests independently. Incremental flows having a negative impact (counter flow) on a Network Upgrade shall be ignored.

4.3 Transferability of Queue Position.

An Interconnection Customer may transfer its Interconnection Queue Position or Initial 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.
4.4 Modifications.

Interconnection Customer shall submit to Transmission Provider, in writing, modifications to any information provided in the Interconnection Request. Interconnection Customer shall retain its Interconnection Queue Position if the modifications are in accordance with Sections 4.4.1 or 4.4.4, or are determined not to be Material Modifications pursuant to Section 4.4.2.

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. To the extent the identified changes are acceptable to Transmission Provider and Interconnection Customer, 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 8.8 and Section 8.13 as applicable and Interconnection Customer shall retain its Interconnection Queue Position or Initial Queue Position.

4.4.1 Prior to the return of the executed Interconnection Facilities Study Agreement to Transmission Provider, modifications permitted under this Section shall include specifically: (a) a decrease of electrical output (MW) of the proposed project; (b) modifying the technical parameters associated with the Generating Facility technology or the 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.

4.4.2 Prior to making any modification other than those specifically permitted by Sections 4.4.1, and 4.4.4, 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 4.4.1, 6.1, 8.2 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.

4.4.3 Upon receipt of Interconnection Customer's request for modification permitted under this Section 4.4, 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.

4.4.4 Prior to the Effective Date of the GIA, extensions of less than three (3) cumulative years in the Commercial Operation Date of the Generating Facility to which the Interconnection Request relates are not material and should be handled through construction sequencing. Extensions of more than three (3) cumulative years of the Commercial Operation Date of the Generating Facility are deemed to be a Material Modification. Extensions of Commercial Operation Date due to circumstances in Section 8.7 are applicable to this Section 4.4.4.
Section 5. **Procedures for Interconnection Requests Submitted Prior to Effective Date of Generator Interconnection Procedures**

5.1 **Transition Procedures.**

5.1.1 Any Interconnection Request that does not have an executed GIA or requested a GIA be filed unexecuted with FERC as of March 1, 2014 (“Revision Date”) shall be subject to this GIP. Any Interconnection Customer that fails to meet these requirements shall have its Interconnection Request deemed withdrawn pursuant to Section 3.6.

5.1.1.1 Any Interconnection Request in the Feasibility Study Queue and the PISIS Queue will transition to the revised GIP upon the completion of the Feasibility Study or the PISIS that the Interconnection Request is being studied in at the time of the Revision Date.

5.1.1.2 Any Interconnection Request in the DISIS Queue for which an Interconnection Facilities Study Agreement has not yet been executed as of the Revision Date shall be placed into the transitional DISIS Queue Cluster window that closes on the Revision Date provided it meets the requirements in Section 8.2 to be studied in the DISIS Queue by the end of the transition period. All DISIS Study Queue Interconnection Requests shall have equal priority.

5.1.1.3 Any Interconnection Request in the DISIS Queue for which an Interconnection Facilities Study Agreement has been executed meeting all requirements in the Section 8 of the GIP, and has not executed a GIA or requested a GIA be filed unexecuted with FERC as of the Revision Date, will be assigned an Interconnection Queue Position for cost assignment purposes based upon its current DISIS Queue Cluster Window.

5.1.2 Any Interconnection Request for which a GIA has been executed or has been filed unexecuted with FERC as of the Revision Date shall not be subject to this GIP unless the Interconnection Customer is not meeting the milestones listed in Appendix B of its GIA. An Interconnection Customer not meeting its milestones shall be required to conform to Sections 8.2 and 8.9 of this GIP. If an Interconnection Customer is not meeting the milestones in Appendix B of its GIA, the Transmission Provider shall revise the GIA to conform to this GIP and shall file such revised GIA at FERC.

5.1.3 **Transition Period.**
An Interconnection Customer with an Interconnection Request that has not executed a GIA as of the Revision Date shall transition to the revised GIP within sixty (60) Calendar Days of the Revision Date.

5.2 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 GIP 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 GIA to Interconnection Customer but Interconnection Customer has not either executed the GIA or requested the filing of an unexecuted GIA with FERC, unless otherwise provided, Interconnection Customer must complete negotiations with the successor Transmission Provider.
Section 6. Interconnection Feasibility Study

6.1 Interconnection Feasibility Study Agreement.

Simultaneously with the acknowledgement of a valid Interconnection Request indicating that an Interconnection Feasibility Study is to be performed, 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 up to two (2) 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 the lesser of fifteen (15) Calendar Days after its receipt or the close of the Feasibility Queue Cluster Window. This deposit, along with the $10,000 deposit received with the Interconnection Request, will be applied towards the Interconnection Feasibility Study costs. If the Interconnection Customer’s share of the Interconnection Feasibility Study costs exceed $20,000, then Interconnection Customer will be responsible for this excess cost. If the Interconnection Customer’s share of the Interconnection Feasibility Study costs is less than $20,000, the difference shall be refunded to the Interconnection Customer, or the Interconnection Customer may elect to apply the difference as part of the deposit requirements for participation in a Preliminary Interconnection System Impact Study or Definitive Interconnection System Impact Study. 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 1, Attachment A.

6.1.1 For interconnection requests not more than 2 MW the Interconnection Customer shall execute and deliver to Transmission Provider the Interconnection Feasibility Study Agreement no later than the lesser of fifteen (15) Calendar Days after its receipt or the close of the Feasibility Queue Cluster Window. The additional $10,000 deposit required in Section 6.1 does not apply. The initial $10,000 deposit received with the Interconnection request will be applied towards the Interconnection Feasibility Study cost. If the Interconnection Customer’s share of the Interconnection Feasibility Study costs exceed $10,000, then Interconnection Customer will be responsible for this excess cost. If the Interconnection Customer’s share of the Interconnection Feasibility Study
cost is less than $10,000, the difference shall be refunded to the Interconnection Customer, or the Interconnection Customer may elect to apply the difference as part of the deposit requirements for participation in a Preliminary Interconnection System Impact Study or Definitive Interconnection System Impact Study. 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 1, Attachment A.

6.2 Scope of 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 Interconnection Queue Position but have executed a GIA or requested that an unexecuted GIA 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.

6.3 Interconnection Feasibility Study Procedures.

Transmission Provider shall utilize existing studies to the extent practicable when it performs the study. Interconnection Requests for Interconnection Feasibility Studies may be submitted within the Feasibility Queue Cluster Window and the Transmission Provider shall perform Interconnection Feasibility Studies every ninety (90) days. Transmission Provider shall use Reasonable Efforts to complete the Interconnection Feasibility Study no later than ninety (90) Calendar Days after the close of the Feasibility 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 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 13.1.
6.3.1  Meeting with Transmission Provider.

Within ten (10) Business Days of providing an Interconnection Feasibility Study report to Interconnection Customer, Transmission Provider and Interconnection Customer shall meet to discuss the results of the Interconnection Feasibility Study.
Section 7. Preliminary Interconnection System Impact Study

7.1 Preliminary Interconnection System Impact Study Agreement.

Unless otherwise agreed, pursuant to the Scoping Meeting provided in Section 3.3.4, simultaneously with the delivery of the Interconnection Feasibility Study to Interconnection Customer or simultaneously with the acknowledgement of a valid Interconnection Request indicating that a Preliminary Interconnection System Impact Study is to be performed, Transmission Provider shall provide to Interconnection Customer a Preliminary Interconnection System Impact Study Agreement in the form of Appendix 3 to this GIP. The Preliminary Interconnection System Impact Study Agreement shall provide that Interconnection Customer shall compensate Transmission Provider for the actual cost of the Preliminary Interconnection System Impact Study. Within three (3) Business Days following the Interconnection Feasibility Study results meeting described under Section 6.3.1, or within (3) Business Days following acknowledgement of a valid Interconnection Request indicating that a Preliminary Interconnection System Impact Study is to be performed, Transmission Provider shall provide to Interconnection Customer a non-binding good faith estimate of the cost and timeframe for completing the Preliminary Interconnection System Impact Study.

7.2 Execution of Preliminary Interconnection System Impact Study Agreement.

Interconnection Customer shall execute the Preliminary Interconnection System Impact Study Agreement and deliver the executed Preliminary Interconnection System Impact Study Agreement to Transmission Provider following its receipt no later than the lesser of (i) thirty (30) Calendar Days or (ii) the Calendar Days remaining prior to close of the PISIS Queue Cluster Window along with:

a. demonstration of Site Control; and

b. a $10,000 deposit for requests less than or equal to 2 MW; or

c. a $25,000 deposit for requests greater than 2 MW and less than or equal to 20 MW; or

d. a $40,000 deposit for requests greater than 20 MW and less than 100 MW; or

e. a $60,000 deposit for requests greater than or equal to 100 MW and less than 800 MW; or

f. a $90,000 deposit for requests greater than or equal to 800 MW; and

g. Technical data as denoted in Appendix 7 of this GIP, if applicable.
Failure to return the Preliminary Interconnection System Impact Study Agreement and to meet the requirements listed above will result in immediate withdrawal of the Interconnection Request.

Deposits will be applied towards the Preliminary Interconnection System Impact Study costs. If the Interconnection Customer’s share of the Preliminary Interconnection System Impact Study costs exceeds the deposited amount, then the Interconnection Customer will be responsible for this excess cost. If the Interconnection Customer’s share of the Preliminary Interconnection System Impact Study cost is less than the deposited amount, the difference shall be refunded to the Interconnection Customer, or, the Interconnection Customer may elect to apply the difference as part of the deposit requirements for participation in a Definitive Interconnection System Impact Study.

7.3 **Scope of Preliminary Interconnection System Impact Study.**

The Preliminary Interconnection System Impact Study shall evaluate the impact of the proposed interconnection on the reliability of the Transmission System. The Preliminary 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 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 Interconnection Queue Position but have executed a GIA or requested that an unexecuted GIA be filed with FERC.

The Preliminary Interconnection System Impact Study will consist of a short circuit analysis, a stability analysis, and a power flow analysis. The Preliminary 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. The Preliminary 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.

7.4 **Preliminary Interconnection System Impact Study Procedures.**

Transmission Provider shall coordinate the Preliminary Interconnection System Impact Study with any Affected System that is affected by the Interconnection Request pursuant to Section 3.5 above. Transmission Provider shall utilize existing studies to the extent practicable when it performs the study. Interconnection Requests for Preliminary Interconnection System Impact Studies
may be submitted within the PISIS Queue Cluster Window and the Transmission Provider shall perform Preliminary Interconnection System Impact Studies every one-hundred-eighty (180) days. Transmission Provider shall use Reasonable Efforts to complete the Preliminary Interconnection System Impact Study no later than one-hundred-fifty (150) Calendar Days after the close of the PISIS 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 Preliminary Interconnection System Impact Study, Transmission Provider shall notify Interconnection Customer as to the schedule status of the Preliminary Interconnection System Impact Study. If Transmission Provider is unable to complete the Preliminary 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 Preliminary Interconnection System Impact Study, subject to confidentiality arrangements consistent with Section 13.1.

7.5 **Meeting with Transmission Provider.**

Within ten (10) Business Days of providing a Preliminary Interconnection System Impact Study report to Interconnection Customer, Transmission Provider, Transmission Owner and Interconnection Customer shall meet to discuss the results of the Preliminary Interconnection System Impact Study.
Section 8. Definitive Planning Phase

8.1 Definitive Interconnection System Impact Study Agreement.

Unless otherwise agreed, pursuant to the Scoping Meeting provided in Section 3.3.4, simultaneously with the delivery of the Preliminary Interconnection System Impact Study to Interconnection Customer or simultaneously with the acknowledgement of a valid Interconnection Request indicating that a Definitive Interconnection System Impact Study is to be performed, Transmission Provider shall provide to Interconnection Customer a Definitive Interconnection System Impact Study Agreement in the form of Appendix 3A to this GIP. The Definitive Interconnection System Impact Study Agreement shall provide that Interconnection Customer shall compensate Transmission Provider for the actual cost of the Definitive Interconnection System Impact Study. Within three (3) Business Days following the Preliminary Interconnection System Impact Study results meeting described under Section 7.5, or within (3) Business Days following acknowledgement of a valid Interconnection Request indicating that a Definitive Interconnection System Impact Study is to be performed, Transmission Provider shall provide to Interconnection Customer a non-binding good faith estimate of the cost and timeframe for completing the Definitive Interconnection System Impact Study.

8.2 Execution of Definitive Interconnection System Impact Study Agreement.

Interconnection Customer shall execute the Definitive Interconnection System Impact Study Agreement and deliver the executed Definitive Interconnection System Impact Study Agreement to Transmission Provider following its receipt no later than the lesser of (i) thirty (30) Calendar Days or (ii) the Calendar Days remaining prior to close of the DISIS Queue Cluster Window, along with each of the following:

a. Demonstration of Site Control;

b. Study deposit, which shall be one of the following:

1. $15,000 deposit for requests less than or equal to 2 MW (See Section 13.3 for requirements for this deposit to be considered refundable);

2. $25,000 deposit for requests greater than 2 MW and less than or equal to 20 MW (See Section 13.3 for requirements for this deposit to be considered refundable);

3. $40,000 deposit for requests of greater than 20 MW and less than 75 MW (See Section 13.3 for requirements for this deposit to be considered refundable); or
4. $80,000 deposit for requests greater than or equal to 75 MW (See Section 13.3 for requirements for this deposit to be considered refundable);

c. Definitive Point of Interconnection;

d. Definitive plant size (MW);

e. Technical information required in Appendix 7 of this GIP, if applicable; and

f. Security deposit equal to $1000/MW of the plant size (refundable at commercial operation or if Interconnection Request is withdrawn prior to the execution of the Interconnection Facilities Study Agreement).

If the Definitive Interconnection System Impact Study uncovers any unexpected result(s) not contemplated during the Interconnection Feasibility Study or the Preliminary Interconnection System Impact Study, a substitute Point of Interconnection identified by Transmission Provider may be substituted for the designated Point of Interconnection specified above without loss of Initial Queue Position, and restudies shall be completed pursuant to Section 8.8 as applicable.

**8.3 DISIS Review Period**

The DISIS Review Period shall be the thirty (30) Calendar Day period following the close of the DISIS Queue Cluster Window during which the Transmission Provider will validate Interconnection Requests. The Transmission Provider shall notify the Interconnection Customer of any deficiencies that would warrant removal from the DISIS Queue. Interconnection Customer shall have fifteen (15) Business Days from the date of the notice to cure any deficiencies. If the Interconnection Customer does not cure the deficiencies within such time period, the Interconnection Request shall be deemed withdrawn. Transmission Provider may conduct additional Scoping Meetings during the DISIS Review Period.

**8.4 Scope of Definitive Interconnection System Impact Study.**

The Definitive Interconnection System Impact Study shall evaluate the impact of the proposed interconnection on the reliability of the Transmission System. The Definitive Interconnection System Impact Study will consider two different scenarios as described below.

**8.4.1** The “Cluster Scenario” will consider the Base Case, as well as all Interconnection Requests in the Definitive Interconnection System Impact Study Queue and all generating facilities (and with respect to (iii) below, any identified Network Upgrades associated with such higher queued interconnection) that, on the date the Definitive Interconnection System Impact Study is commenced:
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 Interconnection Queue Position but have executed a GIA or requested that an unexecuted GIA be filed with FERC.

8.4.2 The “Stand Alone Scenario” 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 Definitive 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 Interconnection Queue Position but have executed a GIA or requested that an unexecuted GIA be filed with FERC.

The Definitive Interconnection System Impact Study will consist of a short circuit analysis, a stability analysis, and a power flow analysis. The Definitive 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. The Definitive 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.

8.4.3 Availability of Limited Operation.

If the Definitive Interconnection System Impact Study “Stand Alone Scenario” as defined in Section 8.4.2 determines that the full
amount of interconnection capacity requested by the Interconnection Customer is not available by its requested Commercial Operation Date due to transmission constraints that may be remedied by an upgrade(s) with an in-service date beyond the Commercial Operation Date proposed by the Interconnection Customer, the Transmission Provider shall quantify the amount of interconnection capacity available to the Interconnection Customer prior to the in-service date of such upgrade(s) (“Limited Operation”). The Interconnection Customer shall be notified of the amount of interconnection capacity available under the Limited Operation condition. The Interconnection Customer may choose to proceed with Limited Operation by executing the Limited Operation Interconnection Facilities Study Agreement in Appendix 4A. The Interconnection Customer may also be subject to conditions in Section 8.7 of the GIP.

8.4.4 Facilities Analysis.

During the Definitive Interconnection System Impact Study, the Transmission Provider shall specify and estimate the cost of the equipment, engineering, procurement and construction work needed for transmission facilities at the Point of Interconnection to physically and electrically connect the Generating Facility to the Transmission System (“Facilities Analysis”). The Facilities Analysis 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 Owner'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 results of the Facility Analysis shall be utilized as part of the Interconnection Facilities Study.

8.5 Definitive Interconnection System Impact Study Procedures.

a. Transmission Provider shall coordinate the Definitive Interconnection System Impact Study with any Affected System that is affected by the Interconnection Request pursuant to Section 3.5 above. Transmission Provider shall utilize existing studies to the extent practicable when it performs the study. Interconnection Requests for Definitive System Impact Studies may be submitted within the DISIS Queue Cluster Window and the Transmission Provider shall perform Definitive Interconnection System Impact Studies every one-hundred-eighty (180) days. Transmission Provider shall use Reasonable Efforts to complete the Definitive Interconnection System Impact Study no later than one-
hundred-twenty (120) Calendar Days after the close of the DISIS Queue Cluster Window.

b. 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 Definitive Interconnection System Impact Study, Transmission Provider shall notify Interconnection Customer as to the schedule status of the Definitive Interconnection System Impact Study. If Transmission Provider is unable to complete the Definitive 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 Definitive Interconnection System Impact Study, subject to confidentiality arrangements consistent with Section 13.1.

8.6 Meeting with Transmission Provider.

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

8.7 Interconnection Requests That Require Previously Approved Network Upgrades.

At the completion of the Definitive Interconnection System Impact Study, the Definitive Interconnection System Impact Study may identify one or more Network Upgrades previously approved for construction under Section VI of Attachment O of this Tariff (“Previously Approved Network Upgrade”) and required to be in-service prior to an Interconnection Customer’s Commercial Operation Date. If a Previously Approved Network Upgrade will not be in-service prior to the Interconnection Customer’s Commercial Operation Date, Interconnection Customer’s Commercial Operation Date may be extended for a maximum period of three (3) years pursuant to Section 4.4.4 to accommodate the in-service date for a Previously Approved Network Upgrade. If the three (3) year extension is not sufficient for a Previously Approved Network Upgrade to be placed into service prior to the Interconnection Customer’s Commercial Operation Date, the Interconnection Customer will not be tendered an Interconnection Facilities Study Agreement. The Transmission Provider shall tender a Limited Operation Interconnection Facilities Study Agreement in the form of Appendix 4A to the Interconnection Customer. If the Interconnection Customer executes the Limited Operation Interconnection Facilities Study
Agreement, the Interconnection Customer agrees to the following conditions for moving into the Interconnection Facilities Study:

a. The Generating Facility will be allowed to operate under Limited Operation in accordance with Section 8.4.3 before a Previously Approved Network Upgrade is placed into service;

b. The Interconnection Customer will meet all requirements of the GIP;

c. The Interconnection Customer will provide financial security and authorize engineering, procurement, and construction of its cost assigned Network Upgrades and interconnection facilities no later than thirty (30) days after the effective date of the GIA; and

d. If the Transmission Provider determines that an earlier in-service date for a Previously Approved Network Upgrade can reasonably be met, then:

   1. If the Limited Operation Interconnection Facilities Study Agreement amount identified in Section 8.4.3 is less than seventy-five (75) percent of the requested Interconnection Service, then the Interconnection Customer shall pay the cost of placing a Previously Approved Network Upgrade into service at an earlier date; or

   2. If the Limited Operation Interconnection Facilities Study Agreement amount identified in Section 8.4.3 is greater than or equal to seventy-five (75) percent of the requested Interconnection Service, then the Interconnection Customer may either accept Limited Operation until the scheduled in-service date of a Previously Approved Network Upgrade or pay the cost of placing a Previously Approved Network Upgrade into service at an earlier date.

If the Interconnection Customer declines to execute the Limited Operation Interconnection Facilities Study Agreement, the Interconnection Customer may either remain in the DISIS Queue, withdraw the Interconnection Request or request a reduction in the amount of interconnection capacity in Interconnection Customer’s Interconnection Request.

8.8 Re-Study.

If Re-Study of the Definitive Interconnection System Impact Study is required due to a higher queued or equal priority queued project dropping out of the queue, or a modification of a higher queued project subject to Section 4.4, or re-designation of the Point of Interconnection pursuant to Section 8.2, or more than one Interconnection Customer (with similar electrical impacts as determined by
the Transmission Provider) meeting all requirements of the Interconnection Facilities Study Agreement, the 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, as reduced by deposit amounts retained for other Interconnection Customer(s) under Section 13.3, shall be borne by the Interconnection Customer(s) being re-studied. Restudies will not be required of the Definitive Interconnection System Impact Study “Cluster Scenario” as the “Cluster Scenario” will be automatically re-evaluated for every open season.

8.9 Interconnection Facilities Study Agreement.

Simultaneously with the delivery of the Definitive 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 GIP or a Limited Operation Interconnection Facilities Study Agreement in the form of Appendix 4A to this GIP. The Interconnection Facilities Study Agreement and the Limited Operation 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 Definitive 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 within thirty (30) Calendar Days after receipt, execute and provide to the Transmission Provider the Interconnection Facilities Study Agreement or the Limited Operation 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 along with a security deposit equal to $3000/MW of the plant size. This security deposit is in addition to any amount provided in Section 8.2. This security deposit shall be applied as follows:

a. The security deposit is refundable if the Interconnection Request is withdrawn prior to the execution of a GIA or a request to file the GIA at the Commission unexecuted unless the following conditions exist:

1. the withdrawal of the Interconnection Request is determined by Transmission Provider to cause increased facility upgrade cost to any Interconnection Customer in the Interconnection Facilities Queue; and

2. the total Network Upgrade cost estimates in the Interconnection Facilities Study increased by less than twenty-five percent (25%) over the Network Upgrade cost
estimates in the Definitive Interconnection System Impact Study for the withdrawing Interconnection Customer.

b. Following the execution of a GIA or the filing of an unexecuted GIA at the Commission, the security deposit shall be applied toward the cost of constructing any Network Upgrades and Interconnection Facilities identified in the GIA. Any remaining funds shall be refunded to the Interconnection Customer following the Commercial Operation Date or otherwise subject to terms of the GIA.

8.10 Scope of Interconnection Facilities Study.

The Interconnection Facilities Study shall specify and estimate the cost of the equipment, engineering, procurement and construction work needed to implement the conclusions of the Definitive Interconnection System Impact Study in accordance with Good Utility Practice to physically and electrically connect the Generating Facility 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 Owner'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 Interconnection Facilities Study shall utilize results of the Facility Analysis from the Definitive Interconnection System Impact Study performed in accordance with Section 8.4.4.

8.11 Interconnection Facilities Study Procedures.

a. Transmission Provider shall coordinate the Interconnection Facilities Study with any Affected System pursuant to Section 3.5 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.

b. 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.

c. Interconnection Customer may, within thirty (30) Calendar Days after receipt of the draft report, provide written comments to Transmission Provider, which Transmission Provider shall include in the final 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-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 Report. 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 13.1.

8.12 Meeting with Transmission Provider.

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

8.13 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 4.4, Transmission Provider shall so 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, as reduced by deposit amounts retained under Section 13.3, shall be borne by the Interconnection Customer(s) being re-studied.
Section 9.  Engineering & Procurement ('E&P') Agreement

Prior to executing a GIA, an Interconnection Customer may, in order to advance the implementation of its interconnection, request and Transmission Owner shall offer the Interconnection Customer, an E&P Agreement that authorizes Transmission Owner to begin engineering and procurement of long lead-time items necessary for the establishment of the interconnection. However, Transmission Owner 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 or comply with any prerequisites specified in other parts of the GIP. The E&P Agreement is an optional procedure and it will not alter the Interconnection Customer's Interconnection 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 Owner may elect: (i) to take title to the equipment, in which event Transmission Owner 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 11. Generator Interconnection Agreement (GIA)

11.1 Tender.

Interconnection Customer shall tender comments on the draft Interconnection Facilities Study report within thirty (30) Calendar Days of receipt of the report. Simultaneously with issuance of the final Interconnection Facilities Study report, the Transmission Provider shall tender to the Interconnection Customer a draft GIA together with draft appendices. The draft GIA shall be in the form of the Transmission Provider’s FERC-approved standard form GIA, which is in Appendix 6. The Transmission Provider, Transmission Owner and the Interconnection Customer shall negotiate concerning provisions of the appendices to the draft GIA for not more than sixty (60) Calendar Days after tender of the final Interconnection Facilities Study report.

11.2 Negotiation.

Notwithstanding Section 11.1, at the request of Interconnection Customer Transmission Provider and the Transmission Owner shall begin negotiations with Interconnection Customer concerning the appendices to the GIA at any time after Interconnection Customer executes the Interconnection Facilities Study Agreement. Transmission Provider, Transmission Owner and Interconnection Customer shall negotiate concerning any disputed provisions of the appendices to the draft GIA 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, it may request termination of the negotiations at any time after tender of the draft GIA pursuant to Section 11.1 and request submission of the unexecuted GIA with FERC or initiate Dispute Resolution procedures pursuant to Section 13.5. If Interconnection Customer requests termination of the negotiations, but within sixty (60) Calendar Days thereafter fails to request either the filing of the unexecuted GIA 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 GIA, requested filing of an unexecuted GIA, or initiated Dispute Resolution procedures pursuant to Section 13.5 within sixty (60) Calendar Days of tender of draft GIA appendices, it shall be deemed to have withdrawn its Interconnection Request. Transmission Provider shall provide to Interconnection Customer a final GIA within fifteen (15) Business Days after the completion of the negotiation process.

11.3 Execution and Filing.

Within fifteen (15) Business Days after receipt of the final GIA, Interconnection Customer shall provide Transmission Provider (A) reasonable evidence of 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 Generating Facility, at Interconnection Customer election, has been achieved: (i) the execution of a contract for the supply or transportation of fuel to the Generating Facility; (ii) the execution of a contract for the supply of cooling water to the Generating Facility; (iii) execution of a contract for the engineering for, procurement of major equipment for, or construction of, the Generating Facility; (iv) execution of a contract (or comparable evidence) for the sale of electric energy or capacity from the Generating Facility; (v) statement signed by an officer or authorized agent of the Interconnection Customer attesting the Generating Facility is included in an applicable state resource plan; (vi) other information that the Transmission Provider deems to be reasonable evidence that the Generating Facility will qualify as a Designated Resource; or (vii) application for an air, water, or land use permit. The Transmission Provider will not execute the final Generator Interconnection Agreement unless the Interconnection Customer provides the information described in this paragraph.

Within fifteen (15) Business Days after receipt of the final GIA, the Interconnection Customer shall either: (i) execute three origin- als of the tendered GIA and return them to Transmission Owner who will execute them and forward them to the Transmission Provider; or (ii) request in writing that Transmission Provider file with FERC a GIA in unexecuted form. As soon as practicable, but not later than thirty (30) Calendar Days after receiving either the three executed originals of the tendered GIA (if it does not conform with a FERC-approved standard form of interconnection agreement) or ten (10) Business Days after receiving the request to file an unexecuted GIA, Transmission Provider shall file the GIA with FERC, together with its explanation of any matters as to which Interconnection Customer, Transmission Owner and Transmission Provider disagree and support for the costs that Transmission Provider and/or the Transmission Owner propose to charge to Interconnection Customer under the GIA. An unexecuted GIA should contain terms and conditions deemed appropriate by Transmission Provider and the Transmission Owner 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 GIA, they may proceed pending FERC action.

11.4 Commencement of Interconnection Activities.

If Interconnection Customer executes the final GIA, Transmission Provider, the Transmission Owner and Interconnection Customer shall perform their respective obligations in accordance with the terms of the GIA, subject to modification by FERC. Upon submission of an unexecuted GIA, Interconnection Customer, Transmission Owner and Transmission Provider shall promptly comply with the unexecuted GIA, subject to modification by FERC.
Section 11A. Interim Generator Interconnection Agreement (Interim GIA)

11A.1 Availability.

Interconnection Customers with pending Interconnection Requests relating to Generating Facilities that have anticipated In-Service Dates prior to the expected completion of the Interconnection Studies pursuant to this Attachment V may request Interim Interconnection Service, execute a Interim Generator Interconnection Agreement (Interim GIA) and receive Interim Interconnection Service pursuant to the terms and conditions of this Section 11A and the Interim GIA. Execution of an Interim GIA and receipt of Interim Interconnection Service is an optional procedure and will not alter the Interconnection Customer’s Interconnection Queue Position. Interim Interconnection Service may be terminated at any point that a Generating Facility with an Interconnection Request that has a higher Interconnection Queue Position goes into Commercial Operation and Transmission Provider determines that Interim Interconnection Service and Interconnection Service cannot be provided to more than one Interconnection Customer simultaneously.

11A.2 Eligibility.

Interconnection Customers shall be eligible for Interim Interconnection Service under the following conditions:

11A.2.1 Interconnection Customer has provided Transmission Provider: (i) reasonable evidence of continued Site Control or posting of $250,000, non-refundable additional security, which shall be applied toward future construction costs; and (ii) reasonable evidence that one or more of the following milestones in the development of the Generating Facility, at Interconnection Customer election, has been achieved: (a) the execution of a contract for the supply or transportation of fuel to the Generating Facility; (b) the execution of a contract for the supply of cooling water to the Generating Facility; (c) execution of a contract for the engineering for, procurement of major equipment for, or construction of, the Generating Facility; (d) execution of a contract (or comparable evidence) for the sale of electric energy or capacity from the Generating Facility; (e) statement signed by an officer or authorized agent of the Interconnection Customer attesting the Generating Facility is included in an applicable state resource plan; (f) other information that the Transmission Provider deems to be reasonable evidence that the Generating Facility will qualify as a Designated Resource; or (g) application for an air, water, or land use permit. The Transmission Provider will not execute the Interim Generator Interconnection Agreement unless the Interconnection Customer provides the information described in this paragraph.
11A.2.2 Interconnection Customer has met the terms and conditions to be included in Transmission Provider’s Definitive Interconnection System Impact Study Queue pursuant to Section 8.2;

11A.2.3 Interconnection Customer has submitted in writing to Transmission Provider a request for Interim Interconnection Service;

11A.2.4 Interconnection Customer has entered into a study agreement pursuant to which it has agreed to pay all costs, including deposits for any additional studies deemed necessary by Transmission Provider to evaluate the feasibility of the Interconnection Customer’s requested Interim Interconnection Service;

11A.2.4.1 The Interim Availability Interconnection System Impact Study will maintain the scope and procedures of the Definitive Interconnection System Impact Study with the exception that certain previous queued Interconnection Requests may not be included in the study. Such exceptions and reasons for those exceptions will be noted in the study.

11A.2.4.2 The cost of the Interim Availability Interconnection System Impact Study will be subtracted from the Customer’s deposit submitted for the Definitive Interconnection System Impact Study.

11A.2.5 Transmission Provider has determined based upon the results of the additional studies, taking into account the Interconnection Customer’s In-Service Date and the Transmission System topology upon such date that there will be sufficient stability and reliability margin to accommodate Interim Interconnection Service to the Interconnection Customer’s Generating Facility;

11A.2.6 Interconnection Customer has executed an Interim GIA in accordance with Section 11A.3; and

11A.2.7 Interconnection Customer has provided security in accordance with Article 11.5 of the Interim GIA.

11A.3 Tender, Negotiation, Execution and Filing of Interim GIA.

11A.3.1 Upon completion of Transmission Provider’s analysis referenced in Section 11A.2.5, Transmission Provider shall notify Interconnection Customer in writing whether Interim Interconnection Service is feasible. In the event that Interconnection Customer’s requested Interim Interconnection Service is feasible, Transmission Provider shall tender to the Interconnection Customer a draft Interim GIA together with
appendices. The draft Interim GIA shall be in the form of the Transmission Provider's FERC-approved standard form Interim GIA, which is in Appendix 8.

11A.3.2 Transmission Provider, Transmission Owner and Interconnection Customer shall negotiate concerning any disputed provisions of the appendices to the draft Interim GIA for not more than thirty (30) Calendar Days after tender of the draft Interim GIA, unless another time period is agreed upon by the Parties. At the conclusion of the negotiation period or sooner if the Parties have reached agreement, Transmission Provider shall tender a final Interim GIA and within ten (10) Calendar Days the Interconnection Customer shall either: (i) execute three originals of the tendered Interim GIA and return them to Transmission Owner who will execute them and forward them to the Transmission Provider; or (ii) request in writing that Transmission Provider file with FERC an Interim GIA in unexecuted form. As soon as practicable, but not later than thirty (30) Calendar Days after receiving either the three executed originals of the tendered Interim GIA (if it does not conform with a FERC-approved standard form of interim interconnection agreement) or ten (10) Business Days after receiving the request to file an unexecuted Interim GIA, Transmission Provider shall file the Interim GIA with FERC, together with its explanation of any matters as to which Interconnection Customer, Transmission Owner and Transmission Provider disagree and support for the costs that Transmission Provider and/or the Transmission Owner propose to charge to Interconnection Customer under the Interim GIA. An unexecuted Interim GIA should contain terms and conditions deemed appropriate by Transmission Provider and the Transmission Owner for the Interconnection Request. Prior to FERC action, the Parties may agree to proceed with design, procurement, and construction of facilities and upgrades under the terms of the unexecuted Interim GIA.

11A.4 Commencement of Interim Interconnection Activities.

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

11A.5 Interconnection Service upon Termination of Interim GIA.

Terminating events for an Interim GIA are given in Article 2.3.1 of the Interim GIA. Upon termination of the Interim GIA for any reason, the Interim
Interconnection Service shall cease. Interconnection Service, if any, associated with the Generating Facility shall be provided to Interconnection Customer by Transmission Provider pursuant to the terms and conditions of a final GIA.
Section 13. Miscellaneous

13.1 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 a GIA.

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.

13.1.1 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 GIA; or (6) is required, in accordance with Section 13.1.6, 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 GIA. 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.

13.1.2 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 13.1 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 13.1.

13.1.3 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.

13.1.4 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.

13.1.5 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.

13.1.6 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 GIA. 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.
13.1.7 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 13.1. 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 13.1, 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 13.1, 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 13.1.

13.1.8 Disclosure to FERC, its Staff, or a State.

Notwithstanding anything in this Section 13.1 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 GIP, 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 GIA 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.

13.1.9 Subject to the exception in Section 13.1.8, 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 GIP 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.

13.1.10 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).

13.1.11 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.

13.2 Delegation of Responsibility.

Transmission Provider may use the services of subcontractors as it deems appropriate to perform its obligations under this GIP. Transmission Provider shall remain primarily liable to Interconnection Customer for the performance of such subcontractors and compliance with its obligations of this GIP. 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.

13.3 Obligation for Study Costs.

Except as provided below, 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 therefore. 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. Milestone deposits collected in
Sections 8.2 and 8.9 may also be used to pay the study costs for any restudies in accordance with Section 8.13 that affect lower-queued Interconnection Customers.

Unused study deposits provided pursuant to Section 8.2 will be refunded upon Commercial Operation. In the event that the Interconnection Customer withdraws its Interconnection Request during or after the Interconnection Facilities Study phase or terminates or suspends its interconnection agreement, Transmission Provider shall refund to Interconnection Customer such unused study deposits, less any costs associated with any studies or restudies required as a result of the withdrawal of the Interconnection Request or suspension or termination of the interconnection agreement, including any restudies associated with any affected lower-queued customers.

13.4 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 6.3, 7.4 or 8.5 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 6.3, 7.4 or 8.5 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 GIA (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 practicable upon Interconnection Customer's request subject to the confidentiality provision in Section 13.1. 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 GIP, Article 26 of the GIA (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.

13.5 Disputes.

In the event any Party has a dispute, or asserts a claim, that arises out of or in connection with the GIP, or their performance, the Parties agree to resolve such dispute using the dispute resolution procedures in Section 12 of the Tariff.

13.6 Local Furnishing Bonds.

13.6.1 Transmission Owners That Own Facilities Financed by Local Furnishing or Other Tax-Exempt Bonds or That Are Tax Exempt Entities.

This provision is applicable only to a Transmission Owner 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") or facilities with other bonds the interest on which is excluded from gross income under Section 103 of the Internal Revenue Code ("other tax-exempt bonds"), or that are tax-exempt entities, described in Section 501(c) of the Internal Revenue Code. Notwithstanding any other provision of this GIA and GIP, Transmission Provider shall not be required to provide Interconnection Service to Interconnection Customer pursuant to this GIA and GIP if the provision of such Interconnection Service would jeopardize the tax-exempt status of any local furnishing bond(s) or other tax-exempt bonds used to finance a Transmission Owner’s facilities that would be used in providing such Interconnection Service or would jeopardize the tax-exempt status of the tax-exempt entity.

13.6.2 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) or other tax-exempt bonds used to finance a Transmission Owner’s facilities that would be used in providing such Interconnection Service or would jeopardize the tax-exempt status of the Transmission Owner, Transmission Provider 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.
APPENDIX 2 TO GIP

INTERCONNECTION FEASIBILITY STUDY AGREEMENT

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 Southwest Power Pool, Inc. a Corporation existing under the laws of the State of Arkansas, ("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 Generating Facility or generating capacity addition to an existing Generating Facility consistent with the Interconnection Request submitted by the Interconnection Customer dated ____________, and

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

WHEREAS, the Interconnection Customer has requested the Transmission Provider to perform an Interconnection Feasibility Study to assess the feasibility of interconnecting the proposed 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 GIP.

2.0 Interconnection Customer elects and Transmission Provider shall cause to be performed an Interconnection Feasibility Study consistent with Section 6.0 of this GIP 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 3.3.4 of the GIP. If, after the designation of the Point of Interconnection pursuant to Section 3.3.4 of the GIP, Interconnection Customer modifies its Interconnection Request pursuant to Section 4.4, 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 thermal overload or voltage limit violations resulting from the interconnection; and

- preliminary description and non-binding estimated cost of facilities required to interconnect the Generating Facility to the Transmission System and to address the identified power flow issues.

6.0 The Interconnection Customer shall have provided the deposit(s) as specified under Section 6 of the GIP with the submission of the Interconnection Request and 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 Governing Law

7.1 Governance. The validity, interpretation and performance of this Agreement and each of its provisions shall be governed by the laws of the United States of America except to the extent that the laws of the state of Arkansas may apply.

7.2 Applicability. This Agreement is subject to all applicable federal and state Laws and Regulations.

7.3 Reservation of Rights. Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, rules, or regulations of a Governmental Authority.

8.0 Notices.

8.1 General. Unless otherwise provided in this Agreement, 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.

To Transmission Provider:
To Interconnection Customer:

__________________________
__________________________
__________________________

Attention: ______________________

8.2 **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.

9.0 **Force Majeure**

9.1 **Economic Hardship.** Economic hardship is not considered a Force Majeure event.

9.2 **Default.** Neither Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 10), 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 the full details 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.

10.0 **Indemnity**

10.1 **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
Partys’ action or inactions of its obligations under this Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

10.1.1 **Indemnified Person.** If an indemnified person is entitled to indemnification under this Article 10 as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 10.1, 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.

10.1.2 **Indemnifying Party.** If an indemnifying Party is obligated to indemnify and hold any indemnified person harmless under this Article 10, 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.

10.1.3 **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 10.1 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.

10.2 Consequential Damages. Other than the Liquidated Damages heretofore described, in no event shall either Party be liable under any provision of this Agreement 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.

11.0 Assignment

11.1 Assignment. This Agreement may be assigned by either Party only with the written consent of the other Party; provided that either Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that the Interconnection Customer shall have the right to assign this Agreement, without the consent of Transmission Provider for collateral security purposes to aid in providing financing for the Generating Facility, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to notify the Transmission Provider of any such assignment. Any financing arrangement entered into by the 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 the Transmission Provider of the date and particulars of any such exercise of assignment right. Any attempted assignment that violates this Article or Applicable Laws and Regulations is void and ineffective. Any assignment under this Agreement 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.

12.0 Severability

12.1 Severability. If any provision in this Agreement 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 Agreement.

13.0 Comparability

13.1 Comparability. The Parties will comply with all applicable comparability and code of conduct laws, rules and regulations, as amended from time to time.

14.0 Deposits and Invoice Procedures

14.1 General. The Transmission Provider and the Interconnection Customer 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 the GIP, including credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

14.2 Study Deposits. The Interconnection Customer shall provide study deposits, in accordance with the GIP to the Transmission Provider. The study deposits amounts and schedule shall be in accordance with the GIP.

14.3 Final Invoice. Within six months after completion of the studies Transmission Provider shall provide an invoice of the final cost of the studies and shall set forth such costs in sufficient detail to enable the 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 the studies within thirty (30) Calendar Days of the issuance of such final study invoice.

14.4 Payment. Invoices shall be rendered to the paying Party at the address specified in the Interconnection Request in Appendix 1 to the GIP. 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 the GIP.
14.5 **Disputes.** In the event of a billing dispute between Transmission Provider and Interconnection Customer, Transmission Provider shall continue to provide studies for Interconnection Service under the GIP 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 16. 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).

15.0 **Representations, Warranties, and Covenants**

**15.1 General.** Each Party makes the following representations, warranties and covenants:

15.1.1 **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; and that it has the corporate power and authority to own its properties, to carry on its business as now being conducted and to enter into this Agreement and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.

15.1.2 **Authority.** Such Party has the right, power and authority to enter into this Agreement, to become a party hereto and to perform its obligations hereunder. This Agreement is a legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by general equitable principles (regardless of whether enforceability is sought in a proceeding in equity or at law).

15.1.3 **No Conflict.** The execution, delivery and performance of this Agreement does not violate or conflict with the organizational or formation documents, or bylaws or operating agreement, of such Party, or any judgment, license, permit, order, material agreement or instrument applicable to or binding upon such Party or any of its assets.
15.1.4 Consent and Approval. Such Party has sought or obtained, or, in accordance with this Agreement will seek or obtain, each consent, approval, authorization, order, or acceptance by any Governmental Authority in connection with the execution, delivery and performance of this Agreement, and it will provide to any Governmental Authority notice of any actions under this Agreement that are required by Applicable Laws and Regulations.

16.0 Breach, Cure and Default

16.1 General. A breach of this Agreement ("Breach") shall occur upon the failure by a Party to perform or observe any material term or condition of this Agreement. A default of this Agreement ("Default") shall occur upon the failure of a Party in Breach of this Agreement to cure such Breach in accordance with the provisions of Section 17.4.

16.2 Events of Breach. A Breach of this Agreement shall include:

(a) The failure to pay any amount when due;

(b) The failure to comply with any material term or condition of this Agreement, including but not limited to any material Breach of a representation, warranty or covenant made in this Agreement;

(c) If a Party: (1) becomes insolvent; (2) files a voluntary petition in bankruptcy under any provision of any federal or state bankruptcy law or shall consent to the filing of any bankruptcy or reorganization petition against it under any similar law; (3) makes a general assignment for the benefit of its creditors; or (4) consents to the appointment of a receiver, trustee or liquidator;

(d) Assignment of this Agreement in a manner inconsistent with the terms of this Agreement;

(e) Failure of any Party to provide information or data to the other Party as required under this Agreement, provided the Party entitled to the information or data under this Agreement requires such information or data to satisfy its obligations under this Agreement.

16.3 Cure and Default. Upon the occurrence of an event of Breach, the Party not in Breach (hereinafter the “Non-Breaching Party”), when it becomes aware of the Breach, shall give written notice of the Breach to the Breaching Party (the “Breaching Party”) and to any other person a Party to this Agreement identifies in writing to the other Party in advance. Such notice shall set forth, in reasonable detail, the nature of the Breach, and where known and applicable, the steps necessary to cure such Breach. Upon receiving written notice of the Breach hereunder, the Breaching Party shall have thirty (30) days to cure such Breach. If
the Breach is such that it cannot be cured within thirty (30) days, the Breaching Party will commence in good faith all steps as are reasonable and appropriate to cure the Breach within such thirty (30) day time period and thereafter diligently pursue such action to completion. In the event the Breaching Party fails to cure the Breach, or to commence reasonable and appropriate steps to cure the Breach, within thirty (30) days of becoming aware of the Breach, the Breaching Party will be in Default of the Agreement.

16.4 Right to Compel Performance. Notwithstanding the foregoing, upon the occurrence of an event of Default, the non-Defaulting Party shall be entitled to: (1) commence an action to require the Defaulting Party to remedy such Default and specifically perform its duties and obligations hereunder in accordance with the terms and conditions hereof, and (2) exercise such other rights and remedies as it may have in equity or at law.

17. Miscellaneous

17.1 Binding Effect. This Agreement 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.

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

17.3 Rules of Interpretation. This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder.

17.4 Entire Agreement. This Agreement, 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 Agreement. There are no other agreements, representations, warranties, or covenants that constitute any part of
the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.

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

17.6 Waiver. The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Termination or Default of this Agreement 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 Agreement shall, if requested, be provided in writing.

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

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

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

17.10 Modification by the Parties. The Parties may by mutual agreement amend the Appendices to this Agreement by a written instrument duly executed by the Parties. Such amendment shall become effective and a part of this Agreement upon satisfaction of all Applicable Laws and Regulations.

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

Southwest Power Pool, Inc.

By: __________________________ Title: __________________________
Date: __________________________ [Insert name of Interconnection Customer]

By: __________________________
Title: __________________________
Date: __________________________
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 3 TO GIP

PRELIMINARY INTERCONNECTION SYSTEM IMPACT STUDY AGREEMENT

THIS AGREEMENT is made and entered into this ______ day of ___________ 20___ by and between ___________________ a ________________ and existing under the laws of the State of ___________________ ("Interconnection Customer") and Southwest Power Pool, Inc. a non-profit organization under the laws of the State of Arkansas ("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 Generating Facility or generating capacity addition to an existing Generating Facility consistent with the Interconnection Request submitted by Interconnection Customer dated _________________; and

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 or Interconnection Customer does not require the Interconnection Feasibility Study.); and

WHEREAS, Interconnection Customer has requested Transmission Provider to perform a Preliminary Interconnection System Impact Study to assess the impact of interconnecting the 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 GIP.

2.0 Interconnection Customer elects and Transmission Provider shall cause to be performed a Preliminary Interconnection System Impact Study consistent with Section 7.0 of this GIP in accordance with the Tariff.

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

4.0 The Preliminary Interconnection System Impact Study will be based upon the results of the Interconnection Feasibility Study (if performed) and the technical information provided by Interconnection Customer in the Interconnection Request, subject to any modifications in accordance with Section 4.4 of the GIP. 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 Preliminary 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 Preliminary Interconnection System Impact Study may be extended.

5.0 The Preliminary 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 Generating Facility to the Transmission System and to address the identified short circuit, instability, and power flow issues.

6.0 Interconnection Customer shall provide the deposit specified under Section 7.2 of the GIP for the performance of the Preliminary Interconnection System Impact Study. Transmission Provider's good faith estimate for the time of completion of the Preliminary Interconnection System Impact Study is [insert date].

Upon receipt of the Preliminary Interconnection System Impact Study results, Transmission Provider shall charge and Interconnection Customer shall pay the actual costs of the Preliminary 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 in accordance with Section 7.2 of the GIP.

7.0 Governing Law

7.1 Governance. The validity, interpretation and performance of this Agreement and each of its provisions shall be governed by the laws of the United States of America except to the extent that the laws of the state of Arkansas may apply.

7.2 Applicability. This Agreement is subject to all applicable federal and state Laws and Regulations.
7.3 **Reservation of Rights.** Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, rules, or regulations of a Governmental Authority.

8.0 **Notices.**

8.1 **General.** Unless otherwise provided in this Agreement, 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.

To Transmission Provider:

Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936
Attention: Manager, GI Studies

To Interconnection Customer:

__________________________
__________________________
__________________________
Attention: __________________

8.2 **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.

9.0 **Force Majeure**

9.1 **Economic Hardship.** Economic hardship is not considered a Force Majeure event.

9.2 **Default.** Neither Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 10), 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 the full details 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.

10.0 Indemnity

10.1 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 Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

10.1.1 Indemnified Person. If an indemnified person is entitled to indemnification under this Article 10 as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 10.1, 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.

10.1.2 Indemnifying Party. If an indemnifying Party is obligated to indemnify and hold any indemnified person harmless under this Article 10, 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.

10.1.3 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 10.1 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.

10.2 Consequential Damages. Other than the Liquidated Damages heretofore described, in no event shall either Party be liable under any provision of this Agreement 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.

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Agreement; and provided further that the Interconnection Customer shall have the right to assign this Agreement, without the consent of Transmission Provider for collateral security purposes to aid in providing financing for the Generating Facility, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to notify the Transmission Provider of any such assignment. Any financing arrangement entered into by the 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 the Transmission Provider of the date and particulars of any such exercise of assignment right. Any attempted assignment that violates this Article or Applicable Laws and Regulations is void and ineffective. Any assignment under this Agreement 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.

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estimated costs exceeds the actual costs of the studies within thirty (30) Calendar Days of the issuance of such final study invoice.

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14.5 Disputes. In the event of a billing dispute between Transmission Provider and Interconnection Customer, Transmission Provider shall continue to provide studies for Interconnection Service under the GIP 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 16. 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).

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15.1.2 Authority. Such Party has the right, power and authority to enter into this Agreement, to become a party hereto and to perform its obligations hereunder. This Agreement is a legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by
15.1.3 No Conflict. The execution, delivery and performance of this Agreement does not violate or conflict with the organizational or formation documents, or bylaws or operating agreement, of such Party, or any judgment, license, permit, order, material agreement or instrument applicable to or binding upon such Party or any of its assets.

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

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(b) The failure to comply with any material term or condition of this Agreement, including but not limited to any material Breach of a representation, warranty or covenant made in this Agreement;

(c) If a Party: (1) becomes insolvent; (2) files a voluntary petition in bankruptcy under any provision of any federal or state bankruptcy law or shall consent to the filing of any bankruptcy or reorganization petition against it under any similar law; (3) makes a general assignment for the benefit of its creditors; or (4) consents to the appointment of a receiver, trustee or liquidator;

(d) Assignment of this Agreement in a manner inconsistent with the terms of this Agreement;

(e) Failure of any Party to provide information or data to the other Party as required under this Agreement, provided the Party entitled to the information or
data under this Agreement requires such information or data to satisfy its obligations under this Agreement.

16.3 **Cure and Default.** Upon the occurrence of an event of Breach, the Party not in Breach (hereinafter the “Non-Breaching Party”), when it becomes aware of the Breach, shall give written notice of the Breach to the Breaching Party (the “Breaching Party”) and to any other person a Party to this Agreement identifies in writing to the other Party in advance. Such notice shall set forth, in reasonable detail, the nature of the Breach, and where known and applicable, the steps necessary to cure such Breach. Upon receiving written notice of the Breach hereunder, the Breaching Party shall have thirty (30) days to cure such Breach. If the Breach is such that it cannot be cured within thirty (30) days, the Breaching Party will commence in good faith all steps as are reasonable and appropriate to cure the Breach within such thirty (30) day time period and thereafter diligently pursue such action to completion. In the event the Breaching Party fails to cure the Breach, or to commence reasonable and appropriate steps to cure the Breach, within thirty (30) days of becoming aware of the Breach, the Breaching Party will be in Default of the Agreement.

16.4 **Right to Compel Performance.** Notwithstanding the foregoing, upon the occurrence of an event of Default, the non-Defaulting Party shall be entitled to: (1) commence an action to require the Defaulting Party to remedy such Default and specifically perform its duties and obligations hereunder in accordance with the terms and conditions hereof, and (2) exercise such other rights and remedies as it may have in equity or at law.

17. **Miscellaneous**

17.1 **Binding Effect.** This Agreement 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.

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

17.3 **Rules of Interpretation.** This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and
Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder.

17.4 **Entire Agreement.** This Agreement, 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 Agreement. There are no other agreements, representations, warranties, or covenants that constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.

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

17.6 **Waiver.** The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Termination or Default of this Agreement 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 Agreement shall, if requested, be provided in writing.

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

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

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

17.10 **Modification by the Parties.** The Parties may by mutual agreement amend the Appendices to this Agreement by a written instrument duly executed by the Parties. Such amendment shall become effective and a part of this Agreement upon satisfaction of all Applicable Laws and Regulations.
17.11 **No Partnership.** This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

**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: __________________________
ASSUMPTIONS USED IN CONDUCTING THE
PRELIMINARY INTERCONNECTION SYSTEM IMPACT STUDY

The Preliminary Interconnection System Impact Study will be based upon the results of
the Interconnection Feasibility Study (if performed), subject to any modifications in accordance
with Section 4.4 of the GIP, 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]

GENERATING FACILITY DATA FOR THE
PRELIMINARY INTERCONNECTION SYSTEM IMPACT STUDY

UNIT RATINGS

Nameplate kVA _____________ °F ________ Voltage _____________
Prime Mover type _____________________________
Power Factor: Lead ________ Lag ________
Speed (RPM) ________ Connection (e.g. Wye) _____________
Short Circuit Ratio __________ Frequency, Hertz _____________
Stator Amperes at Rated kVA ________ Field Volts _____________
Max Turbine Power: Summer MW __________ °F ________
Winter MW __________ °F ________

COMBINED TURBINE-GENERATOR-EXCITER INERTIA DATA

Inertia Constant, H = __________________________ kW sec/kVA
Moment-of-Inertia, WR^2 = __________________________ 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
GENERATING FACILITY DATA

ARMATURE WINDING RESISTANCE DATA (PER UNIT)

Positive $R_1$
Negative $R_2$
Zero $R_0$

Rotor Short Time Thermal Capacity $I_2^2 t = $
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 ____________________________________________________

Impedance: Positive $Z_1$ (on self-cooled kVA rating)____________ % ______ X/R

Impedance: Zero $Z_0$ (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): ______________
(*) $I_2t$ 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.
APPENDIX 3A TO GIP

DEFINITIVE INTERCONNECTION SYSTEM IMPACT STUDY AGREEMENT

THIS AGREEMENT is made and entered into this _____ day of ___________ 20___ by and between ___________________ a ________________ and existing under the laws of the State of ___________________ ("Interconnection Customer") and Southwest Power Pool, Inc. a non-profit organization under the laws of the State of Arkansas ("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 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 System;

WHEREAS, Transmission Provider has completed a Preliminary Interconnection System Impact Study and provided the results of said study to Interconnection Customer (This recital to be omitted if Interconnection Customer did not participate in Preliminary Interconnection System Impact Study); and

WHEREAS, Interconnection Customer has participated in a Preliminary Interconnection System Impact Study and wishes to participate in the Definitive Interconnection System Impact Study or has requested Transmission Provider to perform a Definitive Interconnection System Impact Study to assess the impact of interconnecting the 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 GIP.

2.0 Interconnection Customer elects and Transmission Provider shall cause to be performed a Definitive Interconnection System Impact Study consistent with Section 8.0 of this GIP 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 will be based upon the results of the Preliminary Interconnection System Impact Study and the technical information provided by Interconnection Customer in the Interconnection Request, subject to any modifications in accordance with Section 4.4 of the GIP.
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 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;

- description and non-binding, good faith estimated cost of facilities required to interconnect the Generating Facility to the Transmission System and to address the identified short circuit, instability, and power flow issues; and

- will include a Facilities Analysis as specified in Section 8.4.4 that will provide cost estimates for Transmission Owner’s Interconnection Facilities and Network Upgrades at the Point of Interconnection.

6.0 Interconnection Customer shall provide the deposit specified under Section 8.2 of the GIP for the performance of the Definitive Interconnection System Impact Study. Transmission Provider’s good faith estimate for the time of completion of the Definitive Interconnection System Impact Study is [insert date].

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

Any difference between the deposit and Interconnection Customer’s study cost obligation shall be paid by or refunded to Interconnection Customer, as appropriate per Section 13.3 of the Generator Interconnection Procedures.

7.0 Governing Law

7.1 Governance. The validity, interpretation and performance of this Agreement and each of its provisions shall be governed by the laws of the United States of America except to the extent that the laws of the state of Arkansas may apply.
7.2 **Applicability.** This Agreement is subject to all applicable federal and state Laws and Regulations.

7.3 **Reservation of Rights.** Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, rules, or regulations of a Governmental Authority.

8.0 **Notices.**

8.1 **General.** Unless otherwise provided in this Agreement, 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.

To Transmission Provider:

Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936
Attention: Manager, GI Studies

To Interconnection Customer:

__________________________
__________________________
__________________________
Attention: ______________________

8.2 **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.

9.0 **Force Majeure**

9.1 **Economic Hardship.** Economic hardship is not considered a Force Majeure event.

9.2 **Default.** Neither Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 10), 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 the full details 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.

10.0 Indemnity

10.1 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 Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

10.1.1 Indemnified Person. If an indemnified person is entitled to indemnification under this Article 10 as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 10.1, 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.

10.1.2 Indemnifying Party. If an indemnifying Party is obligated to indemnify and hold any indemnified person harmless under this Article 10, 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.

10.1.3 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 10.1 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.

10.2 Consequential Damages. Other than the Liquidated Damages heretofore described, in no event shall either Party be liable under any provision of this Agreement 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.

11.0 Assignment

11.1 Assignment. This Agreement may be assigned by either Party only with the written consent of the other Party; provided that either Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this
Agreement; and provided further that the Interconnection Customer shall have the right to assign this Agreement, without the consent of Transmission Provider for collateral security purposes to aid in providing financing for the Generating Facility, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to notify the Transmission Provider of any such assignment. Any financing arrangement entered into by the 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 the Transmission Provider of the date and particulars of any such exercise of assignment right. Any attempted assignment that violates this Article or Applicable Laws and Regulations is void and ineffective. Any assignment under this Agreement 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.

12.0 Severability

12.1 Severability. If any provision in this Agreement 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 Agreement.

13.0 Comparability

13.1 Comparability. The Parties will comply with all applicable comparability and code of conduct laws, rules and regulations, as amended from time to time.

14.0 Deposits and Invoice Procedures

14.1 General. The Transmission Provider and the Interconnection Customer 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 the GIP, including credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

14.2 Study Deposits. The Interconnection Customer shall provide study deposits, in accordance with the GIP to the Transmission Provider. The study deposits amounts and schedule shall be in accordance with the GIP.

14.3 Final Invoice. Within six months after completion of the studies Transmission Provider shall provide an invoice of the final cost of the studies and shall set forth such costs in sufficient detail to enable the 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 the studies within thirty (30) Calendar Days of the issuance of such final study invoice.

14.4 **Payment.** Invoices shall be rendered to the paying Party at the address specified in the Interconnection Request in Appendix 1 to the GIP. 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 the GIP.

14.5 **Disputes.** In the event of a billing dispute between Transmission Provider and Interconnection Customer, Transmission Provider shall continue to provide studies for Interconnection Service under the GIP 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 16. 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).

15.0 **Representations, Warranties, and Covenants**

15.1 **General.** Each Party makes the following representations, warranties and covenants:

15.1.1 **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; and that it has the corporate power and authority to own its properties, to carry on its business as now being conducted and to enter into this Agreement and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.

15.1.2 **Authority.** Such Party has the right, power and authority to enter into this Agreement, to become a party hereto and to perform its obligations hereunder. This Agreement is a legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by general equitable principles (regardless of whether enforceability is sought in a proceeding in equity or at law).
15.1.3 **No Conflict.** The execution, delivery and performance of this Agreement does not violate or conflict with the organizational or formation documents, or bylaws or operating agreement, of such Party, or any judgment, license, permit, order, material agreement or instrument applicable to or binding upon such Party or any of its assets.

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

16.0 **Breach, Cure and Default**

16.1 **General.** A breach of this Agreement ("Breach") shall occur upon the failure by a Party to perform or observe any material term or condition of this Agreement. A default of this Agreement ("Default") shall occur upon the failure of a Party in Breach of this Agreement to cure such Breach in accordance with the provisions of Section 17.4.

16.2 **Events of Breach.** A Breach of this Agreement shall include:

(a) The failure to pay any amount when due;

(b) The failure to comply with any material term or condition of this Agreement, including but not limited to any material Breach of a representation, warranty or covenant made in this Agreement;

(c) If a Party: (1) becomes insolvent; (2) files a voluntary petition in bankruptcy under any provision of any federal or state bankruptcy law or shall consent to the filing of any bankruptcy or reorganization petition against it under any similar law; (3) makes a general assignment for the benefit of its creditors; or (4) consents to the appointment of a receiver, trustee or liquidator;

(d) Assignment of this Agreement in a manner inconsistent with the terms of this Agreement;

(e) Failure of any Party to provide information or data to the other Party as required under this Agreement, provided the Party entitled to the information or data under this Agreement requires such information or data to satisfy its obligations under this Agreement.
16.3 **Cure and Default.** Upon the occurrence of an event of Breach, the Party not in Breach (hereinafter the “Non-Breaching Party”), when it becomes aware of the Breach, shall give written notice of the Breach to the Breaching Party (the “Breaching Party”) and to any other person a Party to this Agreement identifies in writing to the other Party in advance. Such notice shall set forth, in reasonable detail, the nature of the Breach, and where known and applicable, the steps necessary to cure such Breach. Upon receiving written notice of the Breach hereunder, the Breaching Party shall have thirty (30) days to cure such Breach. If the Breach is such that it cannot be cured within thirty (30) days, the Breaching Party will commence in good faith all steps as are reasonable and appropriate to cure the Breach within such thirty (30) day time period and thereafter diligently pursue such action to completion. In the event the Breaching Party fails to cure the Breach, or to commence reasonable and appropriate steps to cure the Breach, within thirty (30) days of becoming aware of the Breach, the Breaching Party will be in Default of the Agreement.

16.4 **Right to Compel Performance.** Notwithstanding the foregoing, upon the occurrence of an event of Default, the non-Defaulting Party shall be entitled to: (1) commence an action to require the Defaulting Party to remedy such Default and specifically perform its duties and obligations hereunder in accordance with the terms and conditions hereof, and (2) exercise such other rights and remedies as it may have in equity or at law.

17. **Miscellaneous**

17.1 **Binding Effect.** This Agreement 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.

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

17.3 **Rules of Interpretation.** This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person’s successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder.
17.4 **Entire Agreement.** This Agreement, 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 Agreement. There are no other agreements, representations, warranties, or covenants that constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.

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

17.6 **Waiver.** The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Termination or Default of this Agreement 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 Agreement shall, if requested, be provided in writing.

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

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17.10 **Modification by the Parties.** The Parties may by mutual agreement amend the Appendices to this Agreement by a written instrument duly executed by the Parties. Such amendment shall become effective and a part of this Agreement upon satisfaction of all Applicable Laws and Regulations.

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

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: __________________________
ASSUMPTIONS USED IN CONDUCTING THE
DEFINITIVE INTERCONNECTION SYSTEM IMPACT STUDY

The Definitive Interconnection System Impact Study will be based upon the information set forth in the Interconnection Requests and results of applicable prior studies, subject to any modifications in accordance with Section 4.4 of the GIP, 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, Transmission Owner and Transmission Provider]

GENERATING FACILITY DATA FOR THE
DEFINITIVE INTERCONNECTION SYSTEM IMPACT STUDY

UNIT RATINGS

Nameplate kVA ___________ °F _______ Voltage ___________
Prime Mover type __________________
Power Factor: Lead _______ Lag _______
Speed (RPM) ___________ Connection (e.g. Wye) ___________
Short Circuit Ratio ___________ Frequency, Hertz ___________
Stator Amperes at Rated kVA ___________ Field Volts ___________
Max Turbine Power: Summer MW ___________ °F _______
                Winter   MW ___________ °F ______

COMBINED TURBINE-GENERATOR-EXCITER INERTIA DATA

Inertia Constant, H = _______________________ kW sec/kVA
Moment-of-Inertia, WR^2 = _______________________ lb. ft.^2

REACTANCE DATA (PER UNIT-RATED KVA)

<table>
<thead>
<tr>
<th></th>
<th>DIRECT AXIS</th>
<th>QUADRATURE AXIS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Synchronous – saturated</td>
<td>X_{dv} _______</td>
<td>X_{iq} _______</td>
</tr>
<tr>
<td>Synchronous – unsaturated</td>
<td>X_{di} _______</td>
<td>X_{qi} _______</td>
</tr>
<tr>
<td>Transient – saturated</td>
<td>X'_{dv} _______</td>
<td>X'_{iq} _______</td>
</tr>
<tr>
<td>Transient – unsaturated</td>
<td>X'_{di} _______</td>
<td>X'_{qi} _______</td>
</tr>
</tbody>
</table>
Subtransient – saturated \( X''_{dv} \) \( X''_{qv} \)
Subtransient – unsaturated \( X'_{di} \) \( X''_{qi} \)
Negative Sequence – saturated \( X2_v \)
Negative Sequence – unsaturated \( X2_i \)
Zero Sequence – saturated \( X0_v \)
Zero Sequence – unsaturated \( X0_i \)
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
GENERATING FACILITY DATA

ARMATURE WINDING RESISTANCE DATA (PER UNIT)

Positive \( R_1 \)
Negative \( R_2 \)
Zero \( R_0 \)

Rotor Short Time Thermal Capacity \( I_2^2 t = \)
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 ________________________________________________

Impedance: Positive \( Z_1 \) (on self-cooled kVA rating)____________ % _______ X/R

Impedance: Zero \( Z_0 \) (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): ___________
(*) $I_2^t$ 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.
APPENDIX 4 TO GIP

INTERCONNECTION FACILITIES STUDY AGREEMENT

THIS AGREEMENT is made and entered into this ____ of _____________ 20___ by and between _________________ a ________________ and existing under the laws of the State of __________________ ("Interconnection Customer") and Southwest Power Pool, Inc. a non-profit organization under the laws of the State of Arkansas ("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 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 System;

WHEREAS, Transmission Provider has completed a Definitive Interconnection System Impact Study (the "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 the Definitive Interconnection System Impact Study in accordance with Good Utility Practice to physically and electrically connect the 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 GIP.

2.0 Interconnection Customer elects and Transmission Provider shall cause an Interconnection Facilities Study consistent with Section 8.0 of this GIP 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 Generating Facility to the Transmission System and (ii)
shall address the short circuit, instability, and power flow issues identified in the Definitive Interconnection System Impact Study.

5.0 Interconnection Customer shall meet the milestone requirements specified under Section 8.9 of the GIP prior to 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. Any difference between the applicable deposits specified under Section 8.2 of the GIP and Interconnection Customer’s share of study costs shall be paid by or refunded to Interconnection Customer, as appropriate per Section 13.3 of the GIP.

6.0 Reserved.

7.0 Governing Law

7.1 Governance. The validity, interpretation and performance of this Agreement and each of its provisions shall be governed by the laws of the United States of America except to the extent that the laws of the state of Arkansas may apply.

7.2 Applicability. This Agreement is subject to all applicable federal and state Laws and Regulations.

7.3 Reservation of Rights. Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, rules, or regulations of a Governmental Authority.

8.0 Notices.

8.1 General. Unless otherwise provided in this Agreement, 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.

To Transmission Provider:

Southwest Power Pool, Inc.
201 Worthen Drive
To Interconnection Customer:

__________________________
__________________________
__________________________
Attention: ______________________

8.2 **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.

9.0 **Force Majeure**

9.1 **Economic Hardship.** Economic hardship is not considered a Force Majeure event.

9.2 **Default.** Neither Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 10), 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 the full details 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.

10.0 **Indemnity**

10.1 **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 Parties’ action or inactions of its obligations under this Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.
10.1.1 Indemnified Person. If an indemnified person is entitled to indemnification under this Article 10 as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 10.1, 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.

10.1.2 Indemnifying Party. If an indemnifying Party is obligated to indemnify and hold any indemnified person harmless under this Article 10, 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.

10.1.3 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 10.1 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.

10.2 **Consequential Damages.** Other than the Liquidated Damages heretofore described, in no event shall either Party be liable under any provision of this Agreement 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.

11.0 **Assignment**

11.1 **Assignment.** This Agreement may be assigned by either Party only with the written consent of the other Party; provided that either Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that the Interconnection Customer shall have the right to assign this Agreement, without the consent of Transmission Provider for collateral security purposes to aid in providing financing for the Generating Facility, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to notify the Transmission Provider of any such assignment. Any financing arrangement entered into by the 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 the Transmission Provider of the date and particulars of any such exercise of assignment right. Any attempted assignment that violates this Article or Applicable Laws and Regulations is void and ineffective. Any assignment under this Agreement 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.

12.0 **Severability**
12.1 **Severability.** If any provision in this Agreement 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 Agreement.

13.0 **Comparability**

13.1 **Comparability.** The Parties will comply with all applicable comparability and code of conduct laws, rules and regulations, as amended from time to time.

14.0 **Deposits and Invoice Procedures**

14.1 **General.** The Transmission Provider and the Interconnection Customer 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 the GIP, including credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

14.2 **Study Deposits.** The Interconnection Customer shall provide study deposits, in accordance with the GIP to the Transmission Provider. The study deposits amounts and schedule shall be in accordance with the GIP.

14.3 **Final Invoice.** Within six months after completion of the studies Transmission Provider shall provide an invoice of the final cost of the studies and shall set forth such costs in sufficient detail to enable the 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 the studies within thirty (30) Calendar Days of the issuance of such final study invoice.

14.4 **Payment.** Invoices shall be rendered to the paying Party at the address specified in the Interconnection Request in Appendix 1 to the GIP. 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 the GIP.

14.5 **Disputes.** In the event of a billing dispute between Transmission Provider and Interconnection Customer, Transmission Provider shall continue to provide studies for Interconnection Service under the GIP 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 16. 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).

15.0 **Representations, Warranties, and Covenants**

15.1 **General.** Each Party makes the following representations, warranties and covenants:

15.1.1 **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; and that it has the corporate power and authority to own its properties, to carry on its business as now being conducted and to enter into this Agreement and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.

15.1.2 **Authority.** Such Party has the right, power and authority to enter into this Agreement, to become a party hereto and to perform its obligations hereunder. This Agreement is a legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by general equitable principles (regardless of whether enforceability is sought in a proceeding in equity or at law).

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

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

16.0 **Breach, Cure and Default**
16.1 General. A breach of this Agreement ("Breach") shall occur upon the failure by a Party to perform or observe any material term or condition of this Agreement. A default of this Agreement ("Default") shall occur upon the failure of a Party in Breach of this Agreement to cure such Breach in accordance with the provisions of Section 17.4.

16.2 Events of Breach. A Breach of this Agreement shall include:

(a) The failure to pay any amount when due;

(b) The failure to comply with any material term or condition of this Agreement, including but not limited to any material Breach of a representation, warranty or covenant made in this Agreement;

(c) If a Party: (1) becomes insolvent; (2) files a voluntary petition in bankruptcy under any provision of any federal or state bankruptcy law or shall consent to the filing of any bankruptcy or reorganization petition against it under any similar law; (3) makes a general assignment for the benefit of its creditors; or (4) consents to the appointment of a receiver, trustee or liquidator;

(d) Assignment of this Agreement in a manner inconsistent with the terms of this Agreement;

(e) Failure of any Party to provide information or data to the other Party as required under this Agreement, provided the Party entitled to the information or data under this Agreement requires such information or data to satisfy its obligations under this Agreement.

16.3 Cure and Default. Upon the occurrence of an event of Breach, the Party not in Breach (hereinafter the “Non-Breaching Party”), when it becomes aware of the Breach, shall give written notice of the Breach to the Breaching Party (the “Breaching Party”) and to any other person a Party to this Agreement identifies in writing to the other Party in advance. Such notice shall set forth, in reasonable detail, the nature of the Breach, and where known and applicable, the steps necessary to cure such Breach. Upon receiving written notice of the Breach hereunder, the Breaching Party shall have thirty (30) days to cure such Breach. If the Breach is such that it cannot be cured within thirty (30) days, the Breaching Party will commence in good faith all steps as are reasonable and appropriate to cure the Breach within such thirty (30) day time period and thereafter diligently pursue such action to completion. In the event the Breaching Party fails to cure the Breach, or to commence reasonable and appropriate steps to cure the Breach, within thirty (30) days of becoming aware of the Breach, the Breaching Party will be in Default of the Agreement.
16.4 **Right to Compel Performance.** Notwithstanding the foregoing, upon the occurrence of an event of Default, the non-Defaulting Party shall be entitled to: (1) commence an action to require the Defaulting Party to remedy such Default and specifically perform its duties and obligations hereunder in accordance with the terms and conditions hereof, and (2) exercise such other rights and remedies as it may have in equity or at law.

17. **Miscellaneous**

17.1 **Binding Effect.** This Agreement 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.

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

17.3 **Rules of Interpretation.** This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder.

17.4 **Entire Agreement.** This Agreement, 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 Agreement. There are no other agreements, representations, warranties, or covenants that constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.

17.5 **No Third Party Beneficiaries.** This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.
17.6 **Waiver.** The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Termination or Default of this Agreement 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 Agreement shall, if requested, be provided in writing.

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

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

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

17.10 **Modification by the Parties.** The Parties may by mutual agreement amend the Appendices to this Agreement by a written instrument duly executed by the Parties. Such amendment shall become effective and a part of this Agreement upon satisfaction of all Applicable Laws and Regulations.

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

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: _________________________
INTERCONNECTION CUSTOMER SCHEDULE ELECTION FOR CONDUCTING 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 copy of this Interconnection Facilities Study Agreement:

- ninety (90) Calendar Days with no more than a +/- 20 percent cost estimate contained in the report.
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 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 Generating Facility in the Transmission Provider’s service area?

_____ Yes _____ No  Local provider: ______________________________

Please provide proposed schedule dates:

<table>
<thead>
<tr>
<th>Event</th>
<th>Date: ____________________</th>
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</thead>
<tbody>
<tr>
<td>Begin Construction</td>
<td></td>
</tr>
<tr>
<td>Generator step-up transformer</td>
<td></td>
</tr>
<tr>
<td>receives back feed power</td>
<td></td>
</tr>
<tr>
<td>Generation Testing</td>
<td></td>
</tr>
<tr>
<td>Commercial Operation</td>
<td></td>
</tr>
</tbody>
</table>
APPENDIX 4A TO GIP

LIMITED OPERATION INTERCONNECTION FACILITIES STUDY AGREEMENT

THIS AGREEMENT is made and entered into this ____ of _____________ 20___ by and between _________________ a __________________ and existing under the laws of the State of __________________ (“Interconnection Customer”) and Southwest Power Pool, Inc. a non-profit organization under the laws of the State of Arkansas ("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 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 System;

WHEREAS, Transmission Provider has completed a Definitive Interconnection System Impact Study (the "System Impact Study") that requires Limited Operation in accordance with Section 8.4.3 as being necessary for the Interconnection Request and has 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 the Definitive Interconnection System Impact Study in accordance with Good Utility Practice to physically and electrically connect the 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 GIP.

2.0 Interconnection Customer elects and Transmission Provider shall cause an Interconnection Facilities Study consistent with Section 8.0 of this GIP 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 Generating Facility to the Transmission System and (ii) shall address the short circuit, instability, and power flow issues identified in the Definitive Interconnection System Impact Study.

5.0 Interconnection Customer shall meet the milestone requirements specified under Section 8.9 of the GIP prior to 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. Any difference between the applicable deposits specified under Section 8.2 of the GIP and Interconnection Customer’s share of study costs shall be paid by or refunded to Interconnection Customer, as appropriate per Section 8.9 of the GIP.

6.0 Conditions for Limited Operation. Interconnection Customer agrees to the following conditions:

1. The Generating Facility will be allowed to operate under Limited Operation in accordance with Section 8.4.3 of the GIP before a Network Upgrades previously approved for construction under Section VI of Attachment O of this Tariff (“Previously Approved Network Upgrade”) is placed into service;

2. The Interconnection Customer will meet all requirements of the GIP;

3. The Interconnection Customer will provide financial security and authorize engineering, procurement, and construction of its cost assigned Network Upgrades and interconnection facilities no later than thirty (30) days after the effective date of the GIA; and

4. If the Transmission Provider determines that an earlier in-service date for a Previously Approved Network Upgrade can reasonably be met, then:
   a. If the Limited Operation Interconnection Facilities Study Agreement amount identified in Section 8.4.3 of the GIP is less than seventy-five (75) percent of the requested Interconnection Service, then the Interconnection Customer shall pay the cost of placing a Previously Approved Network Upgrade into service at an earlier date; or
   b. If the Limited Operation Interconnection Facilities Study Agreement amount identified in Section 8.4.3 of the GIP is greater than or equal to seventy-five (75) percent of the requested Interconnection Service, then the Interconnection Customer may either accept Limited Operation until the scheduled in-service date of a Previously Approved Network Upgrade.
Upgrade or pay the cost of placing a Previously Approved Network Upgrade into service at an earlier date.

7.0 Governing Law

7.1 Governance. The validity, interpretation and performance of this Agreement and each of its provisions shall be governed by the laws of the United States of America except to the extent that the laws of the state of Arkansas may apply.

7.2 Applicability. This Agreement is subject to all applicable federal and state Laws and Regulations.

7.3 Reservation of Rights. Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, rules, or regulations of a Governmental Authority.

8.0 Notices.

8.1 General. Unless otherwise provided in this Agreement, 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.

To Transmission Provider:

Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936
Attention: Manager, GI Studies

To Interconnection Customer:

__________________________
__________________________
__________________________
Attention: ______________________

8.2 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.
9.0 Force Majeure

9.1 Economic Hardship. Economic hardship is not considered a Force Majeure event.

9.2 Default. Neither Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 10), 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 the full details 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.

10.0 Indemnity

10.1 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 Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

10.1.1 Indemnified Person. If an indemnified person is entitled to indemnification under this Article 10 as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 10.1, 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.

10.1.2 Indemnifying Party. If an indemnifying Party is obligated to indemnify and hold any indemnified person harmless under this Article 10, 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.
10.1.3 **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 10.1 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.

10.2 **Consequential Damages.** Other than the Liquidated Damages heretofore described, in no event shall either Party be liable under any provision of this Agreement 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.

11.0 Assignment

11.1 Assignment. This Agreement may be assigned by either Party only with the written consent of the other Party; provided that either Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that the Interconnection Customer shall have the right to assign this Agreement, without the consent of Transmission Provider for collateral security purposes to aid in providing financing for the Generating Facility, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to notify the Transmission Provider of any such assignment. Any financing arrangement entered into by the 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 the Transmission Provider of the date and particulars of any such exercise of assignment right. Any attempted assignment that violates this Article or Applicable Laws and Regulations is void and ineffective. Any assignment under this Agreement 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.

12.0 Severability

12.1 Severability. If any provision in this Agreement 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 Agreement.

13.0 Comparability

13.1 Comparability. The Parties will comply with all applicable comparability and code of conduct laws, rules and regulations, as amended from time to time.

14.0 Deposits and Invoice Procedures

14.1 General. The Transmission Provider and the Interconnection Customer 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 the GIP, including credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

14.2 Study Deposits. The Interconnection Customer shall provide study deposits, in accordance with the GIP to the Transmission Provider. The study deposits amounts and schedule shall be in accordance with the GIP.

14.3 Final Invoice. Within six months after completion of the studies Transmission Provider shall provide an invoice of the final cost of the studies and shall set forth such costs in sufficient detail to enable the 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 the studies within thirty (30) Calendar Days of the issuance of such final study invoice.

14.4 Payment. Invoices shall be rendered to the paying Party at the address specified in the Interconnection Request in Appendix 1 to the GIP. 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 the GIP.

14.5 Disputes. In the event of a billing dispute between Transmission Provider and Interconnection Customer, Transmission Provider shall continue to provide studies for Interconnection Service under the GIP 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 16. 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).

15.0 Representations, Warranties, and Covenants

15.1 General. Each Party makes the following representations, warranties and covenants:

15.1.1 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; and that it has the corporate power and authority to own its properties, to carry on
its business as now being conducted and to enter into this Agreement and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.

15.1.2 **Authority.** Such Party has the right, power and authority to enter into this Agreement, to become a party hereto and to perform its obligations hereunder. This Agreement is a legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by general equitable principles (regardless of whether enforceability is sought in a proceeding in equity or at law).

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

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

16.0 **Breach, Cure and Default**

16.1 **General.** A breach of this Agreement ("Breach") shall occur upon the failure by a Party to perform or observe any material term or condition of this Agreement. A default of this Agreement ("Default") shall occur upon the failure of a Party in Breach of this Agreement to cure such Breach in accordance with the provisions of Section 17.4.

16.2 **Events of Breach.** A Breach of this Agreement shall include:

(a) The failure to pay any amount when due;

(b) The failure to comply with any material term or condition of this Agreement, including but not limited to any material Breach of a representation, warranty or covenant made in this Agreement;
(c) If a Party: (1) becomes insolvent; (2) files a voluntary petition in bankruptcy under any provision of any federal or state bankruptcy law or shall consent to the filing of any bankruptcy or reorganization petition against it under any similar law; (3) makes a general assignment for the benefit of its creditors; or (4) consents to the appointment of a receiver, trustee or liquidator;

(d) Assignment of this Agreement in a manner inconsistent with the terms of this Agreement;

(e) Failure of any Party to provide information or data to the other Party as required under this Agreement, provided the Party entitled to the information or data under this Agreement requires such information or data to satisfy its obligations under this Agreement.

16.3 **Cure and Default.** Upon the occurrence of an event of Breach, the Party not in Breach (hereinafter the “Non-Breaching Party”), when it becomes aware of the Breach, shall give written notice of the Breach to the Breaching Party (the “Breaching Party”) and to any other person a Party to this Agreement identifies in writing to the other Party in advance. Such notice shall set forth, in reasonable detail, the nature of the Breach, and where known and applicable, the steps necessary to cure such Breach. Upon receiving written notice of the Breach hereunder, the Breaching Party shall have thirty (30) days to cure such Breach. If the Breach is such that it cannot be cured within thirty (30) days, the Breaching Party will commence in good faith all steps as are reasonable and appropriate to cure the Breach within such thirty (30) day time period and thereafter diligently pursue such action to completion. In the event the Breaching Party fails to cure the Breach, or to commence reasonable and appropriate steps to cure the Breach, within thirty (30) days of becoming aware of the Breach, the Breaching Party will be in Default of the Agreement.

16.4 **Right to Compel Performance.** Notwithstanding the foregoing, upon the occurrence of an event of Default, the non-Defaulting Party shall be entitled to: (1) commence an action to require the Defaulting Party to remedy such Default and specifically perform its duties and obligations hereunder in accordance with the terms and conditions hereof, and (2) exercise such other rights and remedies as it may have in equity or at law.

17. **Miscellaneous**

17.1 **Binding Effect.** This Agreement 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.

17.2 **Conflicts.** In the event of a conflict between the body of this Agreement and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this Agreement shall prevail and be deemed the final intent of the Parties.
17.3 **Rules of Interpretation.** This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder.

17.4 **Entire Agreement.** This Agreement, 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 Agreement. There are no other agreements, representations, warranties, or covenants that constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.

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

17.6 **Waiver.** The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Termination or Default of this Agreement 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 Agreement shall, if requested, be provided in writing.

17.7 **Headings.** The descriptive headings of the various Articles of this Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Agreement.
17.8 **Multiple Counterparts.** This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

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

17.10 **Modification by the Parties.** The Parties may by mutual agreement amend the Appendices to this Agreement by a written instrument duly executed by the Parties. Such amendment shall become effective and a part of this Agreement upon satisfaction of all Applicable Laws and Regulations.

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

**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: ____________________________
INTERCONNECTION CUSTOMER SCHEDULE ELECTION FOR CONDUCTING THE LIMITED OPERATION 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 copy of this Interconnection Facilities Study Agreement:

- ninety (90) Calendar Days with no more than a +/- 20 percent cost estimate contained in the report.
DATA FORM TO BE PROVIDED BY INTERCONNECTION CUSTOMER WITH THE LIMITED OPERATION 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 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 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 Date: ______________________
receives back feed power
Generation Testing      Date: ______________________
Commercial Operation    Date: ______________________
APPENDIX 5 TO GIP

INTERIM AVAILABILITY INTERCONNECTION SYSTEM IMPACT STUDY AGREEMENT

THIS AGREEMENT is made and entered into this _____ day of ___________ 20___ by and between ___________________ a ________________ and existing under the laws of the State of ___________________ ("Interconnection Customer") and Southwest Power Pool, Inc. a non-profit organization under the laws of the State of Arkansas ("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 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 has a fully executed Definitive Interconnection System Impact Study Agreement and has submitted all requirements and milestones to be included in the Definitive Interconnection System Impact Study Queue;

WHEREAS, Interconnection Customer desires to interconnect the Generating Facility with the Transmission System on an interim basis before all such required studies under the GIP can be completed;

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 GIP.

2.0 Interconnection Customer elects and Transmission Provider shall cause to be performed an Interim Availability Interconnection System Impact Study as described in Section 11A.2.4.1 of this GIP.

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

4.0 The Interim Availability Interconnection System Impact Study will be based upon the technical information provided by Interconnection Customer in the Interconnection Request. 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 Interim Availability Interconnection System Impact Study.
5.0 The Interim Availability 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 Generating Facility to the Transmission System and to address the identified short circuit, instability, and power flow issues.

6.0 Interconnection Customer shall provide the deposit specified under Section 8.2 of the GIP for the performance of the Interim Availability Interconnection System Impact Study. Transmission Provider’s good faith estimate for the time of completion of the Interim Availability Interconnection System Impact Study is [insert date].

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

Any difference between the deposit and Interconnection Customer’s study cost obligation shall be paid by or refunded to Interconnection Customer, as appropriate per Section 13.3 of the Generator Interconnection Procedures.

7.0 Governing Law

7.1 Governance. The validity, interpretation and performance of this Agreement and each of its provisions shall be governed by the laws of the United States of America except to the extent that the laws of the state of Arkansas may apply.

7.2 Applicability. This Agreement is subject to all applicable federal and state Laws and Regulations.

7.3 Reservation of Rights. Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, rules, or regulations of a Governmental Authority.

8.0 Notices.
8.1 **General.** Unless otherwise provided in this Agreement, 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.

To Transmission Provider:

Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR  72223-4936
Attention: Manager, GI Studies

To Interconnection Customer:

________________________
________________________
________________________
Attention: ______________________

8.2 **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.

9.0 **Force Majeure**

9.1 **Economic Hardship.** Economic hardship is not considered a Force Majeure event.

9.2 **Default.** Neither Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 10), 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 the full details 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.

10.0 Indemnity

10.1 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 Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

10.1.1 Indemnified Person. If an indemnified person is entitled to indemnification under this Article 10 as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 10.1, 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.

10.1.2 Indemnifying Party. If an indemnifying Party is obligated to indemnify and hold any indemnified person harmless under this Article 10, 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.

10.1.3 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 10.1 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.

10.2 Consequential Damages. Other than the Liquidated Damages heretofore described, in no event shall either Party be liable under any provision of this Agreement 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.

11.0 Assignment

11.1 Assignment. This Agreement may be assigned by either Party only with the written consent of the other Party; provided that either Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that the Interconnection Customer shall have the right to assign this Agreement, without the consent of Transmission Provider for collateral security purposes to aid in providing financing for the Generating Facility, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to notify the Transmission Provider of any such
assignment. Any financing arrangement entered into by the 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 the Transmission Provider of the date and particulars of any such exercise of assignment right. Any attempted assignment that violates this Article or Applicable Laws and Regulations is void and ineffective. Any assignment under this Agreement 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.

12.0 Severability

12.1 Severability. If any provision in this Agreement 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 Agreement.

13.0 Comparability

13.1 Comparability. The Parties will comply with all applicable comparability and code of conduct laws, rules and regulations, as amended from time to time.

14.0 Deposits and Invoice Procedures

14.1 General. The Transmission Provider and the Interconnection Customer 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 the GIP, including credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

14.2 Study Deposits. The Interconnection Customer shall provide study deposits, in accordance with the GIP to the Transmission Provider. The study deposits amounts and schedule shall be in accordance with the GIP.

14.3 Final Invoice. Within six months after completion of the studies Transmission Provider shall provide an invoice of the final cost of the studies and shall set forth such costs in sufficient detail to enable the 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 the studies within thirty (30) Calendar Days of the issuance of such final study invoice.

14.4 Payment. Invoices shall be rendered to the paying Party at the address specified in the Interconnection Request in Appendix 1 to the GIP. 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 the GIP.

14.5 Disputes. In the event of a billing dispute between Transmission Provider and Interconnection Customer, Transmission Provider shall continue to provide studies for Interconnection Service under the GIP 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 16. 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).

15.0 Representations, Warranties, and Covenants

15.1 General. Each Party makes the following representations, warranties and covenants:

15.1.1 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; and that it has the corporate power and authority to own its properties, to carry on its business as now being conducted and to enter into this Agreement and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.

15.1.2 Authority. Such Party has the right, power and authority to enter into this Agreement, to become a party hereto and to perform its obligations hereunder. This Agreement is a legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by general equitable principles (regardless of whether enforceability is sought in a proceeding in equity or at law).

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

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

16.0 Breach, Cure and Default

16.1 General. A breach of this Agreement ("Breach") shall occur upon the failure by a Party to perform or observe any material term or condition of this Agreement. A default of this Agreement ("Default") shall occur upon the failure of a Party in Breach of this Agreement to cure such Breach in accordance with the provisions of Section 17.4.

16.2 Events of Breach. A Breach of this Agreement shall include:

(a) The failure to pay any amount when due;

(b) The failure to comply with any material term or condition of this Agreement, including but not limited to any material Breach of a representation, warranty or covenant made in this Agreement;

(c) If a Party: (1) becomes insolvent; (2) files a voluntary petition in bankruptcy under any provision of any federal or state bankruptcy law or shall consent to the filing of any bankruptcy or reorganization petition against it under any similar law; (3) makes a general assignment for the benefit of its creditors; or (4) consents to the appointment of a receiver, trustee or liquidator;

(d) Assignment of this Agreement in a manner inconsistent with the terms of this Agreement;

(e) Failure of any Party to provide information or data to the other Party as required under this Agreement, provided the Party entitled to the information or data under this Agreement requires such information or data to satisfy its obligations under this Agreement.

16.3 Cure and Default. Upon the occurrence of an event of Breach, the Party not in Breach (hereinafter the “Non-Breaching Party”), when it becomes aware of the Breach, shall give written notice of the Breach to the Breaching Party (the “Breaching Party”) and to any other person a Party to this Agreement identifies in
writing to the other Party in advance. Such notice shall set forth, in reasonable
detail, the nature of the Breach, and where known and applicable, the steps
necessary to cure such Breach. Upon receiving written notice of the Breach
hereunder, the Breaching Party shall have thirty (30) days to cure such Breach. If
the Breach is such that it cannot be cured within thirty (30) days, the Breaching
Party will commence in good faith all steps as are reasonable and appropriate to
cure the Breach within such thirty (30) day time period and thereafter diligently
pursue such action to completion. In the event the Breaching Party fails to cure
the Breach, or to commence reasonable and appropriate steps to cure the Breach,
within thirty (30) days of becoming aware of the Breach, the Breaching Party will
be in Default of the Agreement.

16.4 Right to Compel Performance. Notwithstanding the foregoing, upon the
occurrence of an event of Default, the non-Defaulting Party shall be entitled to:
(1) commence an action to require the Defaulting Party to remedy such Default
and specifically perform its duties and obligations hereunder in accordance with
the terms and conditions hereof, and (2) exercise such other rights and remedies
as it may have in equity or at law.

17. Miscellaneous

17.1 Binding Effect. This Agreement 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.

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

17.3 Rules of Interpretation. This Agreement, unless a clear contrary intention
appears, shall be construed and interpreted as follows: (1) the singular number
includes the plural number and vice versa; (2) reference to any person includes
such person's successors and assigns but, in the case of a Party, only if such
successors and assigns are permitted by this Agreement, and reference to a person
in a particular capacity excludes such person in any other capacity or individually;
(3) reference to any agreement (including this Agreement), document, instrument
or tariff means such agreement, document, instrument, or tariff as amended or
modified and in effect from time to time in accordance with the terms thereof and,
if applicable, the terms hereof; (4) reference to any Applicable Laws and
Regulations means such Applicable Laws and Regulations as amended, modified,
codified, or reenacted, in whole or in part, and in effect from time to time,
including, if applicable, rules and regulations promulgated thereunder.

17.4 Entire Agreement. This Agreement, 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 Agreement. There are no other agreements, representations, warranties, or covenants that constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.

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

17.6 **Waiver.** The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Termination or Default of this Agreement 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 Agreement shall, if requested, be provided in writing.

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

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

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

17.10 **Modification by the Parties.** The Parties may by mutual agreement amend the Appendices to this Agreement by a written instrument duly executed by the Parties. Such amendment shall become effective and a part of this Agreement upon satisfaction of all Applicable Laws and Regulations.

17.11 **No Partnership.** This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.
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: ___________________________
ASSUMPTIONS USED IN CONDUCTING THE INTERIM AVAILABILITY INTERCONNECTION SYSTEM IMPACT STUDY

The Interim Availability Interconnection System Impact Study will be based upon the information set forth in the Interconnection Requests and results of applicable prior studies, subject to any modifications in accordance with Section 4.4 of the GIP, 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, Transmission Owner and Transmission Provider]

GENERATING FACILITY DATA FOR THE INTERIM AVAILABILITY INTERCONNECTION SYSTEM IMPACT STUDY

UNIT RATINGS

Nameplate kVA __________  °F _______ Voltage __________
Prime Mover type _____________________________
Power Factor: Lead _______  Lag _______
Speed (RPM) _______  Connection (e.g. Wye) _____________
Short Circuit Ratio _______  Frequency, Hertz _____________
Stator Amperes at Rated kVA _____________  Field Volts _____________
Max Turbine Power: Summer MW _____________  °F ______
                      Winter  MW _____________  °F ______

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)

<table>
<thead>
<tr>
<th></th>
<th>DIRECT AXIS</th>
<th>QUADRATURE AXIS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Synchronous – saturated</td>
<td>X_{dv}</td>
<td>X_{qv}</td>
</tr>
<tr>
<td>Synchronous – unsaturated</td>
<td>X_{di}</td>
<td>X_{qi}</td>
</tr>
</tbody>
</table>
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 \( X_2 \vphantom{v} \)
Negative Sequence – unsaturated \( X_2 \vphantom{i} \)
Zero Sequence – saturated \( X_0 \vphantom{v} \)
Zero Sequence – unsaturated \( X_0 \vphantom{i} \)
Leakage Reactance \( X_l \vphantom{m} \)

FIELD TIME CONSTANT DATA (SEC)

<table>
<thead>
<tr>
<th>Condition</th>
<th>( T_{do} )</th>
<th>( T_{qo} )</th>
</tr>
</thead>
<tbody>
<tr>
<td>Open Circuit</td>
<td></td>
<td></td>
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<tr>
<td>Three-Phase Short Circuit Transient</td>
<td>( T_{d3} )</td>
<td>( T_{q} )</td>
</tr>
<tr>
<td>Line to Line Short Circuit Transient</td>
<td>( T_{d2} )</td>
<td></td>
</tr>
<tr>
<td>Line to Neutral Short Circuit Transient</td>
<td>( T_{d1} )</td>
<td></td>
</tr>
<tr>
<td>Short Circuit Subtransient</td>
<td>( T''_{d} )</td>
<td>( T''_{q} )</td>
</tr>
<tr>
<td>Open Circuit Subtransient</td>
<td>( T''_{do} )</td>
<td>( T''_{qo} )</td>
</tr>
</tbody>
</table>

ARMATURE TIME CONSTANT DATA (SEC)

<table>
<thead>
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<th>( T_a )</th>
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<td>Three Phase Short Circuit</td>
<td>( T_{a3} )</td>
</tr>
<tr>
<td>Line to Line Short Circuit</td>
<td>( T_{a2} )</td>
</tr>
<tr>
<td>Line to Neutral Short Circuit</td>
<td>( T_{a1} )</td>
</tr>
</tbody>
</table>

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

MW CAPABILITY AND PLANT CONFIGURATION
GENERATING FACILITY DATA

ARMATURE WINDING RESISTANCE DATA (PER UNIT)

<table>
<thead>
<tr>
<th>Type</th>
<th>( R )</th>
</tr>
</thead>
<tbody>
<tr>
<td>Positive</td>
<td>( R_1 )</td>
</tr>
<tr>
<td>Negative</td>
<td>( R_2 )</td>
</tr>
<tr>
<td>Zero</td>
<td>( R_0 )</td>
</tr>
</tbody>
</table>

Rotor Short Time Thermal Capacity \( I_2^2 t = \) ________
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

Impedance: Positive Z₁ (on self-cooled kVA rating) % X/R
Impedance: 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): _______________
(*) I^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.
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GENERATOR INTERCONNECTION AGREEMENT

THIS GENERATOR INTERCONNECTION AGREEMENT ("Agreement") is made and entered into this ____ day of ___________ 20__, by and among _______________________, a ____________________________ organized and existing under the laws of the State/Commonwealth of ________________ ("Interconnection Customer" with a Generating Facility), Southwest Power Pool, Inc., a corporation organized and existing under the laws of the State of Arkansas ("Transmission Provider") and ____________________________________________, a ____________________________ organized and existing under the laws of the State/Commonwealth of ________________ ("Transmission Owner"). Interconnection Customer, Transmission Provider and Transmission Owner each may be referred to as a "Party" or collectively as the "Parties."

Recitals

WHEREAS, Transmission Provider functionally controls the operation of the Transmission System; and,

WHEREAS, Interconnection Customer intends to own, lease and/or control and operate the Generating Facility identified as a Generating Facility in Appendix C to this Agreement; and,

WHEREAS, Transmission Owner owns facilities to which the Generating Facility is to be interconnected and may be constructing facilities to allow the interconnection; and,

WHEREAS, Interconnection Customer, Transmission Provider and Transmission Owner have agreed to enter into this Agreement for the purpose of interconnecting the 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 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 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 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.

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

Breaching Party shall mean a Party that is in Breach of the 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 is studied together, instead of serially, for the purpose of conducting Interconnection Studies.
Commercial Operation shall mean the status of a 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 commences Commercial Operation as agreed to by the Parties pursuant to Appendix E to the 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.

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 Reliability Council.

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

Definitive Interconnection System Impact Study shall mean an engineering study that evaluates the impact of the proposed interconnection on the safety and reliability of 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 a Preliminary Interconnection System Impact Study or that may be caused by the withdrawal or addition of an Interconnection Request, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Generator Interconnection Procedures.

Definitive Interconnection System Impact Study Agreement shall mean the form of agreement contained in Appendix 3A of the Generator Interconnection Procedures for conducting the Definitive Interconnection System Impact Study.

Definitive Interconnection System Impact Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for a Definitive Interconnection System Impact Study.

Dispute Resolution shall mean the procedure in Section 12 of the Tariff 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 Owner’s facilities and equipment that are not included in the Transmission System. The voltage levels at which Distribution Systems operate differ among areas.
**Distribution Upgrades** shall mean the additions, modifications, and upgrades to the 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 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 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 or the electric systems of others to which the Transmission System is directly connected; or (3) that, in the case of Transmission Owner, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to Transmission Owner's Interconnection Facilities; or (4) 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 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 System to be eligible to deliver the Generating Facility's electric output using the existing firm or nonfirm capacity of the 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 Owner 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.


**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 of electricity identified in the Interconnection Request, but shall not include the Interconnection Customer's Interconnection Facilities.

**Generating Facility Capacity** shall mean the net capacity of the Generating Facility and the aggregate net capacity of the Generating Facility where it includes multiple energy production devices.

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

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

**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, Transmission Owner 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.

**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 Owner's Interconnection Facilities to obtain back feed power.

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

Interconnection Customer's Interconnection Facilities shall mean all facilities and equipment, as identified in Appendix A of the 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 System. Interconnection Customer's Interconnection Facilities are sole use facilities.

Interconnection Facilities shall mean the Transmission Owner'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 System. Interconnection Facilities are sole use facilities and shall not include Distribution Upgrades, Stand Alone Network Upgrades or Network Upgrades.

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 Owner's Interconnection Facilities and Network Upgrades as identified in the Definitive Interconnection System Impact Study), the cost of those facilities, and the time required to interconnect the Generating Facility with the Transmission System. The scope of the study is defined in Section 8 of the Generator Interconnection Procedures.

Interconnection Facilities Study Agreement shall mean the form of agreement contained in Appendix 4 of the Generator Interconnection Procedures for conducting the Interconnection Facilities Study.

Interconnection Facilities Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for an 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 System, the scope of which is described in Section 6 of the Generator Interconnection Procedures.

Interconnection Feasibility Study Agreement shall mean the form of agreement contained in Appendix 2 of the Generator Interconnection Procedures for conducting the Interconnection Feasibility Study.

Interconnection Feasibility Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for an Interconnection Feasibility Study.
**Interconnection Queue Position** shall mean the order of a valid Interconnection Request within the Interconnection Facilities Study Queue, relative to all other pending valid Interconnection Requests within the Interconnection Facilities Study Queue, which is established based upon the requirements in Section 4.1.3 of the Generator Interconnection Procedures.

**Interconnection Request** shall mean an Interconnection Customer's request, in the form of Appendix 1 to the 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 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 Generator Interconnection Agreement and, if applicable, the Tariff.

**Interconnection Study** shall mean any of the following studies: the Interconnection Feasibility Study, the Preliminary Interconnection System Impact Study, the Definitive Interconnection System Impact Study and the Interconnection Facilities Study described in the Generator Interconnection Procedures.

**Interconnection Study Agreement** shall mean any of the following agreements: the Interconnection Feasibility Study Agreement, the Preliminary Interconnection System Impact Study Agreement, the Definitive Interconnection System Impact Study Agreement and the Interconnection Facilities Study Agreement described in the Generator Interconnection Procedures.

**IRS** shall mean the Internal Revenue Service.

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

**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 another Party's performance, or non-performance of its obligations under the 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 those modifications that have a material impact on the cost or timing of any Interconnection Request with a later Queue priority date.

**Metering Equipment** shall mean all metering equipment installed or to be installed at the Generating Facility pursuant to the 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 Corporation 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 Generating Facility with the Transmission System in a manner comparable to that in which the Transmission Owner integrates its generating facilities to serve Native Load Customers as a Network Resource. 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 System required at or beyond the point at which the Interconnection Facilities connect to the Transmission System to accommodate the interconnection of the Generating Facility to the Transmission System.

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

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

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

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

Preliminary Interconnection System Impact Study shall mean an engineering study that evaluates the impact of the proposed interconnection on the safety and reliability of 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 an Interconnection Feasibility Study or that may be caused by an Interconnection Request, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Generator Interconnection Procedures.

Preliminary Interconnection System Impact Study Agreement shall mean the form of agreement contained in Appendix 3 of the Generator Interconnection Procedures for conducting the Preliminary Interconnection System Impact Study.
**Preliminary Interconnection System Impact Study Queue** shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for a Preliminary Interconnection System Impact Study.

**Previous Network Upgrade** shall mean a Network Upgrade that is needed for the interconnection of one or more Interconnection Customers’ Generating Facilities, but is not the cost responsibility of the Interconnection Customer, subject to restudy, and which is identified in Appendix A of the Generator Interconnection Agreement.

**Queue** shall mean the Interconnection Feasibility Study Queue, the Preliminary Interconnection System Impact Study Queue, the Definitive Interconnection System Impact Study Queue, or the Interconnection Facilities Study Queue, as applicable.

**Reasonable Efforts** shall mean, with respect to an action required to be attempted or taken by a Party under the 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.

**Scoping Meeting** shall mean the meeting between representatives of the Interconnection Customer, Transmission Owner 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.

**Shared Network Upgrade** shall mean a Network Upgrade listed in Appendix A of the Generator Interconnection Agreement that is needed for the interconnection of multiple Interconnection Customers’ Generating Facilities and which is the shared funding responsibility of such Interconnection Customers that may also benefit other Interconnection Customer(s) that are later identified as beneficiaries.

**Site Control** shall mean documentation reasonably demonstrating: (1) ownership of, a leasehold interest in, or a right to develop a site of sufficient size for the purpose of constructing the Generating Facility; (2) an option to purchase or acquire a leasehold site of sufficient size 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 of sufficient size for such purpose.

**Small Generating Facility** shall mean a Generating Facility that has an aggregate net Generating Facility Capacity of no more than 2 MW.

**Stand Alone Network Upgrades** shall mean Network Upgrades that an Interconnection Customer may construct without affecting day-to-day operations of the Transmission System during their construction. The Transmission Provider, Transmission Owner and the Interconnection Customer must agree as to what constitutes Stand Alone Network Upgrades and identify them in Appendix A to the Generator Interconnection Agreement.

**System Protection Facilities** shall mean the equipment, including necessary protection signal communications equipment, required to protect (1) the 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 System or on other delivery systems or other generating systems to which the 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 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 Owner's Interconnection Facilities** shall mean all facilities and equipment owned, controlled or operated by the Transmission Owner from the Point of Change of Ownership to the Point of Interconnection as identified in Appendix A to the Generator Interconnection Agreement, including any modifications, additions or upgrades to such facilities and equipment. Transmission Owner's Interconnection Facilities are sole use facilities and shall not include Distribution Upgrades Stand Alone Network Upgrades or Network Upgrades.

**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.

### Article 2. Effective Date, Term, and Termination

**2.1 Effective Date.** This GIA 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 GIA 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 GIA 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 GIA may be terminated by Interconnection Customer after giving Transmission Provider and Transmission Owner ninety (90) Calendar Days advance written notice, or by Transmission Provider notifying FERC after the Generating Facility permanently ceases Commercial Operation.

2.3.2 If the Generating Facility fails to achieve Commercial Operation for three (3) consecutive years following the Commercial Operation Date, this GIA may be terminated by the Transmission Provider after giving the Interconnection Customer ninety (90) Calendar Days advance written notice. Where a portion of the Generating Facility fails to achieve Commercial Operation for three (3) consecutive years following the Commercial Operation Date, the Transmission Provider shall issue a revised GIA to reflect the amount of the Generating Facility Capacity that achieved Commercial Operation.

2.3.3 Default. Any Party may terminate this GIA in accordance with Article 17.

2.3.4 Notwithstanding Articles 2.3.1, 2.3.2 and 2.3.3, 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 GIA, 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, Interconnection Customer and Transmission Owner shall pay all costs incurred (including any cancellation costs relating to orders or contracts for Interconnection Facilities and equipment) or charges assessed by any other Party, as of the date of such Party's receipt of such notice of termination, that are the responsibility of the Terminating Party under this GIA. In the event of termination by any Party, all Parties shall use Commercially Reasonable Efforts to mitigate the costs, damages and charges arising as a consequence of termination. Upon termination of this GIA, unless otherwise ordered or approved by FERC:

2.4.1 With respect to any portion of Transmission Owner's Interconnection Facilities that have not yet been constructed or installed, Transmission Owner 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 Owner 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 Owner for any or all
such costs of materials or equipment not taken by Interconnection Customer, Transmission Owner shall promptly refund such amounts to Interconnection Customer, less any costs, including penalties incurred by Transmission Owner to cancel any pending orders or return such materials, equipment, or contracts.

If an Interconnection Customer terminates this GIA, 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 Owner has incurred expenses and has not been reimbursed by Interconnection Customer and the Interconnection Customer's allocated share of Network Upgrade(s) costs as calculated pursuant to Section 4.2.5 of the GIP and as listed in Appendix A of this GIA which are required for service to other Interconnection Customer(s).

2.4.2 Transmission Owner 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 Owner 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 GIA, 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 GIA, the Parties will take all appropriate steps to disconnect the 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 GIA or such non-terminating Party otherwise is responsible for these costs under this GIA.

2.6 Survival. This GIA 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 GIA; to permit payments for any credits under this GIA; to permit the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this GIA was in effect; and to permit each Party to have access to the lands of another Party pursuant to this GIA 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 GIA (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 GIA, or any amendment thereto, Interconnection Customer shall reasonably cooperate with Transmission Provider with
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 Generating Facility to the Transmission System and be eligible to deliver the 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 Appendix A.

4.1.1.2 Transmission Delivery Service Implications. Under Energy Resource Interconnection Service, Interconnection Customer will be eligible to inject power from the Generating Facility into and deliver power across the Transmission System on an "as available" basis. The Interconnection Customer's ability to inject its Generating Facility output beyond the Point of Interconnection, therefore, will depend on the existing capacity of the 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 Generating Facility in a manner comparable to that in which Transmission Owner integrates its generating facilities to serve Native Load Customers as all Network Resources. To the extent Interconnection Customer wants to receive Network Resource Interconnection Service, Transmission Owner shall construct the facilities identified in Appendix A to this GIA.

4.1.2.2 Transmission Delivery Service Implications. Network Resource Interconnection Service allows Interconnection Customer's Generating Facility to be designated by any Network Customer under the Tariff on the Transmission System as a Network Resource, up to the Generating Facility's full output, on the same basis as existing Network Resources interconnected to the 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 Generating Facility in the same manner as it accesses Network Resources. A 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 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 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 Generating Facility to any particular load on the Transmission System without incurring congestion costs. In the event of transmission constraints on the Transmission System, Interconnection Customer's 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 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 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 Generating Facility within the 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 Generating Facility be undertaken, regardless of whether or not such Generating Facility is ever designated by a Network Customer as a Network Resource and regardless of changes in ownership of the 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 Generating Facility outside the 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 Generating Facility at the Point of Interconnection.

4.3 Performance Standards. Each Party shall perform all of its obligations under this GIA 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 GIA for its compliance therewith. If such Party is a Transmission Provider or Transmission Owner, then that Party shall amend the GIA and submit the amendment to FERC for approval.

4.4 No Transmission Delivery Service. The execution of this GIA 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 GIA are set forth in Article 9.6 and Article 13.5.1. Interconnection Customer shall be paid for such services in accordance with Article 11.8.

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 Option To Build as described under Article 5.1.2 or the Negotiated Option described under Article 5.1.3 if the Interconnection Customer and the Transmission Owner cannot reach agreement under the Standard Option described under Article 5.1.1, for completion of Transmission Owner's Interconnection Facilities and Network Upgrades as set forth in Appendix A, Interconnection Facilities and Network Upgrades, and such dates and selected option, as applicable, shall be set forth in Appendix B, Milestones.

5.1.1 Standard Option. Transmission Owner shall design, procure, and construct Transmission Owner’s Interconnection Facilities and Network Upgrades, using Reasonable Efforts to complete Transmission Owner’s Interconnection Facilities and Network Upgrades by the dates set forth in Appendix B, Milestones. Transmission Owner 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 Owner reasonably expects that it will not be able to complete Transmission Owner’s Interconnection Facilities, and Network Upgrades by the specified dates, Transmission Owner shall promptly provide written notice to Interconnection Customer and shall undertake Reasonable Efforts to meet the earliest dates thereafter.

5.1.2 **Option to Build.** If the dates designated by Interconnection Customer are not acceptable to Transmission Owner, Transmission Owner shall so notify Interconnection Customer within thirty (30) Calendar Days, and unless the Parties agree otherwise, Interconnection Customer shall have the option to assume responsibility for the design, procurement and construction of Transmission Owner’s Interconnection Facilities and Stand Alone Network Upgrades on the dates specified in Article 5.1.1. Transmission Owner 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.

5.1.3 **Negotiated Option.** If Interconnection Customer elects not to exercise its option under Article 5.1.2, Option to Build, Interconnection Customer shall so notify Transmission Provider and Transmission Owner within thirty (30) Calendar Days, and 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 a portion of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades by Interconnection Customer) pursuant to which Transmission Owner is responsible for the design, procurement and construction of Transmission Owner’s Interconnection Facilities and Network Upgrades. If the Parties are unable to reach agreement on such terms and conditions, Transmission Owner shall assume responsibility for the design, procurement and construction of Transmission Owner’s Interconnection Facilities and Network Upgrades pursuant to 5.1.1, Standard Option.

5.2 **General Conditions Applicable to Option to Build.** If Interconnection Customer assumes responsibility for the design, procurement and construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades,

(1) Interconnection Customer shall engineer, procure equipment, and construct Transmission Owner'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 Owner;

(2) Interconnection Customer's engineering, procurement and construction of Transmission Owner'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 Owner's Interconnection Facilities and Stand Alone Network Upgrades;

(3) Transmission Owner shall review and approve the engineering design, equipment acceptance tests, and the construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades;

(4) Prior to commencement of construction, Interconnection Customer shall provide to Transmission Provider and Transmission Owner 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 and Transmission Owner;

(5) At any time during construction, Transmission Owner shall have the right to gain unrestricted access to Transmission Owner'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 Owner, Interconnection Customer shall be obligated to remedy deficiencies in that portion of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades;

(7) Interconnection Customer shall indemnify Transmission Provider and Transmission Owner for claims arising from Interconnection Customer's construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades under the terms and procedures applicable to Article 18.1 Indemnity;

(8) The Interconnection Customer shall transfer control of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades to Transmission Provider;

(9) Unless Parties otherwise agree, Interconnection Customer shall transfer ownership of Transmission Owner's Interconnection Facilities and Stand-Alone Network Upgrades to Transmission Owner not later than the Commercial Operation Date;

(10) Transmission Owner shall approve and accept for operation and maintenance Transmission Owner'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 Owner "as-built" drawings, information, and any other documents that are reasonably required by Transmission Owner to assure that the Interconnection Facilities and Stand-
Alone Network Upgrades are built to the standards and specifications required by Transmission Provider.

5.3 **Liquidated Damages.** The actual damages to Interconnection Customer, in the event Transmission Owner’s Interconnection Facilities or Network Upgrades are not completed by the dates designated by Interconnection Customer and accepted by Transmission Owner pursuant to subparagraph 5.1.3, 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 Owner to Interconnection Customer in the event that Transmission Owner does not complete any portion of Transmission Owner’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 Owner’s Interconnection Facilities and Network Upgrades, in the aggregate, for which Transmission Owner 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 Owner’s Interconnection Facilities and Network Upgrades for which Transmission Owner has assumed responsibility to design, procure, and construct. The foregoing payments will be made by Transmission Owner 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 GIA. Liquidated damages, when the Parties agree to them, are the exclusive remedy for the Transmission Owner’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 Owner’s Interconnection Facilities or Network Upgrades to take the delivery of power for the Generating Facility's Trial Operation or to export power from the Generating Facility on the specified dates, unless Interconnection Customer would have been able to commence use of Transmission Owner’s Interconnection Facilities or Network Upgrades to take the delivery of power for Generating Facility's Trial Operation or to export power from the Generating Facility, but for Transmission Owner’s delay; (2) Transmission Owner’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 a GIA with Transmission Owner or any cause beyond Transmission Owner’s reasonable control or reasonable ability to cure; (3) the Interconnection Customer has assumed responsibility for the design, procurement and construction of Transmission Owner’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 Generating Facility. If the Generating Facility's Power System Stabilizers are removed from service or not capable of automatic operation, Interconnection Customer shall
immediately notify Transmission Owner’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 Owner’s Interconnection Facilities or Network Upgrades is to be borne by Transmission Owner, then Transmission Owner shall commence design of Transmission Owner’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 Interconnection Facilities Study pursuant to the Interconnection Facilities Study Agreement;

5.5.2 Transmission Owner 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 11.7 by the dates specified in Appendix B, Milestones.

5.6 **Construction Commencement.** Transmission Owner shall commence construction of Transmission Owner’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 Owner’s Interconnection Facilities and Network Upgrades;

5.6.3 Transmission Owner 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 11.7 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. Parties may, at any time, request a progress report from other Parties. If, at any time, Interconnection Customer determines that the completion of Transmission Owner’s Interconnection Facilities and Network Upgrades will not be required until after the specified In-Service Date, Interconnection Customer will provide written notice to Transmission Provider and Transmission Owner of such later date upon which the completion of Transmission Owner’s Interconnection Facilities and Network Upgrades 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 the Transmission System, and shall work diligently and in good faith to make any necessary design changes.

5.9 **Limited Operation.** If any of Transmission Owner’s Interconnection Facilities or Network Upgrades are not reasonably expected to be completed prior to the Commercial Operation Date of the 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 Generating Facility and Interconnection Customer's Interconnection Facilities may operate prior to the completion of Transmission Owner’s Interconnection Facilities or Network Upgrades consistent with Applicable Laws and Regulations, Applicable Reliability Standards, Good Utility Practice, and this GIA (“Limited Operation”). In accordance with Article 11.6 of the GIA, the Interconnection Customer may also choose to proceed with Limited Operation consistent with the interconnection capacity that is available. Transmission Owner shall permit Interconnection Customer to operate the Generating Facility and Interconnection Customer's Interconnection Facilities under Limited Operation in accordance with the results of such studies performed by Transmission Provider.

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 Owner 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 Owner shall review such specifications to ensure that the ICIF are compatible with the technical specifications, operational control, and safety requirements of Transmission Owner 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 Owner’s Review.** Transmission Owner’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 Generating Facility, or the ICIF. Interconnection Customer shall make such changes to the ICIF as may reasonably be required by Transmission Owner, in accordance with Good Utility Practice, to ensure that the ICIF are compatible with the technical specifications, operational control, and safety requirements of Transmission Owner.
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 Owner "as-built" drawings, information and documents for the ICIF, such as: a one-line diagram, a site plan showing the 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 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 Generating Facility. The Interconnection Customer shall provide Transmission Owner specifications for the excitation system, automatic voltage regulator, Generating Facility control and protection settings, transformer tap settings, and communications, if applicable.

5.10.4 **Updated Information Submission by Interconnection Customer.** The updated information submission by the Interconnection Customer, including manufacturer information, shall occur no later than one hundred eighty (180) Calendar Days prior to the Initial Synchronization Date. Interconnection Customer shall submit a completed copy of the Generating Facility data requirements contained in Appendix 1 to the GIP. It shall also include any additional information provided to Transmission Provider for the Interconnection Feasibility and Interconnection Facilities Studies. Information in this submission shall be the most current 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, the Interconnection Customer will work with a consultant mutually agreed to by the Parties to develop and supply a standard model and associated information.

If the Interconnection Customer's data is materially different from what was originally provided to Transmission Provider pursuant to the Interconnection Study agreements between Transmission Provider and Interconnection Customer, then Transmission Provider will conduct appropriate studies to determine the impact on the Transmission System based on the actual data submitted pursuant to this Article 5.10.4. The Interconnection Customer shall not begin Trial Operation until such studies are completed.

5.10.5 **Information Supplementation.** Prior to the Commercial Operation Date, or as soon as possible thereafter, the Parties shall supplement their information submissions described above in this Article 5 with any and all “as-built” 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 Generating Facility as required by Good Utility Practice such as an open circuit “step voltage” test on the Generating Facility to verify proper operation of the Generating Facility's automatic voltage regulator.
Unless otherwise agreed, the test conditions shall include: (1) Generating Facility at synchronous speed; (2) automatic voltage regulator on and in voltage control mode; and (3) a five percent (5 percent) change in 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 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 Generating Facility’s terminal or field voltage are acceptable if information necessary to translate these alternate quantities to actual Generating Facility terminal or field voltages is provided. Generating Facility testing shall be conducted and results provided to the Transmission Provider for each individual generating unit in a station.

Subsequent to the Commercial Operation Date, the Interconnection Customer shall provide Transmission Owner and Transmission Provider any information changes due to equipment replacement, repair, or adjustment. Transmission Owner shall provide the Interconnection Customer and Transmission Provider any information changes due to equipment replacement, repair or adjustment in the directly connected substation or any adjacent Transmission Owner-owned substation that may affect the 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.

5.11 Transmission Owner’s Interconnection Facilities Construction. Transmission Owner’s Interconnection Facilities and Network Upgrades 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 Owner shall deliver to Interconnection Customer the following "as-built" drawings, information and documents for Transmission Owner’s Interconnection Facilities and Network Upgrades [include appropriate drawings and relay diagrams]. Transmission Owner will obtain control of Transmission Owner’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 any 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 Generating Facility with the Transmission System; (ii) operate and maintain the 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 GIA. 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 Owner's Interconnection Facilities and/or Network Upgrades is to be installed on property owned by persons other than Interconnection Customer or Transmission Owner, 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 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 Owner to construct, and Transmission Owner 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.**

5.16.1 Interconnection Customer, upon written notice to Transmission Provider and Transmission Owner, may suspend, for a period not to exceed 18 months, work by Transmission Owner associated with the construction and installation of Transmission Owner's Interconnection Facilities and/or Network Upgrades required under this GIA under the following terms and conditions,

i. Construction of Network Upgrades that are required to provide Interconnection Service to other Generating Facilities and for which Interconnection Customer shares cost responsibility cannot be suspended pursuant to this Article 5.16.

ii. If the suspension period begins later than or extends beyond six months following the Effective Date of the GIA, the Interconnection Customer shall provide to the
Transmission Provider security in the form described under Article 11.7 in an amount equal to the greater of:

a. the Interconnection Customer’s allocated share of Network Upgrade(s) as calculated pursuant to Section 4.2.5 of the GIP and as identified in Appendix A of this GIA unless previously provided under Section 8.9 of the GIP; or

b. $5,000,000 if the Generating Facility is greater than or equal to 100 MW; or

c. $2,500,000 if the Generating Facility is greater than or equal to 50 MW and less than 100 MW; or

d. $1,000,000 if the Generating Facility is less than 50 MW; or

e. $500,000 if the Generating Facility is less than or equal to 2 MW.

iii. In the event that this GIA is terminated under this Article 5.16, the Transmission Provider shall retain the security provided pursuant to Article 5.16.1.ii in the amount required to meet Interconnection Customer’s obligations pursuant to this GIA. Any difference between the security provided and Interconnection Customer’s obligations shall be settled pursuant to Article 12.

iv. In the event Interconnection Customer suspends work by Transmission Owner required under this GIA pursuant to this Article 5.16 and has not requested Transmission Owner to resume the work required under this GIA on or before the expiration of 18 months from the date of suspension, this GIA shall be deemed terminated unless Article 16 applies.

v. In the event Interconnection Customer suspends work by Transmission Owner required under this GIA pursuant to this Article 5.16 and has not complied requirements of Article 5.16.1.ii on or before the later of the expiration of 6 months following the effective date of the GIA or the date the suspension is requested, this GIA shall be deemed terminated by the Interconnection Customer.

vi. In the event Interconnection Customer suspends work by Transmission Owner required under this GIA pursuant to this Article 5.16, the Transmission System shall be left in a safe and reliable condition in accordance with Good Utility Practice and Transmission Owner’s safety and reliability criteria. Interconnection Customer shall be responsible for all reasonable and necessary costs which Transmission Owner and Transmission Provider (i) have incurred pursuant to this GIA prior to the suspension and (ii) incur 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 Owner cannot reasonably avoid; provided, however, that prior to canceling or suspending any such material, equipment or labor contract, Transmission Owner shall obtain Interconnection Customer’s authorization to do
so. Transmission Owner and Transmission Provider shall invoice Interconnection Customer for such costs pursuant to Article 12 and shall use due diligence to minimize its costs.

vii. In the event Interconnection Customer provides written notice to resume work for those facilities for which work has been suspended pursuant to this Article 5.16.1, the Interconnection Customer shall receive a refund, including interest, of any payments provided in accordance with Article 5.16.1.ii in excess of the sum of Interconnection Customer’s allocated share of Network Upgrade(s) costs and any costs incurred under Article 5.16.1.vi within 30 days of the date of such notice.

5.16.2 **Exemptions.** The Interconnection Customer shall be exempt from the payments described under Article 5.16.1.ii.b, 5.16.1.ii.c and 5.16.1.ii.d if the following occurs or Suspension is requested for the following reasons:

i. Construction of a Network Upgrade or the Generating Facility is prevented by order of a Governmental Authority; or

ii. Transmission Provider determines through an Interconnection Study that the Suspension does not qualify as a modification that has an impact on the cost or timing of any Interconnection Request with an equal or later Queue priority date (Material Modification); or

iii. Transmission Owner or Transmission Provider determines that a Force Majeure event prevents construction of a Network Upgrade.

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 Owner for the installation of Transmission Owner'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 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 Owner for Transmission Owner'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 Owner'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 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 Owner's request, Interconnection Customer shall provide Transmission Owner with a report from an independent engineer confirming its representation in clause (iii), above. Transmission Owner represents and covenants that the cost of Transmission Owner'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 Owner. Notwithstanding Article 5.17.1, Interconnection Customer shall protect, indemnify and hold harmless Transmission Owner from the cost consequences of any current tax liability imposed against Transmission Owner as the result of payments or property transfers made by Interconnection Customer to Transmission Owner under this GIA for Interconnection Facilities, as well as any interest and penalties, other than interest and penalties attributable to any delay caused by Transmission Owner.

Transmission Owner shall not include a gross-up for the cost consequences of any current tax liability in the amounts it charges Interconnection Customer under this GIA unless (i) Transmission Owner has determined, in good faith, that the payments or property transfers made by Interconnection Customer to Transmission Owner should be reported as income subject to taxation or (ii) any Governmental Authority directs Transmission Owner to report payments or property as income subject to taxation; provided, however, that Transmission Owner may require Interconnection Customer to provide security for Interconnection Facilities, in a form reasonably acceptable to Transmission Owner (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 Owner 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 Owner 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 Owner 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 Owner, in addition to the amount paid for the Interconnection Facilities, and Network Upgrades, an amount equal to (1) the current taxes imposed on Transmission Owner ("Current Taxes") on the excess of (a) the gross income realized by Transmission Owner as a result of payments or property transfers made by Interconnection Customer to Transmission Owner under this GIA (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 Owner 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 Owner’s composite federal and state tax rates at the time the payments or property transfers are received and Transmission Owner 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 Owner’s anticipated tax depreciation deductions as a result of such payments or property transfers by Transmission Owner’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: (Current Tax Rate x (Gross Income Amount – Present Value of Tax Depreciation))/(1-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 Owner 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 Owner under this GIA 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 Owner and Interconnection Customer shall cooperate in good faith with respect to the submission of such request.

Transmission Owner 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 Owner 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 Owner’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 GIA terminates and Transmission Owner 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 Owner, 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 Owner’s receipt of payments or property constitutes income that is subject to taxation, Transmission Owner 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 Owner may appeal, protest, seek abatement of, or otherwise oppose such determination. Upon Interconnection Customer's written request and sole expense, Transmission Owner 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 Owner 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 Owner 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 Owner on a periodic basis, as invoiced by Transmission Owner, Transmission Owner’s documented reasonable costs of prosecuting such appeal, protest, abatement or other contest. At any time during the contest, Transmission Owner may agree to a settlement either with Interconnection Customer's consent or after obtaining written advice from nationally-recognized tax counsel, selected by Transmission Owner, 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 cost 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 Owner 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 Owner which holds that any amount paid or the value of any property transferred
by Interconnection Customer to Transmission Owner under the terms of this GIA 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 Owner in good faith that any amount paid or the value of any property transferred by Interconnection Customer to Transmission Owner under the terms of this GIA is not taxable to Transmission Owner, (c) any abatement, appeal, protest, or other contest results in a determination that any payments or transfers made by Interconnection Customer to Transmission Owner are not subject to federal income tax, or (d) if Transmission Owner 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 Owner pursuant to this GIA, Transmission Owner 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 amount paid by Interconnection Customer to Transmission Owner for such taxes which Transmission Owner 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 Owner refunds such payment to Interconnection Customer, and

(iii) with respect to any such taxes paid by Transmission Owner, any refund or credit Transmission Owner 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 Owner for such overpayment of taxes (including any reduction in interest otherwise payable by Transmission Owner to any Governmental Authority resulting from an offset or credit); provided, however, that Transmission Owner will remit such amount promptly to Interconnection Customer only after and to the extent that Transmission Owner has received a tax refund, credit or offset from any Governmental Authority for any applicable overpayment of income tax related to Transmission Owner’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 Owner may appeal, protest, seek abatement of, or otherwise contest any tax (other than federal or state income tax) asserted or assessed against Transmission Owner for which Interconnection Customer may be required to reimburse Transmission
Owner under the terms of this GIA. Interconnection Customer shall pay to Transmission Owner on a periodic basis, as invoiced by Transmission Owner, Transmission Owner’s documented reasonable costs of prosecuting such appeal, protest, abatement, or other contest. Interconnection Customer and Transmission Owner 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 Owner 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 Owner.

5.18 Tax Status. All Parties shall cooperate with each other to maintain their tax status. Nothing in this GIA is intended to adversely affect any Party’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. Each Party may undertake modifications to its facilities. If a Party plans to undertake a modification that reasonably may be expected to affect another Party's facilities, that Party shall provide to the other Parties sufficient information regarding such modification so that the other Parties 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 Generating Facility. The Party desiring to perform such work shall provide the relevant drawings, plans, and specifications to the other Parties 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 Generating Facility modifications that do not require Interconnection Customer to submit an Interconnection Request, Transmission Owner 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 Owner’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 GIA 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 Owner makes to Transmission Owner’s Interconnection Facilities or the
Transmission System to facilitate the interconnection of a third party to Transmission Owner’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.

5.20 Delays. If a Network Upgrade(s) identified in Appendix A is delayed during the construction process and the Commercial Operation Date for the Generating Facility identified in Appendix B is no longer feasible, the Commercial Operation Date in Appendix B may be modified to no later than six (6) months following the in-service date for the last Network Upgrade identified in Appendix A.

Article 6. Testing and Inspection

6.1 Pre-Commercial Operation Date Testing and Modifications. Prior to the Commercial Operation Date, Transmission Owner shall test Transmission Owner’s Interconnection Facilities and Network Upgrades and Interconnection Customer shall test the 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 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 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 Parties in advance of its performance of tests of its Interconnection Facilities. The other Parties have 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 another Parties’ 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 Parties’ System Protection Facilities and other protective equipment; and (iii) review another Parties’ maintenance records relative to the Interconnection Facilities, the System Protection Facilities and other protective equipment. Any Party may exercise these rights from time to time as it deems necessary upon reasonable notice to the other Parties. The exercise or non-exercise by another 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 any 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 GIA.

Article 7. Metering

7.1 General. Each Party shall comply with the Applicable Reliability Council requirements. Unless otherwise agreed by the Parties, Transmission Owner shall install Metering Equipment at the Point of Interconnection prior to any operation of the Generating Facility and shall own, operate, test and maintain such Metering Equipment. Power flows to and from the Generating Facility shall be measured at or, at Transmission Owner’s option, compensated to, the Point of Interconnection. Transmission Owner shall provide metering quantities, in analog and/or digital form, to Interconnection Customer and Transmission Provider on a same-time basis using communication as provided in Article 8. 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 Owner’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 GIA, except as provided in Article 7.4 below. The check meters shall be subject at all reasonable times to inspection and examination by Transmission Owner 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 Owner shall install, calibrate, and test revenue quality Metering Equipment in accordance with applicable ANSI standards.

7.4 Testing of Metering Equipment. Transmission Owner shall inspect and test all Transmission Owner-owned Metering Equipment upon installation and at least once every two (2) years thereafter. If requested to do so by Interconnection Customer, Transmission Owner shall, at Interconnection Customer's expense, inspect or test Metering Equipment more frequently than every two (2) years. Transmission Owner 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 Owner’s failure to maintain, then Transmission Owner 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 Owner 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 Owner 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 Generating Facility to the Point of Interconnection.

Article 8. Communications

8.1 Interconnection Customer Obligations. Interconnection Customer shall maintain
satisfactory operating communications with Transmission Owner’s Transmission System
dispatcher or representative designated by Transmission Owner. Interconnection
Customer shall provide standard voice line, dedicated voice line and facsimile
communications at its 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 Owner as set forth in Appendix D, Security Arrangements Details. The
data circuit(s) shall extend from the Generating Facility to the location(s) specified by
Transmission Owner. 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 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 Owner at Interconnection Customer's expense, to gather accumulated and
instantaneous data to be telemetered to the location(s) designated by Transmission Owner
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 Owner.
Instantaneous bi-directional analog real power and reactive power flow information must
be telemetered directly to the location(s) specified by Transmission Owner.

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 (i) site-specific meteorological data including: temperature, wind speed, wind direction, relative humidity and atmospheric pressure and (ii) site specific geographic data including location (latitude and longitude) of the Variable Energy Resource and location (latitude and longitude) and height of the facility that will contain the equipment necessary to provide the meteorological data for such resource. 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, geographical and forced outage data must be commensurate with the power production forecasting employed by the Transmission Provider. Such requirements for meteorological, geographical and forced outage data are set forth in Appendix C, Interconnection Details, of this GIA, 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 Parties all information that may reasonably be required by the other Parties 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 and Transmission Owner in writing of the Control Area in which the Generating Facility will be located. If Interconnection Customer elects to locate the Generating Facility in a Control Area other than the Control Area in which the 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 GIA, 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 Generating Facility in the other Control Area.

9.3 Transmission Provider and Transmission Owner Obligations. Transmission Provider and Transmission Owner shall cause the Transmission System and Transmission Owner’s Interconnection Facilities to be operated, maintained and controlled in a safe and reliable manner and in accordance with this GIA. Transmission Provider or Transmission Owner may provide operating instructions to Interconnection Customer consistent with this GIA and Transmission Owner’s operating protocols and procedures as they may change from time to time. Transmission Provider and Transmission Owner 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 Generating Facility and the Interconnection Customer's Interconnection Facilities in a safe and reliable manner and in accordance with this GIA. Interconnection Customer shall operate the 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 GIA. Appendix C, Interconnection Details, will be modified to reflect changes to the requirements as they may change from time to time. Any Party may request that another Party provide copies of the requirements set forth in Appendix C, Interconnection Details, of this GIA.

9.5 Start-Up and Synchronization. Consistent with the Parties' mutually acceptable procedures, the Interconnection Customer is responsible for the proper synchronization of the Generating Facility to the Transmission System.

9.6 Reactive Power.

9.6.1 Power Factor Design Criteria. Interconnection Customer shall design the 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 Transmission Provider or Transmission Owner has established different requirements that apply to all generators in the Control Area on a comparable basis. A wind generator plant shall maintain a power factor within the range of .95 leading to .95 lagging, measured at the Point of Interconnection as defined in the GIA, if the Transmission Provider’s System Impact Study shows that such a requirement is necessary to ensure safety or reliability.

9.6.2 Voltage Schedules. Once Interconnection Customer has synchronized the Generating Facility with the Transmission System, Transmission Provider and/or Transmission Owner shall require Interconnection Customer to operate the Generating Facility to produce or absorb reactive power within the design limitations of the Generating Facility set forth in Article 9.6.1 (Power Factor Design Criteria). Transmission Owner’s voltage schedules shall treat all sources of reactive power in the Control Area in an equitable and not unduly discriminatory manner. Transmission Owner 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 Generating Facility to maintain the specified output voltage or power factor at the Point of Interconnection within the design limitations of the 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 Transmission Owner.

9.6.2.1 Governors and Regulators. Whenever the Generating Facility is operated in parallel with the Transmission System and the speed governors (if installed on the generating unit pursuant to Good Utility Practice) and voltage regulators are capable of operation, Interconnection Customer shall operate the Generating Facility with its speed governors and voltage regulators in automatic operation. If the Generating Facility's speed governors and voltage regulators are not capable of such automatic operation, the Interconnection Customer shall immediately notify Transmission Owner's system operator, or its designated representative, and ensure that such Generating Facility's reactive power production or absorption (measured in Mvars) are within the design capability of the Generating Facility's generating unit(s) and steady state stability limits. Interconnection Customer shall not cause its Generating Facility to disconnect automatically or instantaneously from the Transmission System or trip any generating unit comprising the Generating Facility for an under or over frequency condition in accordance with Good Utility Practice and Applicable Reliability Standards.

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 Generating Facility when Transmission Owner requests Interconnection Customer to operate its Generating Facility outside the range specified in Article 9.6.1. Payments shall be pursuant to Article 11.8 or such other agreement to which the Parties have otherwise agreed; provided however, to the extent the Tariff contains a provision providing for such compensation, that Tariff provision shall control.

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 all 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 Parties 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 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 another 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 Parties, 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 and/or Transmission Owner may require Interconnection Customer to interrupt or reduce deliveries of electricity if such delivery of electricity could adversely affect Transmission Provider's and/or Transmission Owner’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 or Transmission Owner 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 or Transmission Owner shall notify Interconnection Customer in advance regarding the timing of such scheduling and further notify Interconnection Customer of the expected duration. Transmission Provider or Transmission Owner 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 Owner;

9.7.2.5 The Parties shall cooperate and coordinate with each other to the extent necessary in order to restore the 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 Generating Facility as required by the Applicable Reliability Council to ensure "ride through" capability of the Transmission System. 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 Generating Facility or Interconnection Customer's Interconnection Facilities. Transmission Owner shall install at Interconnection Customer's expense any System Protection Facilities that
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 Generating Facility to any short circuit occurring on the Transmission System not otherwise isolated by Transmission Owner’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 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 solely responsible for protection of the 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 Generating Facility and Interconnection Customer's other equipment if conditions on the Transmission System could adversely affect the Generating Facility.
9.7.6 **Power Quality.** No 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 Parties 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 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 Owner’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 Owner, 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 Owner, 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 Generating Facility or the 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 Owner Obligations.** Transmission Owner shall maintain the Transmission System and Transmission Owner’s Interconnection Facilities in a safe and reliable manner and in accordance with this GIA.

10.2 **Interconnection Customer Obligations.** Interconnection Customer shall maintain the Generating Facility and Interconnection Customer's Interconnection Facilities in a safe and reliable manner and in accordance with this GIA.

10.3 **Coordination.** The Parties shall confer regularly to coordinate the planning, scheduling and performance of preventive and corrective maintenance on the Generating Facility and the Interconnection Facilities.

10.4 **Secondary Systems.** Each Party shall cooperate with the others 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 another Party. Each Party shall provide advance notice to the other Parties 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 Owner’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’s Interconnection Facilities described in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades, at its sole expense.

11.2 **Generating Facility.** Interconnection Customer shall install the Generating Facilities described in Appendix C within three (3) years of the Commercial Operation Date(s) specified in Appendix B.

11.3 **Transmission Owner’s Interconnection Facilities.** Transmission Owner shall design, procure, construct, install, own and/or control the Transmission Owner’s Interconnection Facilities described in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades, at the sole expense of the Interconnection Customer.
11.4 **Network Upgrades and Distribution Upgrades.** All Network Upgrades and Distribution Upgrades described in Appendix A shall be constructed in accordance with the process set forth in Section VI of Attachment O. 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 that are associated with that Transmission Owner’s system. The Distribution Upgrades and Network Upgrades described in Appendix A shall be solely funded by Interconnection Customer unless Transmission Owner elects to fund the capital for the Distribution Upgrades or Network Upgrades.

11.4.1 **Agreement to Fund Shared Network Upgrades.** Interconnection Customer agrees to fund Shared Network Upgrades, as determined by Transmission Provider. Where applicable, payments to fund Shared Network Upgrade(s) that are made to Transmission Provider by Interconnection Customer will be disbursed by Transmission Provider to the appropriate entities that are constructing the Shared Network Upgrades in accordance with Attachment O of the Tariff. In the event that Interconnection Customer fails to meet its obligation to fund Shared Network Upgrades, Transmission Owner and Transmission Provider shall not be responsible for the Interconnection Customer’s funding obligation.

11.4.2 **Contingencies Affecting Network Upgrades, System Protection Facilities and Distribution Upgrades.** Network Upgrades, System Protection Facilities and Distribution Upgrades that are required to accommodate the Generating Facility may be modified because (a) a higher queued Interconnection Request withdrew or was deemed to have withdrawn, (b) the GIA associated with a higher queued Interconnection Request was terminated, (c) changes occur in equipment design standards or reliability criteria giving rise to the need for restudy, or (d) in accordance with Article 11.6.2, a lower queued interconnection customer has elected to move its queue priority ahead of the Interconnection Customer. The higher queued Interconnection Requests that could impact the Network Upgrades, System Protection Facilities and Distribution Upgrades required to accommodate the Generating Facility, and possible modifications that may result from the above listed events affecting the higher queued Interconnection Requests, to the extent such modifications are reasonably known and can be determined, and estimates of the costs associated with such required Network Upgrades, System Protection Facilities and Distribution Upgrades, shall be provided in Appendix A.

11.4.3 **Agreement to Restudy.** The Interconnection Customer agrees to allow the Transmission Provider to perform a restudy in accordance with Sections 8.8 and 8.13 of the GIP if the Transmission Provider determines a restudy is required because one or more of the contingencies in Article 11.4.2 occurred. If a restudy is required, the Transmission Provider shall provide notice to Interconnection Customer. The Parties agree to amend
Appendix A to this GIA in accordance with Article 30.10 to reflect the results of the restudy.

11.5 Transmission Credits.

11.5.1 Credits for Amounts Advanced for Network Upgrades. Interconnection Customer shall be entitled to credits in accordance with Attachment Z2 of the Tariff for any 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.

11.5.2 Special Provisions for Affected Systems. Unless Transmission Provider provides, under the GIA, 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.

11.5.3 Notwithstanding any other provision of this GIA, 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 transmission credits for transmission service that is not associated with the Generating Facility.

11.6 Initial Payment.

Interconnection Customer shall make an initial payment (“Initial Payment”) equal to the greater of a) twenty (20) percent of the total cost of Network Upgrades, Shared Network Upgrades, Transmission Owner Interconnection Facilities and/or Distribution Upgrades listed in Appendix A or b) $4,000/MW of the size of the Generating Facility. Any remaining milestone deposits provided in Section 8.2 and Section 8.9 of the GIP will be applied to this requirement. The Initial Payment shall be provided to Transmission Owner or Transmission Provider as required in Appendix B by Interconnection Customer pursuant to this Article 11.6 within the later of a) thirty (30) days of the execution of the GIA by all Parties, or b) thirty (30) days of acceptance by FERC if the GIA is filed unexecuted and the payment is being protested by Interconnection Customer, or c) thirty (30) days of the filing if the GIA is filed unexecuted and the Initial Payment is not being protested by Interconnection Customer. The Interconnection Customer may agree to make this Initial Payment non-refundable in accordance with Article 11.6.2. If this GIA is terminated, then the Initial Payment shall be refunded to the Interconnection Customer less:
a. any costs that have been incurred for the construction of the facilities specified in Appendix A;

b. any funds necessary for the construction of those Shared Network Upgrades, or Network Upgrades, that would be assigned to another interconnection customer where such upgrade costs would not have been assigned but for the termination of the GIA; and

c. any costs that have been incurred for the construction of those Shared Network Upgrades, or Network Upgrades, that are no longer required due to the termination of the GIA that were paid for by another interconnection customer.

11.6.1 If the Interconnection Customer has stated its intent to use the existing interconnection capacity of the Transmission System in order to achieve its Commercial Operation Date, the Interconnection Customer will provide the greater of a) one hundred (100) percent of the total cost of Network Upgrades, Shared Network Upgrades, Transmission Owner Interconnection Facilities and/or Distribution Upgrades listed in Appendix A or b) $4,000/MW of the size of the Generating Facility. The milestone deposits provided in Section 8.2 and Section 8.9 of the GIP will be applied to this requirement. The initial payment shall be provided to Transmission Owner or Transmission Provider as required in Appendix B by Interconnection Customer pursuant to this Article 11.6 within the later of a) thirty (30) days of the execution of the GIA by all Parties, or b) thirty (30) days of acceptance by FERC if the GIA is filed unexecuted and the payment is being protested by Interconnection Customer, or c) thirty (30) days of the filing if the GIA is filed unexecuted and the initial payment is not being protested by Interconnection Customer. This payment is not refundable upon termination of the GIA unless the higher queued interconnection customer chooses to retain its current scope of Network Upgrades by agreeing to make its initial payment non-refundable in accordance with this GIA. These funds will be applied to the Network Upgrades assigned to the Interconnection Customer.

11.6.2 If another interconnection customer has notified the Transmission Provider in writing of its intent to use the existing interconnection capacity of the Transmission System in accordance with its GIA, the Interconnection Customer shall be subject to a restudy in accordance with Article 11.4.2(d) to determine the new scope of Network Upgrades unless the Interconnection Customer notifies the Transmission Provider within 30 Calendar Days of the notice from Transmission Provider of its intent to retain the Network Upgrades listed in Appendix A and agrees to make its Initial Payment in Article 11.6 non-refundable and authorizes engineering, procurement, and construction of those Network Upgrades in accordance with Article 5.5 and Article 5.6. Upon receipt of this authorization, the applicable dates in Appendix B shall be revised by the Parties. The
Interconnection Customer continues to be subject to restudy conditions in Article 11.4.2(a-c).

11.7 **Provision of Security.** At least thirty (30) Calendar Days prior to the commencement of the procurement, installation, or construction of a discrete portion of Interconnection Facilities, Network Upgrades, or Distribution Upgrades as defined in Appendix A of this GIA, 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 Interconnection Facilities, Network Upgrades, or Distribution Upgrades as defined in Appendix A of this GIA and shall be reduced on a dollar-for-dollar basis for payments made to Transmission Provider or Transmission Owner for these purposes. If Interconnection Customer requests suspension pursuant to Article 5.16, Interconnection Customer may be required to provide Transmission Provider security in the form described above for its allocated share of Network Upgrade(s) costs as calculated pursuant to Section 4.2.5 of the GIP and defined in Appendix A of this GIA.

In addition:

11.7.1 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.

11.7.2 The letter of credit must be issued by a financial institution reasonably acceptable to Transmission Provider and must specify a reasonable expiration date.

11.7.3 The surety bond must be issued by an insurer reasonably acceptable to Transmission Provider and must specify a reasonable expiration date.

11.8 **Interconnection Customer Compensation.** If Transmission Provider or Transmission Owner 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 GIA, 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 the Tariff. Interconnection Customer shall serve Transmission Provider 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 GIA, 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.
11.8.1 **Interconnection Customer Compensation for Actions During Emergency Condition.** Transmission Provider 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 11.8.

**Article 12. Invoice**

The terms of this Article 12 apply to billing between the Parties for construction and operation and maintenance charges. All other billing will be handled according to the Tariff.

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 GIA, 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 completion of the construction of Interconnection Facilities and the Network Upgrades, the Interconnection Customer shall receive an invoice of the final cost due under this GIA, including any applicable cost due to termination, which 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. Interconnection Customer shall receive a refund of 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 GIA.

12.4 **Disputes.** In the event of a billing dispute between the Parties, Transmission Owner, and Transmission Provider shall continue to provide Interconnection Service under this GIA as long as Interconnection Customer: (i) continues to make all payments not in dispute; and (ii) pays to Transmission Owner 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 Owner 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 C.F.R. § 35.19a(a)(2)(iii).

**Article 13. Emergencies**
13.1 **Definition.** “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, the Transmission System, or the electric systems of others to which the Transmission Provider's Transmission System is directly connected; or (3) that, in the case of Transmission Owner, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, Transmission Owner’s Interconnection Facilities; or (4) 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 Generator Interconnection Agreement to possess black start capability.

13.2 **Obligations.** Each Party shall comply with the Emergency Condition procedures of NERC, the Applicable Reliability Council, Transmission Provider, Applicable Laws and Regulations, and any emergency procedures agreed to by the Joint Operating Committee.

13.3 **Notice.** Transmission Provider or Transmission Owner shall notify Interconnection Customer promptly when it becomes aware of an Emergency Condition that affects Transmission Owner’s Interconnection Facilities or the Transmission System that may reasonably be expected to affect Interconnection Customer's operation of the Generating Facility or Interconnection Customer's Interconnection Facilities. Interconnection Customer shall notify Transmission Provider and Transmission Owner promptly when it becomes aware of an Emergency Condition that affects the Generating Facility or Interconnection Customer's Interconnection Facilities that may reasonably be expected to affect the Transmission System or Transmission Owner’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 Owner’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 Owner, such consent to not be unreasonably withheld, prior to performing any manual switching operations at the Generating Facility or Interconnection Customer's Interconnection Facilities in response to an Emergency Condition either declared by Transmission Provider or Transmission Owner or otherwise regarding the Transmission System.

13.5 **Transmission Provider and Transmission Owner Authority.**

13.5.1 **General.** Transmission Provider and/or Transmission Owner may take whatever actions or inactions with regard to the Transmission System or Transmission Owner’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 Owner’s Interconnection Facilities, (iii) limit or prevent damage, and (iv) expedite restoration of service.

Transmission Provider and Transmission Owner shall use Reasonable Efforts to minimize the effect of such actions or inactions on the Generating Facility or Interconnection Customer's Interconnection Facilities. Transmission Provider and/or Transmission Owner may, on the basis of technical considerations, require the 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 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 Generating Facility and Interconnection Customer's Interconnection Facilities. Interconnection Customer shall comply with all of Transmission Provider's and Transmission Owner’s operating instructions concerning Generating Facility real power and reactive power output within the manufacturer's design limitations of the 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 and/or Transmission Owner may reduce Interconnection Service or disconnect the 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 and/or Transmission Owner can schedule the reduction or disconnection in advance, Transmission Provider and/or Transmission Owner shall notify Interconnection Customer of the reasons, timing and expected duration of the reduction or disconnection. Transmission Provider and/or Transmission Owner shall coordinate with Interconnection Customer using Good Utility Practice to schedule the reduction or disconnection during periods of least impact to Interconnection Customer, Transmission Provider and/or Transmission Owner. 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 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 GIA and the GIP, Interconnection Customer may take actions or inactions with regard to the 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 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 Owner’s Interconnection Facilities. Transmission Provider and/or Transmission Owner shall use Reasonable Efforts to assist Interconnection Customer in such actions.

13.7 Limited Liability. Except as otherwise provided in Article 11.8.1 of this GIA, no Party shall be liable to the other Parties 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 GIA 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 GIA 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 2005, or the Public Utility Regulatory Policies Act of 1978 as amended by the 2005 Energy Policy Act.

14.2 Governing Law.

14.2.1 The validity, interpretation and performance of this GIA 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 GIA 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 GIA, any notice, demand or request required or permitted to be given by any Party to another and any instrument required or permitted to be tendered or delivered by any Party in writing to another 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.

Any Party may change the notice information in this GIA 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 any Party to another 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 Parties 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 No 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 Parties 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 GIA or the result of an act or omission of another 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 GIA 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 GIA, 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 GIA.

**Article 18. Indemnity, Consequential Damages and Insurance**

18.1 **Indemnity.** The Parties shall at all times indemnify, defend, and hold the other Parties 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 Parties’ action or inactions of its obligations under this GIA 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 any Party be liable to any other Party under any provision of this GIA 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 any Party may be liable to another Party under another agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

18.3 Insurance. Interconnection Customer and Transmission Owner shall at their own expense, maintain in force throughout the period of this GIA, and until released by all other Parties, 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. The minimum limits for the Employers' Liability insurance shall be One Million Dollars ($1,000,000) each accident bodily injury by accident, One Million Dollars ($1,000,000) each employee bodily injury by disease, and One Million Dollars ($1,000,000) policy limit bodily injury by disease.

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 (if applicable), independent contractors coverage, coverage for pollution (if exposure is present) and punitive or exemplary damages, with minimum limits of One Million Dollars ($1,000,000) each occurrence/Two Million Dollars ($2,000,000) general aggregate and Two Million Dollars
($2,000,000) products and completed operations 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 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) each occurrence/Twenty Million Dollars ($20,000,000) general 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 GIA 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 GIA, which coverage may be in the form of tail coverage or extended reporting period coverage if agreed to by all Parties.

**18.3.8** The requirements contained herein as to the types and limits of all insurance to be maintained by the Interconnection Customer and Transmission Owner are not intended to and shall not in any manner, limit or qualify the liabilities and obligations assumed by the Parties under this Agreement.

**18.3.9** Within ten (10) days following execution of this GIA, 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, Interconnection Customer and
Transmission Owner shall provide certification of all insurance required in this GIA, executed by each insurer or by an authorized representative of each insurer to the Other Party Group.

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 GIA.

Article 19. Assignment

19.1 Assignment. This GIA may be assigned by any Party only with the written consent of the other Parties; provided that any Party may assign this GIA without the consent of the other Parties 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 GIA; and provided further that Interconnection Customer shall have the right to assign this GIA, without the consent of Transmission Provider or Transmission Owner, for collateral security purposes to aid in providing financing for the Generating Facility, provided that Interconnection Customer will promptly notify Transmission Provider and Transmission Owner of any such assignment. Any financing arrangement entered into by the 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 and Transmission Owner 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 11.7 and 18.3. Any attempted assignment that violates this article is void and ineffective. Any assignment under this GIA 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 GIA 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 GIA; provided that if Interconnection Customer (or any third party, but only if such third party is not acting at the direction of Transmission Owner) seeks and obtains such a final determination with respect to any provision of the Negotiated Option (Article 5.1.3), 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 any of the Parties to another prior to the execution of this GIA.

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 any Party, a 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 GIA, and for a period of three (3) years after the expiration or termination of this GIA, 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 GIA; or (6) is required, in accordance with Article 22.1.7 of the GIA, 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 GIA. 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. No 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 GIA, 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 another other Party. The disclosure by any Party to another Party of Confidential Information shall not be deemed a waiver by the disclosing 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, no Party makes any warranties or representations as to its accuracy or completeness. In addition, by supplying Confidential Information, no Party obligates itself to provide any particular information or Confidential Information to another 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 another Party under this GIA or its regulatory requirements.

22.1.7 Order of Disclosure. If a court or a Governmental Authority or entity with the right, power, and apparent authority to do so requests or requires a 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 Parties with prompt notice of such request(s) or requirement(s) so that the other Parties may seek an appropriate protective order or waive compliance with the terms of this GIA. 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 GIA for any reason, each Party shall, within ten (10) Calendar Days of receipt of a written request from another 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.** In the instance where Transmission Owner is a Federal Power Agency, as specified in the opening paragraph of this Agreement, then this Section 22.1.9 shall not apply to Transmission Owner. The Parties agree that monetary damages would be inadequate to compensate a Party for another Party's Breach of its obligations under this Article 22. Each Party accordingly agrees that the other Parties 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 C.F.R. 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 GIA, 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 C.F.R. 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 another Party to this GIA prior to the release of the Confidential Information to FERC or its staff. The Party shall notify the other Parties to the GIA when it is notified by FERC or its staff that a request to release Confidential Information has been received by FERC, at which time any of the Parties may respond before such information would be made public, pursuant to 18 C.F.R. 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 GIA ("Confidential Information") shall not be disclosed by another 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 GIA 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.

22.1.12 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).

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 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.
Article 25. Information Access and Audit Rights

25.1 Information Access. Each Party (the "disclosing Party") shall make available to the other Parties information that is in the possession of the disclosing Party and is necessary in order for the other Parties to: (i) verify the costs incurred by the disclosing Party for which the other Parties are responsible under this GIA; and (ii) carry out its obligations and responsibilities under this GIA. 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 GIA.

25.2 Reporting of Non-Force Majeure Events. Each Party (the "notifying Party") shall notify the other Parties when the notifying Party becomes aware of its inability to comply with the provisions of this GIA 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 Parties receiving such notification to allege a cause for anticipatory breach of this GIA.

25.3 Audit Rights. Subject to the requirements of confidentiality under Article 22 of this GIA, each Party shall have the right, during normal business hours, and upon prior reasonable notice to another Party, to audit at its own expense that other Party's accounts and records pertaining to either Party's performance or either Party's satisfaction of obligations under this GIA. 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 GIA. 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 Owner’s Interconnection Facilities, and Network Upgrades shall be subject to audit for a period of twenty-four months following Transmission Owner’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 any Party's performance or satisfaction of all obligations under this GIA 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 GIA shall prevent a Party from utilizing the services of any subcontractor as it deems appropriate to perform its obligations under this GIA; provided, however, that each Party shall require its subcontractors to comply with all applicable terms and conditions of this GIA in providing such services and each Party shall remain primarily liable to the other Parties 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 GIA. The hiring Party shall be fully responsible to the other Parties 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 Owner 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 GIA. Any applicable obligation imposed by this GIA 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 any Party has a dispute, or asserts a claim, that arises out of or in connection with this GIA or its performance, the Parties agree to resolve such dispute using the dispute resolution procedures of the Tariff.

**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 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 GIA 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 GIA.

28.1.2 Authority. Such Party has the right, power and authority to enter into this GIA, to become a Party hereto and to perform its obligations hereunder. This GIA 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 GIA 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 GIA 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 GIA, and it will provide to any Governmental Authority notice of any actions under this GIA that are required by Applicable Laws and Regulations.

Article 29. Joint Operating Committee

29.1 Joint Operating Committee. At least six (6) months prior to the expected Initial Synchronization Date, Interconnection Customer, Transmission Owner and Transmission Provider shall each appoint one representative and one alternate to the Joint Operating Committee. Each Party shall notify the other Parties 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 any 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 GIA. All Parties 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 Owner’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 Generating Facility and other facilities that impact the normal operation of the interconnection of the 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 GIA 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 GIA and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this GIA shall prevail and be deemed the final intent of the Parties.

30.3 Rules of Interpretation. This GIA, 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 GIA, 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 GIA), 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 GIA or such Appendix to this GIA, or such Section to the GIP or such Appendix to the GIP, as the case may be; (6) "hereunder", "hereof", "herein", "hereto" and words of similar import shall be deemed references to this GIA 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 GIA, including all Appendices and Schedules attached hereto, constitutes the entire agreement among the Parties with reference to the subject matter.
hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, among the Parties with respect to the subject matter of this GIA. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, a Party’s compliance with its obligations under this GIA.

30.5 **No Third Party Beneficiaries.** This GIA 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 GIA to insist, on any occasion, upon strict performance of any provision of this GIA will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

Any waiver at any time by a Party of its rights with respect to this GIA 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 GIA. Termination or Default of this GIA 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 GIA shall, if requested, be provided in writing.

30.7 **Headings.** The descriptive headings of the various Articles of this GIA have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this GIA.

30.8 **Multiple Counterparts.** This GIA may be executed in three 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 GIA by a written instrument duly executed by each of the Parties.

30.10 **Modification by the Parties.** The Parties may by mutual agreement amend the Appendices to this GIA by a written instrument duly executed by the Parties. Such amendment shall become effective and a part of this GIA 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 GIA 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 GIA 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 another Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this GIA 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 GIA shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership among the Parties or to impose any partnership obligation or partnership liability upon any Party. No 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, another Party.
IN WITNESS WHEREOF, the Parties have executed this GIA in triplicate originals, each of which shall constitute and be an original effective Agreement among the Parties.

SOUTHWEST POWER POOL, INC.

By: __________________________
Title: __________________________
Date: __________________________

[Insert name of Transmission Owner]

By: __________________________
Title: __________________________
Date: __________________________

[Insert name of Interconnection Customer]

By: __________________________
Title: __________________________
Date: __________________________
APPENDIX A TO GIA

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 Shared Network Upgrades]:
   (c) [insert Previous Network Upgrades]:

3. Distribution Upgrades:

4. Interconnection Service:

   Interconnection Customer has requested the following (from Appendix 1 of the GIP):
   
   ____  Energy Resource Interconnection Service
   ____  Network Resource Interconnection Service

5. Construction Option Selected by Customer

6. Permits, Licenses, and Authorizations

7. Description of the Point of Change of Ownership

8. Description of the Point of Interconnection

9. Higher-Queued Interconnection Customers
APPENDIX B TO GIA

Milestones
APPENDIX C TO GIA

Interconnection Details

1. Description of Generating Facility:

Wind Generating Facility Output Reduction

To protect the reliability of the Transmission System, a Generating Facility that is a wind plant shall be capable of reducing its generation output in increments of no more than fifty (50) MW in five (5) minute intervals. The requirements may be met by using: (a) SCADA control of circuit breakers protecting wind farm collector distribution circuits, (b) automatic control of wind turbine power output, or (c) a combination of (a) and (b).
APPENDIX D TO GIA

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 GIA

Commercial Operation Date

[Date]

Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936

[Transmission Owner Address]

Re: _____________ 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 Generating Facility, effective as of [Date plus one day].

Thank you.

[Signature]

[Interconnection Customer Representative]
APPENDIX F TO GIA

ADDRESSES FOR DELIVERY OF NOTICES AND BILLINGS

Notices:

Transmission Provider:

Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936

Transmission Owner:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

Billings and Payments: [Specify addresses for construction invoices, O&M invoices and settlement of ancillary services]

Transmission Provider:

Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936

Transmission Owner:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

Alternative Forms of Delivery of Notices (telephone, facsimile or email):

Transmission Provider:

Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936
Phone: ______________________
Facsimile: 501-482-2022

Transmission Owner:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

Operational Communications: [Identify contacts for operations]

Transmission Provider:

_____________________________, ________________________
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936
Phone: ______________________
Facsimile: 501-482-2022

Transmission Owner:

[To be supplied.]

Interconnection Customer:

[To be supplied.]
APPENDIX G TO GIA
REQUIREMENTS OF GENERATORS RELYING ON NEWER TECHNOLOGIES

Appendix G sets forth requirements and provisions specific to a wind generating plant. All other requirements of this GIA 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 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 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 Transmission System 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 Transmission System 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)**

A wind generating plant 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 GIA, 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 7 TO GIP

INTERCONNECTION PROCEDURES FOR A WIND GENERATING PLANT

Appendix 7 sets forth procedures specific to a wind generating plant. All other requirements of this GIP 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 3.3 of this GIP, 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 GIP.

Before returning either the Preliminary Interconnection System Impact Study Agreement or the Definitive Interconnection System Impact Study Agreement, 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.
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INTERIM GENERATOR INTERCONNECTION AGREEMENT

THIS INTERIM GENERATOR INTERCONNECTION AGREEMENT ("Agreement" or "Interim GIA") is made and entered into this ___ day of __________ , by and among ___________________, a ___________ organized and existing under the laws of the State/Commonwealth of ___________ ("Interconnection Customer" with a Generating Facility), Southwest Power Pool, Inc., a corporation organized and existing under the laws of the State of Arkansas ("Transmission Provider") and ___________________, a ____________ organized and existing under the laws of the State/Commonwealth of __________ ("Transmission Owner"). Interconnection Customer, Transmission Provider and Transmission Owner each may be referred to as a "Party" or collectively as the "Parties."

Recitals

WHEREAS, Transmission Provider functionally controls the operation of the Transmission System; and,

WHEREAS, Interconnection Customer intends to own, lease and/or control and operate the Generating Facility identified as a Generating Facility in Appendix C to this Agreement; and,

WHEREAS, Transmission Owner owns facilities to which the Generating Facility is to be interconnected and may be constructing facilities to allow the interconnection; and,

WHEREAS, Transmission Provider has posted on its website a Definitive Interconnection System Impact Study that included the Interconnection Customer’s Generating Facility and has conducted an additional analysis to determine the availability of Interim Interconnection Service at the time of the Interconnection Customer’s requested In-Service Date and Commercial Operation Date with the Transmission System topology and in-service generation expected to be in place at that time; and,

WHEREAS, Interconnection Customer, in accordance with Section 11A.2.1 of the Generator Interconnection Procedures ("GIP"), has provided Transmission Provider with reasonable evidence of Site Control or additional security and with reasonable evidence that one or more of the milestones listed in Section 11A.2.1 has been achieved; and

WHEREAS, Interconnection Customer, Transmission Provider and Transmission Owner have agreed to enter into this Agreement for the purpose of interconnecting the Generating Facility with the Transmission System on an interim basis prior to the completion of the generator interconnection study process set forth in the GIP and execution of a Generator Interconnection Agreement;
NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein, it is agreed:

When used in this Interim GIA, 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 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 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.

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

Breaching Party shall mean a Party that is in Breach of the Interim 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 is studied together, instead of serially, for the purpose of conducting Interconnection Studies.

**Commercial Operation** shall mean the status of a 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 commences Commercial Operation as agreed to by the Parties pursuant to Appendix E to the Interim 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.

**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 Reliability Council.

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

**Definitive Interconnection System Impact Study** shall mean an engineering study that evaluates the impact of the proposed interconnection on the safety and reliability of 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 a Preliminary Interconnection System Impact Study or that may be caused by the withdrawal or addition of an Interconnection Request, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Generator Interconnection Procedures.

**Definitive Interconnection System Impact Study Agreement** shall mean the form of agreement contained in Appendix 3A of the Generator Interconnection Procedures for conducting the Definitive Interconnection System Impact Study.

**Definitive Interconnection System Impact Study Queue** shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for a Definitive Interconnection System Impact Study.
Dispute Resolution shall mean the procedure in Section 12 of the Tariff 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 Owner’s facilities and equipment that are not included in the Transmission System. The voltage levels at which Distribution Systems operate differ among areas.

Distribution Upgrades shall mean the additions, modifications, and upgrades to the 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 Interim 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 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 or the electric systems of others to which the Transmission System is directly connected; or (3) that, in the case of Transmission Owner, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to Transmission Owner’s Interconnection Facilities; or (4) 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 Interim Generator Interconnection Agreement to possess black start capability.

Energy Resource Interim Interconnection Service shall mean an Interim Interconnection Service that allows the Interconnection Customer to connect its Generating Facility to the Transmission System to be eligible to deliver the Generating Facility's electric output using the existing firm or nonfirm capacity of the 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 Owner 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.

**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 of electricity identified in the Interconnection Request, but shall not include the Interconnection Customer's Interconnection Facilities.

**Generating Facility Capacity** shall mean the net capacity of the Generating Facility and the aggregate net capacity of the Generating Facility where it includes multiple energy production devices.

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

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

**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, Transmission Owner 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.

**Higher Queued Projects** shall mean those projects specifically identified as “Higher Queued Projects” in Appendix A.

**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 Owner's Interconnection Facilities to obtain back feed power.

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

**Interconnection Customer's Interconnection Facilities** shall mean all facilities and equipment, as identified in Appendix A of the Interim 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 System. Interconnection Customer's Interconnection Facilities are sole use facilities.

**Interconnection Facilities** shall mean the Transmission Owner'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 System. Interconnection Facilities are sole use facilities and shall not include Distribution Upgrades, Stand Alone Network Upgrades or Network Upgrades.

**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 Owner's Interconnection Facilities and Network Upgrades as identified in the Definitive Interconnection System Impact Study), the cost of those facilities, and the time required to interconnect the Generating Facility with the Transmission System. The scope of the study is defined in Section 8 of the Generator Interconnection Procedures.

**Interconnection Facilities Study Agreement** shall mean the form of agreement contained in Appendix 4 of the Generator Interconnection Procedures for conducting the Interconnection Facilities Study.

**Interconnection Facilities Study Queue** shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for an 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 System, the scope of which is described in Section 6 of the Generator Interconnection Procedures.

**Interconnection Feasibility Study Agreement** shall mean the form of agreement contained in Appendix 2 of the Generator Interconnection Procedures for conducting the Interconnection Feasibility Study.

**Interconnection Feasibility Study Queue** shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for an Interconnection Feasibility Study.

**Interconnection Queue Position** shall mean the order of a valid Interconnection Request within the Interconnection Facilities Study Queue, relative to all other pending valid Interconnection Requests within the Interconnection Facilities Study Queue, which is established based upon the requirements in Section 4.1.3 of the Generator Interconnection Procedures.

**Interconnection Request** shall mean an Interconnection Customer's request, in the form of Appendix 1 to the 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 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 Generator Interconnection Agreement and, if applicable, the Tariff.

**Interconnection Study** shall mean any of the following studies: the Interconnection Feasibility Study, the Preliminary Interconnection System Impact Study, the Definitive Interconnection System Impact Study, the Interim Availability Interconnection System Impact Study, and the Interconnection Facilities Study described in the Generator Interconnection Procedures.

**Interconnection Study Agreement** shall mean any of the following agreements: the Interconnection Feasibility Study Agreement, the Preliminary Interconnection System Impact Study Agreement, the Definitive Interconnection System Impact Study Agreement, the Interim Availability Interconnection System Impact Study Agreement, and the Interconnection Facilities Study Agreement described in the Generator Interconnection Procedures.

**Interim Availability Interconnection System Impact Study** shall mean an engineering study that evaluates the impact of the proposed interconnection on the safety and reliability of the Transmission System and, if applicable, an Affected System for the purpose of providing Interim Interconnection Service. The study shall identify and detail the system impacts that would result if the Generating Facility were interconnected without project modifications or system modifications on an interim basis.
**Interim Availability Interconnection System Impact Study Agreement** shall mean the form of agreement contained in Appendix 5 of the Generator Interconnection Procedures for conducting the Interim Availability Interconnection System Impact Study.

**Interim Generator Interconnection Agreement (Interim GIA)** shall mean the form of interconnection agreement applicable to an Interconnection Request pertaining to a Generating Facility to allow interconnection to the Transmission System prior to the completion of the Interconnection Study process.

**Interim 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 Interim Generator Interconnection Agreement and, if applicable, the Tariff.

**IRS** shall mean the Internal Revenue Service.

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

**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 another Party's performance, or non-performance of its obligations under the Interim 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 those modifications that have a material impact on the cost or timing of any Interconnection Request with a later Queue priority date.

**Metering Equipment** shall mean all metering equipment installed or to be installed at the Generating Facility pursuant to the Interim 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 Corporation 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 Interim Interconnection Service shall mean an Interim Interconnection Service that allows the Interconnection Customer to integrate its Generating Facility with the Transmission System in a manner comparable to that in which the Transmission Owner integrates its generating facilities to serve Native Load Customers as a Network Resource. Network Resource Interim Interconnection Service in and of itself does not convey transmission service.

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

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

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

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

Point of Interconnection shall mean the point, as set forth in Appendix A to the Interim Generator Interconnection Agreement, where the Interconnection Facilities connect to the Transmission System.

Preliminary Interconnection System Impact Study shall mean an engineering study that evaluates the impact of the proposed interconnection on the safety and reliability of 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 an Interconnection Feasibility Study or that may be caused by an Interconnection Request, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Generator Interconnection Procedures.

Preliminary Interconnection System Impact Study Agreement shall mean the form of agreement contained in Appendix 3 of the Generator Interconnection Procedures for conducting the Preliminary Interconnection System Impact Study.

Preliminary Interconnection System Impact Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for a Preliminary Interconnection System Impact Study.

Previous Network Upgrade shall mean a Network Upgrade that is needed for the interconnection of one or more Interconnection Customers’ Generating Facilities, but is not the cost responsibility of the Interconnection Customer, subject to restudy, and which is identified in Appendix A of the Generator Interconnection Agreement.
Queue shall mean the Interconnection Feasibility Study Queue, the Preliminary Interconnection System Impact Study Queue, the Definitive Interconnection System Impact Study Queue, or the Interconnection Facilities Study Queue, as applicable.

Reasonable Efforts shall mean, with respect to an action required to be attempted or taken by a Party under the Interim 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.

Scoping Meeting shall mean the meeting between representatives of the Interconnection Customer, Transmission Owner 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.

Shared Network Upgrade shall mean a Network Upgrade listed in Appendix A of the Generator Interconnection Agreement that is needed for the interconnection of multiple Interconnection Customers’ Generating Facilities and which is the shared funding responsibility of such Interconnection Customers that may also benefit other Interconnection Customer(s) that are later identified as beneficiaries.

Site Control shall mean documentation reasonably demonstrating: (1) ownership of, a leasehold interest in, or a right to develop a site of sufficient size for the purpose of constructing the Generating Facility; (2) an option to purchase or acquire a leasehold site of sufficient size 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 of sufficient size for such purpose.

Small Generating Facility shall mean a Generating Facility that has an aggregate net Generating Facility Capacity of no more than 2 MW.

Stand Alone Network Upgrades shall mean Network Upgrades that an Interconnection Customer may construct without affecting day-to-day operations of the Transmission System during their construction. The Transmission Provider, Transmission Owner and the Interconnection Customer must agree as to what constitutes Stand Alone Network Upgrades and identify them in Appendix A to the Interim Generator Interconnection Agreement.

System Protection Facilities shall mean the equipment, including necessary protection signal communications equipment, required to protect (1) the 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 System or on other delivery systems or other generating systems to which the 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 Interim 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 Owner's Interconnection Facilities shall mean all facilities and equipment owned, controlled or operated by the Transmission Owner from the Point of Change of Ownership to the Point of Interconnection as identified in Appendix A to the Interim Generator Interconnection Agreement, including any modifications, additions or upgrades to such facilities and equipment. Transmission Owner's Interconnection Facilities are sole use facilities and shall not include Distribution Upgrades Stand Alone Network Upgrades or Network Upgrades.

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.

Article 2. Effective Date, Term, and Termination

2.1 Effective Date. This Interim GIA 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 Interim GIA with FERC upon execution in accordance with Article 3.1, if required.

2.2 Term of Agreement. This Interim GIA shall remain in effect from its Effective Date until the earliest occurrence of one of the termination events described in Article 2.3.1.

2.3 Termination Procedures.

2.3.1 Termination Events.

2.3.1.1 This Interim GIA may be terminated by Interconnection Customer after giving Transmission Provider and Transmission Owner ninety (90) Calendar Days advance written notice, or by Transmission Provider notifying FERC after the Generating Facility permanently ceases Commercial Operation.

2.3.1.2 This Interim GIA shall terminate upon occurrence of one or more of the following events:
(a) The Effective Date of a GIA regarding the Generating Facility that is the subject of this Interim GIA that has been accepted by FERC and/or reported in Transmission Provider’s Electric Quarterly Report;

(b) The date of a FERC order rejecting an unexecuted GIA regarding the Generating Facility that is the subject of this Interim GIA;

(c) The date the Interconnection Customer’s Interconnection Request is deemed withdrawn pursuant to the GIP;

(d) The Interconnection Customer’s failure to pay part or all of the required security pursuant to Article 11.7; or

(e) The Transmission Provider’s determination in accordance with Article 4.2.2, that Interim Interconnection Service to Interconnection Customer and the amount of power that Interconnection Customer is permitted to inject into the Transmission System from its Generating Facility pursuant to this Interim GIA is reduced to zero.

2.3.2 Default. Any Party may terminate this Interim GIA 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 Interim GIA, which notice has been accepted for filing by FERC.

2.3.4 Upon termination of this Interim GIA for any reason, Interim Interconnection Service under this Interim GIA shall cease and the provisions of Section 11A.5 of the GIP shall apply.

2.4 Termination Costs.

2.4.1 If this Interim GIA is terminated pursuant to Article 2.3.1.2(a), the cost responsibilities of Interconnection Customer and Transmission Owner pursuant to this Interim GIA will be included in the GIA regarding the Generating Facility that is the subject of this Interim GIA to the extent not satisfied during the term of this Interim GIA.

2.4.2 If this Interim GIA is terminated pursuant to Article 2.3 for any reason except as specified 2.3.1.2(a), Interconnection Customer and Transmission Owner shall pay all costs incurred (including any cancellation costs relating to orders or contracts for Interconnection Facilities and equipment), and charges assessed by any other Party, as of the date of such Party's receipt of such notice of termination, that are the responsibility of the Terminating Party under this Interim GIA. In the event
of termination by any Party, all Parties shall use Commercially Reasonable Efforts to mitigate the costs, damages and charges arising as a consequence of termination. Upon termination of this Interim GIA, unless otherwise ordered or approved by FERC:

2.4.2.1 With respect to any portion of Transmission Owner's Interconnection Facilities that have not yet been constructed or installed, Transmission Owner 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 Owner 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 Owner for any or all such costs of materials or equipment not taken by Interconnection Customer, Transmission Owner shall promptly refund such amounts to Interconnection Customer, less any costs, including penalties incurred by Transmission Owner to cancel any pending orders of or return such materials, equipment, or contracts.

If this Interim GIA is terminated pursuant to Article 2.3 for any reason except as specified in Article 2.3.1.2(a) Interconnection Customer shall be responsible for all costs incurred in association with the 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 Owner has incurred expenses and has not been reimbursed by Interconnection Customer and shall forfeit the security paid pursuant to Article 11.5 of this Interim GIA up to the total of the costs and expenses listed in this paragraph.

2.4.2.2 Transmission Owner 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 Owner shall be responsible for all costs associated with procuring such materials, equipment, or facilities.

2.4.2.3 With respect to any portion of the Interconnection Facilities, and any other facilities already installed or constructed pursuant to the terms of this Interim GIA, 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 or Limitation of Output.** If this Interim GIA is terminated pursuant to Article 2.3 and disconnection or limitation in generation output is required, then the Parties will take all appropriate steps to either disconnect the Generating Facility from the Transmission System or limit the amount of generation output that can be injected into the transmission system pursuant to Section 4.2.2, whichever is applicable. All costs required to effectuate such disconnection or limitation shall be borne by Interconnection Customer, unless such termination resulted from another Party's Default of this Interim GIA, which in such event the defaulting Party shall be responsible for such disconnection costs.

2.6 **Survival.** Except as provided in this Article 2.6, this Interim GIA 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 Interim GIA; to permit payments for any credits under this Interim GIA; to permit the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this Interim GIA was in effect; and to permit each Party to have access to the lands of another Party pursuant to this Interim GIA 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 Interim GIA (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 Interim GIA, 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 **Interim Interconnection Product Options.** Interconnection Customer has selected the following (checked) type of Interim Interconnection Service:

4.1.1 **Energy Resource Interim Interconnection Service.**

4.1.1.1 **The Product.** Energy Resource Interim Interconnection Service allows Interconnection Customer to connect the Generating Facility to the Transmission System and be eligible to deliver the 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 Interim Interconnection Service for the term of this Interim GIA, unless otherwise specified in Appendix A, Transmission Owner shall construct the facilities listed in Appendix A to this Interim GIA.
4.1.1.2 **Transmission Delivery Service Implications.** Under Energy Resource Interim Interconnection Service, Interconnection Customer will be eligible to inject power from the Generating Facility into and deliver power across the Transmission System on an "as available" basis. The Interconnection Customer's ability to inject its Generating Facility output beyond the Point of Interconnection, therefore, will depend on the existing capacity of the 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 Interim Interconnection Service.**

4.1.2.1 **The Product.** Transmission Provider must conduct the necessary studies and construct the Network Upgrades needed to integrate the Generating Facility in a manner comparable to that in which Transmission Owner integrates its generating facilities to serve Native Load Customers as all Network Resources. To the extent Interconnection Customer wants to receive Network Resource Interim Interconnection Service for the term of this Interim GIA, Transmission Owner shall construct the facilities identified in Appendix A to this Interim GIA.

4.1.2.2 **Transmission Delivery Service Implications.** Network Resource Interim Interconnection Service allows Interconnection Customer's Generating Facility to be designated by any Network Customer under the Tariff on the Transmission System as a Network Resource, up to the Generating Facility's full output, on the same basis as existing Network Resources interconnected to the Transmission System, and to be studied as a Network Resource on the assumption that such a designation will occur. Although Network Resource Interim 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 Generating Facility in the same manner as it accesses Network Resources. A Generating Facility receiving Network Resource Interim Interconnection Service may also be used to provide Ancillary Services after technical studies and/or periodic analyses are performed with respect to the 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 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 Interim Interconnection Service does not necessarily provide Interconnection Customer with the capability to physically deliver the output of its Generating Facility to any particular load on the Transmission System without incurring congestion costs. In the event of transmission constraints on the Transmission System, Interconnection Customer's Generating Facility shall be subject to the applicable congestion management procedures in Transmission Provider's Transmission System in the same manner as Network Resources.

The Network Resource Interim Interconnection Service studies are done in accordance with the process set out in Attachment Z1 of the Tariff. To the extent a Network Customer does designate the 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 Interim Interconnection Service, any future transmission service request for delivery from the Generating Facility within the 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 Generating Facility be undertaken, regardless of whether or not such Generating Facility is ever designated by a Network Customer as a Network Resource and regardless of changes in ownership of the 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 Generating Facility outside the 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 Interim Interconnection Service for the Generating Facility at the Point of Interconnection as specified below.

4.2.1 The provision of Interim Interconnection Service and pre-commercial operation testing pursuant to this Interim GIA are contingent upon the Interconnection Facilities, Network Upgrades, Distribution Upgrades, and other necessary facilities listed in the applicable section of Appendix A to this Interim GIA being completed and in service. In no event shall pre-commercial operation testing or
Interim Interconnection Service be permitted until the Interconnection Facilities, Network Upgrades, Distribution Upgrades and any other necessary facilities listed in applicable section of Appendix A to this Interim GIA are complete and in service.

4.2.1.1 Pre-Commercial Operation Testing. Interconnection Customer shall be able to sync its Generating Facility and its Interconnection Customer’s Interconnection Facilities to the Transmission System for the purpose of testing pursuant to Article 6.1, once the applicable facilities described in Appendix A are complete and in service.

4.2.1.2 Interim Interconnection Service. Interconnection Customer shall be able to sync its Generating Facility and its Interconnection Customer’s Interconnection Facilities to the Transmission System for the purpose of receiving Interim Interconnection Service and operating its Generating Facility up to the maximum amount for this Interim GIA, as specified in Appendix A on an “as available” basis once the applicable facilities in Appendix A are in service.

4.2.2 Interim Interconnection Service and the amount of power that Interconnection Customer is permitted to inject into the Transmission System from its Generating Facility pursuant to this Interim GIA may be reduced in whole or in part in the event that:

(a) one or more Interconnection Customer(s) with a Higher Queued Project (as specified in Appendix A): (i) has executed or subsequently executes an Interim GIA or a GIA that has been accepted by the FERC and/or reported in Transmission Provider’s Electric Quarterly Report, or has an unexecuted Interim GIA or GIA filed with and accepted by the FERC for that Higher Queued Project and (ii) begins Commercial Operation of the Higher Queued Project during the term of this Interim GIA; and

(b) Transmission Provider at its sole discretion determines that Interim Interconnection Service and/or Interconnection Service cannot be provided simultaneously under this Interim GIA and to such other Interconnection Customer(s) under its Interim GIA(s) or final GIA(s) in an amount commensurate with the maximum amount specified in the respective agreements without additional Interconnection Facilities, Network Upgrades, or Distribution Upgrades.

4.2.3 Any such reduction pursuant to Article 4.2.2 will be based on the Queue Position priority of the Interconnection Customer’s Interconnection Request relative to the Queue Position priority of the Higher Queued Projects.

4.3 Performance Standards. Each Party shall perform all of its obligations under this Interim GIA 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 Interim GIA for its compliance therewith. If such Party is
a Transmission Provider or Transmission Owner, then that Party shall amend the Interim
GIA and submit the amendment to FERC for approval.

4.4 **No Transmission Delivery Service.** The execution of this Interim GIA 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 Interim GIA are set forth in Article 9.6 and Article
13.5.1. Interconnection Customer shall be paid for such services in accordance with
Article 11.8.

**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 Option To Build as described under Article 5.1.2 or the
Negotiated Option described under Article 5.1.3 if the Interconnection Customer and the
Transmission Owner cannot reach agreement under the Standard Option described under
Article 5.1.1, for completion of Transmission Owner's Interconnection Facilities and
Network Upgrades as set forth in Appendix A, Interconnection Facilities and Network
Upgrades, and such dates and selected option, as applicable, shall be set forth in
Appendix B, Milestones.

5.1.1 **Standard Option.** Transmission Owner shall design, procure, and construct
Transmission Owner’s Interconnection Facilities and Network Upgrades, using
Reasonable Efforts to complete Transmission Owner’s Interconnection Facilities
and Network Upgrades by the dates set forth in Appendix B, Milestones. Transmission
Owner 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
Owner reasonably expects that it will not be able to complete Transmission
Owner’s Interconnection Facilities, and Network Upgrades by the specified dates,
Transmission Owner shall promptly provide written notice to Interconnection
Customer and shall undertake Reasonable Efforts to meet the earliest dates
thereafter.

5.1.2 **Option to Build.** If the dates designated by Interconnection Customer are not
acceptable to Transmission Owner, Transmission Owner shall so notify
Interconnection Customer within thirty (30) Calendar Days, and unless the Parties
agree otherwise, Interconnection Customer shall have the option to assume
responsibility for the design, procurement and construction of Transmission
Owner’s Interconnection Facilities and Stand Alone Network Upgrades on the dates specified in Article 5.1.1. Transmission Owner 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.

5.1.3 Negotiated Option. If Interconnection Customer elects not to exercise its option under Article 5.1.2, Option to Build, Interconnection Customer shall so notify Transmission Provider and Transmission Owner within thirty (30) Calendar Days, and 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 a portion of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades by Interconnection Customer) pursuant to which Transmission Owner is responsible for the design, procurement and construction of Transmission Owner’s Interconnection Facilities and Network Upgrades. If the Parties are unable to reach agreement on such terms and conditions, Transmission Owner shall assume responsibility for the design, procurement and construction of Transmission Owner’s Interconnection Facilities and Network Upgrades pursuant to Article 5.1.1, Standard Option.

5.2 General Conditions Applicable to Option to Build. If Interconnection Customer assumes responsibility for the design, procurement and construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades,

(1) Interconnection Customer shall engineer, procure equipment, and construct Transmission Owner'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 Owner;

(2) Interconnection Customer's engineering, procurement and construction of Transmission Owner'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 Owner's Interconnection Facilities and Stand Alone Network Upgrades;

(3) Transmission Owner shall review and approve the engineering design, equipment acceptance tests, and the construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades;

(4) Prior to commencement of construction, Interconnection Customer shall provide to Transmission Provider and Transmission Owner 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 and Transmission Owner;
At any time during construction, Transmission Owner shall have the right to gain unrestricted access to Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades and to conduct inspections of the same;

At any time during construction, should any phase of the engineering, equipment procurement, or construction of Transmission Owner’s Interconnection Facilities and Stand Alone Network Upgrades not meet the standards and specifications provided by Transmission Owner, Interconnection Customer shall be obligated to remedy deficiencies in that portion of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades;

Interconnection Customer shall indemnify Transmission Provider and Transmission Owner for claims arising from Interconnection Customer's construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades under the terms and procedures applicable to Article 18.1 Indemnity;

The Interconnection Customer shall transfer control of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades to Transmission Provider;

Unless Parties otherwise agree, Interconnection Customer shall transfer ownership of Transmission Owner's Interconnection Facilities and Stand-Alone Network Upgrades to Transmission Owner not later than the Commercial Operation Date;

Transmission Owner shall approve and accept for operation and maintenance Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades to the extent engineered, procured, and constructed in accordance with this Article 5.2; and

Interconnection Customer shall deliver to Transmission Owner "as-built" drawings, information, and any other documents that are reasonably required by Transmission Owner to assure that the Interconnection Facilities and Stand-Alone Network Upgrades are built to the standards and specifications required by Transmission Provider.

5.3 Liquidated Damages. The actual damages to Interconnection Customer, in the event Transmission Owner’s Interconnection Facilities or Network Upgrades are not completed by the dates designated by Interconnection Customer and accepted by Transmission Owner pursuant to subparagraph 5.1.3, 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 Owner to Interconnection Customer in the event that Transmission Owner does not complete any portion of Transmission Owner’s Interconnection Facilities or Network Upgrades by the applicable dates, shall be an amount equal to ½ of 1 percent per day of the actual cost of Transmission Owner's
Interconnection Facilities and Network Upgrades, in the aggregate, for which Transmission Owner 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 Owner’s Interconnection Facilities and Network Upgrades for which Transmission Owner has assumed responsibility to design, procure, and construct. The foregoing payments will be made by Transmission Owner 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 GIA. Liquidated damages, when the Parties agree to them, are the exclusive remedy for the Transmission Owner’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 Owner’s Interconnection Facilities or Network Upgrades to take the delivery of power for the Generating Facility’s Trial Operation or to export power from the Generating Facility on the specified dates, unless Interconnection Customer would have been able to commence use of Transmission Owner’s Interconnection Facilities or Network Upgrades to take the delivery of power for Generating Facility's Trial Operation or to export power from the Generating Facility, but for Transmission Owner’s delay; (2) Transmission Owner’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 Interim GIA or GIA with Transmission Owner or any cause beyond Transmission Owner’s reasonable control or reasonable ability to cure; (3) the Interconnection Customer has assumed responsibility for the design, procurement and construction of Transmission Owner'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 Generating Facility. If the Generating Facility's Power System Stabilizers are removed from service or not capable of automatic operation, Interconnection Customer shall immediately notify Transmission Owner’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 Owner’s Interconnection Facilities or Network Upgrades is to be borne by Transmission Owner, then Transmission Owner shall commence design of Transmission Owner’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 Interim Availability Interconnection System Impact Study;

5.5.2 Transmission Owner has received written authorization to proceed with design and procurement from Interconnection Customer by the date specified in Appendix B, Milestones;

5.5.3 Interconnection Customer has provided security to Transmission Provider in accordance with Article 11 by the dates specified in Appendix B, Milestones; and

5.5.4 The Parties have executed this Interim GIA.

5.6 **Construction Commencement.** Transmission Owner shall commence construction of Transmission Owner’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 Owner’s Interconnection Facilities and Network Upgrades;

5.6.3 Transmission Owner 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 11.7.

5.7 **Work Progress.** The Parties will keep each other advised periodically as to the progress of their respective design, procurement and construction efforts. Parties may, at any time, request a progress report from other Parties. If, at any time, Interconnection Customer determines that the completion of Transmission Owner’s Interconnection Facilities and Network Upgrades will not be required until after the specified In-Service Date, Interconnection Customer will provide written notice to Transmission Provider and Transmission Owner of such later date upon which the completion of Transmission Owner’s Interconnection Facilities and Network Upgrades 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 the Transmission System, and shall work diligently and in good faith to make any necessary design changes.

5.9 **Reserved.**
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 Owner 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 Owner shall review such specifications to ensure that the ICIF are compatible with the technical specifications, operational control, and safety requirements of Transmission Owner 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 Owner’s Review.** Transmission Owner’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 Generating Facility, or the ICIF. Interconnection Customer shall make such changes to the ICIF as may reasonably be required by Transmission Owner, in accordance with Good Utility Practice, to ensure that the ICIF are compatible with the technical specifications, operational control, and safety requirements of Transmission Owner.

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 Owner "as-built" drawings, information and documents for the ICIF, such as: a one-line diagram, a site plan showing the 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 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 Generating Facility. The Interconnection Customer shall provide Transmission Owner specifications for the excitation system, automatic voltage regulator, Generating Facility control and protection settings, transformer tap settings, and communications, if applicable.

5.10.4 **Updated Information Submission by Interconnection Customer.** The updated information submission by the Interconnection Customer, including manufacturer information, shall occur no later than one hundred eighty (180) Calendar Days prior to the Initial Synchronization Date. Interconnection Customer shall submit a completed copy of the Generating Facility data requirements contained in
Appendix 1 to the GIP. It shall also include any additional information provided to Transmission Provider for the Interconnection Feasibility and Interconnection Facilities Studies. Information in this submission shall be the most current 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, the Interconnection Customer will work with a consultant mutually agreed to by the Parties to develop and supply a standard model and associated information.

If the Interconnection Customer's data is materially different from what was originally provided to Transmission Provider pursuant to the Interconnection Study Agreements between Transmission Provider and Interconnection Customer, then Transmission Provider will conduct appropriate studies to determine the impact on the Transmission System based on the actual data submitted pursuant to this Article 5.10.4. The Interconnection Customer shall not begin Trial Operation until such studies are completed.

5.10.5 Information Supplementation. Prior to the Commercial Operation Date, or as soon as possible thereafter, the Parties shall supplement their information submissions described above in this Article 5 with any and all “as-built” 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 Generating Facility as required by Good Utility Practice such as an open circuit “step voltage” test on the Generating Facility to verify proper operation of the Generating Facility's automatic voltage regulator.

Unless otherwise agreed, the test conditions shall include: (1) Generating Facility at synchronous speed; (2) automatic voltage regulator on and in voltage control mode; and (3) a five percent (5 percent) change in 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 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 Generating Facility’s terminal or field voltage are acceptable if information necessary to translate these alternate quantities to actual Generating Facility terminal or field voltages is provided. Generating Facility testing shall be conducted and results provided to the Transmission Provider for each individual generating unit in a station.

Subsequent to the Commercial Operation Date, the Interconnection Customer shall provide Transmission Owner and Transmission Provider any information changes due to equipment replacement, repair, or adjustment. Transmission Owner shall provide the Interconnection Customer and Transmission Provider any information changes due to equipment replacement, repair or adjustment in the directly connected substation or any adjacent Transmission Owner-owned substation that may affect the 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.]

5.11 Transmission Owner’s Interconnection Facilities Construction. Transmission
Owner’s Interconnection Facilities and Network Upgrades 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 Owner shall deliver to
Interconnection Customer the following "as-built" drawings, information and documents
for Transmission Owner’s Interconnection Facilities and Network Upgrades [include
appropriate drawings and relay diagrams].

Transmission Owner will obtain control of Transmission Owner’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 any 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 Generating Facility with the Transmission System; (ii) operate and
maintain the 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 Interim GIA pursuant to Article 2.5. 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 Owner's Interconnection
Facilities and/or Network Upgrades is to be installed on property owned by persons other
than Interconnection Customer or Transmission Owner, 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 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 Owner to construct, and Transmission Owner 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 Reserved.

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 Owner for the installation of Transmission Owner'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 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 Owner for Transmission Owner'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 Owner'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 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 Owner's request, Interconnection Customer shall provide Transmission Owner with a report from an independent engineer confirming its representation in clause (iii), above. Transmission Owner represents and covenants that the cost of Transmission Owner'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 Owner.** Notwithstanding Article 5.17.1, Interconnection Customer shall protect, indemnify and hold harmless Transmission Owner from the cost consequences of any current tax liability imposed against Transmission Owner as the result of payments or property transfers made by Interconnection Customer to Transmission Owner under this Interim GIA for Interconnection Facilities, as well as any interest and penalties, other than interest and penalties attributable to any delay caused by Transmission Owner.

Transmission Owner shall not include a gross-up for the cost consequences of any current tax liability in the amounts it charges Interconnection Customer under this Interim GIA unless (i) Transmission Owner has determined, in good faith, that the payments or property transfers made by Interconnection Customer to Transmission Owner should be reported as income subject to taxation or (ii) any Governmental Authority directs Transmission Owner to report payments or property as income subject to taxation; provided, however, that Transmission Owner may require Interconnection Customer to provide security for Interconnection Facilities, in a form reasonably acceptable to Transmission Owner (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 Owner 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 Owner 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 Owner 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 Owner, in addition to the amount paid for the Interconnection Facilities, and Network Upgrades, an amount equal to (1) the current taxes imposed on Transmission Owner ("Current Taxes") on the excess of (a) the gross income realized by Transmission Owner as a result of payments or property transfers made by Interconnection Customer to Transmission Owner under this Interim GIA (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 Owner 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 Owner’s composite federal and state tax rates at the time the payments or property transfers are received and Transmission Owner 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 Owner’s anticipated tax depreciation deductions as a result of such payments or property transfers by Transmission Owner’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: (Current Tax Rate x (Gross Income Amount – Present Value of Tax Depreciation))/(1 - 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 Owner 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 Owner under this Interim GIA 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 Owner and Interconnection Customer shall cooperate in good faith with respect to the submission of such request.

Transmission Owner 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 Owner 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 Owner’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 Interim GIA terminates and Transmission Owner 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 Owner, 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 Owner’s receipt of payments or property constitutes income that is subject to taxation, Transmission Owner 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 Owner may appeal, protest, seek abatement of, or otherwise oppose such determination. Upon Interconnection Customer's written request and sole expense, Transmission Owner 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 Owner 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 Owner 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 Owner on a periodic basis, as invoiced by Transmission Owner, Transmission Owner’s documented reasonable costs of prosecuting such appeal, protest, abatement or other contest. At any time during the contest, Transmission Owner may agree to a settlement either with Interconnection Customer's consent or after obtaining written advice from nationally-recognized tax counsel, selected by Transmission Owner, 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 cost 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 Owner 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 Owner which holds that any amount paid or the value of any property transferred by Interconnection Customer to Transmission Owner under the terms of this Interim GIA 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 Owner in good faith that any amount paid or the value of any property transferred by Interconnection Customer to Transmission Owner under the terms of this Interim GIA is not taxable to Transmission Owner, (c) any abatement, appeal, protest, or other contest results in a determination that any payments or transfers made by Interconnection Customer to Transmission Owner are not subject to federal income tax, or (d) if Transmission Owner 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 Owner pursuant to this Interim GIA, Transmission Owner 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 amount paid by Interconnection Customer to Transmission Owner for such taxes which Transmission Owner 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 Owner refunds such payment to Interconnection Customer, and

(iii) with respect to any such taxes paid by Transmission Owner, any refund or credit Transmission Owner 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 Owner for such overpayment of taxes (including any reduction in interest otherwise payable by Transmission Owner to any Governmental Authority resulting from an offset or credit); provided, however, that Transmission Owner will remit such amount promptly to Interconnection Customer only after and to the extent that Transmission Owner has received a tax refund, credit or offset from any Governmental Authority for any applicable overpayment of income tax related to Transmission Owner’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 Owner may appeal, protest, seek abatement of, or otherwise contest any tax (other than federal or state income tax) asserted or assessed against Transmission Owner for which Interconnection Customer may be required to reimburse Transmission Owner under the terms of this Interim GIA. Interconnection Customer shall pay to Transmission Owner on a periodic basis, as invoiced by Transmission Owner, Transmission Owner’s documented reasonable costs of prosecuting such appeal, protest, abatement, or other contest. Interconnection Customer and Transmission Owner 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 Owner 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 Owner.

5.18 **Tax Status.** All Parties shall cooperate with each other to maintain their tax status. Nothing in this Interim GIA is intended to adversely affect any Party’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.** Each Party may undertake modifications to its facilities. If a Party plans to undertake a modification that reasonably may be expected to affect another Party’s facilities, that Party shall provide to the other Parties sufficient information regarding such modification so that the other Parties 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 Generating Facility. The Party desiring to perform such work shall provide the relevant drawings, plans, and specifications to the other Parties 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 Generating Facility modifications that do not require Interconnection Customer to submit an Interconnection Request, Transmission Owner 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 Owner’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 Interim GIA 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 Owner makes to Transmission Owner’s Interconnection Facilities or the Transmission System to facilitate the interconnection of a third party to Transmission Owner’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.
5.20 Delays. If a Network Upgrade(s) identified in Appendix A is delayed during the construction process and the Commercial Operation Date for the Generating Facility identified in Appendix B is no longer feasible, the Commercial Operation Date in Appendix B may be modified to no later than six (6) months following the in-service date for the last Network Upgrade identified in Appendix A.

Article 6. Testing and Inspection

6.1 Pre-Commercial Operation Date Testing and Modifications. Prior to the Commercial Operation Date, Transmission Owner shall test Transmission Owner’s Interconnection Facilities and Network Upgrades and Interconnection Customer shall test the 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 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 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 Parties in advance of its performance of tests of its Interconnection Facilities. The other Parties have 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 another Parties’ 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 Parties’ System Protection Facilities and other protective equipment; and (iii) review another Parties’ maintenance records relative to the Interconnection Facilities, the System Protection Facilities and other protective equipment. Any Party may exercise these rights from time to time as it deems necessary upon reasonable notice to the other Parties. The exercise or non-exercise by another 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 any 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 Interim GIA.

Article 7. Metering
7.1 **General.** Each Party shall comply with the Applicable Reliability Council requirements. Unless otherwise agreed by the Parties, Transmission Owner shall install Metering Equipment at the Point of Interconnection prior to any operation of the Generating Facility and shall own, operate, test and maintain such Metering Equipment. Power flows to and from the Generating Facility shall be measured at or, at Transmission Owner’s option, compensated to, the Point of Interconnection. Transmission Owner shall provide metering quantities, in analog and/or digital form, to Interconnection Customer and Transmission Provider on a same-time basis using communication as provided in Article 8. 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 Owner’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 Interim GIA, except as provided in Article 7.4 below. The check meters shall be subject at all reasonable times to inspection and examination by Transmission Owner 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 Owner shall install, calibrate, and test revenue quality Metering Equipment in accordance with applicable ANSI standards.

7.4 **Testing of Metering Equipment.** Transmission Owner shall inspect and test all Transmission Owner-owned Metering Equipment upon installation and at least once every two (2) years thereafter. If requested to do so by Interconnection Customer, Transmission Owner shall, at Interconnection Customer's expense, inspect or test Metering Equipment more frequently than every two (2) years. Transmission Owner 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 Owner's failure to maintain, then Transmission Owner 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 Owner 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 Owner 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 Generating Facility to the Point of Interconnection.

Article 8. Communications

8.1 Interconnection Customer Obligations. Interconnection Customer shall maintain satisfactory operating communications with Transmission Owner's Transmission System dispatcher or representative designated by Transmission Owner. Interconnection Customer shall provide standard voice line, dedicated voice line and facsimile communications at its 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 Owner as set forth in Appendix D, Security Arrangements Details. The data circuit(s) shall extend from the Generating Facility to the location(s) specified by Transmission Owner. 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 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 Owner at Interconnection Customer's expense, to gather accumulated and instantaneous data to be telemetered to the location(s) designated by Transmission Owner 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 Owner. Instantaneous bi-directional analog real power and reactive power flow information must be telemetered directly to the location(s) specified by Transmission Owner.

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.

Article 9. Operations

9.1 General. Each Party shall comply with the Applicable Reliability Council requirements. Each Party shall provide to the other Parties all information that may reasonably be required by the other Parties 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 and Transmission Owner in writing of the Control Area in which the Generating Facility will be located. If Interconnection Customer elects to locate the Generating Facility in a Control Area other than the Control Area in which the 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 Interim GIA, 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 Generating Facility in the other Control Area.

9.3 **Transmission Provider and Transmission Owner Obligations.** Transmission Provider and Transmission Owner shall cause the Transmission System and Transmission Owner’s Interconnection Facilities to be operated, maintained and controlled in a safe and reliable manner and in accordance with this Interim GIA. Transmission Provider or Transmission Owner may provide operating instructions to Interconnection Customer consistent with this Interim GIA and Transmission Owner’s operating protocols and procedures as they may change from time to time. Transmission Provider and Transmission Owner 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 Generating Facility and the Interconnection Customer's Interconnection Facilities in a safe and reliable manner and in accordance with this Interim GIA. Interconnection Customer shall operate the 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 Interim GIA. Appendix C, Interconnection Details, will be modified to reflect changes to the requirements as they may change from time to time. Any Party may request that another Party provide copies of the requirements set forth in Appendix C, Interconnection Details, of this Interim GIA.

9.5 **Start-Up and Synchronization.** Consistent with the Parties' mutually acceptable procedures, the Interconnection Customer is responsible for the proper synchronization of the Generating Facility to the Transmission System.

9.6 **Reactive Power.**

9.6.1 **Power Factor Design Criteria.** Interconnection Customer shall design the 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 Transmission Provider or Transmission Owner has established different requirements that apply to all generators in the Control Area on a comparable basis. A wind generator plant shall maintain a power factor within the range of .95 leading to .95 lagging, measured at the Point of Interconnection as defined in this Interim GIA, if the Transmission Provider’s
Interconnection Study shows that such a requirement is necessary to ensure safety or reliability.

9.6.2 Voltage Schedules. Once Interconnection Customer has synchronized the Generating Facility with the Transmission System, Transmission Provider and/or Transmission Owner shall require Interconnection Customer to operate the Generating Facility to produce or absorb reactive power within the design limitations of the Generating Facility set forth in Article 9.6.1 (Power Factor Design Criteria). Transmission Owner’s voltage schedules shall treat all sources of reactive power in the Control Area in an equitable and not unduly discriminatory manner. Transmission Owner 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 Generating Facility to maintain the specified output voltage or power factor at the Point of Interconnection within the design limitations of the 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 Transmission Owner.

9.6.2.1 Governors and Regulators. Whenever the Generating Facility is operated in parallel with the Transmission System and the speed governors (if installed on the generating unit pursuant to Good Utility Practice) and voltage regulators are capable of operation, Interconnection Customer shall operate the Generating Facility with its speed governors and voltage regulators in automatic operation. If the Generating Facility's speed governors and voltage regulators are not capable of such automatic operation, the Interconnection Customer shall immediately notify Transmission Owner’s system operator, or its designated representative, and ensure that such Generating Facility's reactive power production or absorption (measured in Mvars) are within the design capability of the Generating Facility's generating unit(s) and steady state stability limits. Interconnection Customer shall not cause its Generating Facility to disconnect automatically or instantaneously from the Transmission System or trip any generating unit comprising the Generating Facility for an under or over frequency condition in accordance with Good Utility Practice and Applicable Reliability Standards.

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 Generating Facility when Transmission Owner requests Interconnection Customer to operate its Generating Facility outside the range specified in Article 9.6.1. Payments shall be pursuant to Article 11.8 or such other agreement to which the Parties have otherwise agreed; provided however, to the extent the Tariff contains a provision providing for such compensation, that Tariff provision shall control.
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 all 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 Parties 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 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 another 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 Parties, 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.** In addition to any reduction in Interconnection Service required pursuant to Article 4.2.2, if required by Good Utility Practice to do so, Transmission Provider and/or Transmission Owner may require Interconnection Customer to interrupt or reduce deliveries of electricity if such delivery of electricity could adversely affect Transmission Provider's and/or Transmission Owner’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 or Transmission Owner 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 or Transmission Owner shall notify Interconnection Customer in advance regarding the timing of such scheduling and further notify Interconnection Customer of the expected duration. Transmission Provider or Transmission Owner 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 Owner; and

9.7.2.5 The Parties shall cooperate and coordinate with each other to the extent necessary in order to restore the 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 Generating Facility as required by the Applicable Reliability Council to ensure "ride through" capability of the Transmission System. 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 Generating Facility or Interconnection Customer's Interconnection Facilities. Transmission Owner shall install at Interconnection Customer's expense any System Protection Facilities that may be required on Transmission Owner’s Interconnection Facilities or the Transmission System as a result of the interconnection of the Generating Facility and the 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 Generating Facility to any short circuit occurring on the Transmission System not
otherwise isolated by Transmission Owner’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 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 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 Generating Facility and Interconnection Customer's other equipment if conditions on the Transmission System could adversely affect the Generating Facility.

9.7.6 **Power Quality.** No 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 Parties 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 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 Owner’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 Owner, 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 Owner, 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 Generating Facility or the 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 Owner Obligations.** Transmission Owner shall maintain the Transmission System and Transmission Owner’s Interconnection Facilities in a safe and reliable manner and in accordance with this Interim GIA.

10.2 **Interconnection Customer Obligations.** Interconnection Customer shall maintain the Generating Facility and Interconnection Customer's Interconnection Facilities in a safe and reliable manner and in accordance with this Interim GIA.

10.3 **Coordination.** The Parties shall confer regularly to coordinate the planning, scheduling and performance of preventive and corrective maintenance on the Generating Facility and the Interconnection Facilities.

10.4 **Secondary Systems.** Each Party shall cooperate with the others 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 another Party. Each Party shall provide advance notice to the other Parties 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 Owner’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’s Interconnection Facilities described in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades, at its sole expense.

11.2 **Reserved.**

11.3 **Transmission Owner’s Interconnection Facilities.** Transmission Owner shall design, procure, construct, install, own and/or control the Transmission Owner’s Interconnection Facilities described in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades, at the sole expense of the Interconnection Customer.

11.4 **Network Upgrades and Distribution Upgrades.** All Network Upgrades and Distribution Upgrades described in Appendix A shall be constructed in accordance with the process set forth in Section VI of Attachment O. 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 that are associated with that Transmission Owner’s system. The Distribution Upgrades and Network Upgrades described in Appendix A shall be solely funded by Interconnection Customer unless Transmission Owner elects to fund the capital for the Distribution Upgrades or Network Upgrades.

11.5 **Transmission Credits.**

11.5.1 **Credits for Amounts Advanced for Network Upgrades.** Interconnection Customer shall be entitled to credits in accordance with Attachment Z2 of the Tariff for any 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.

11.5.2 **Special Provisions for Affected Systems.** Unless Transmission Provider provides, under the Interim GIA, 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.

11.5.3 Notwithstanding any other provision of this Interim GIA, 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 transmission credits for transmission service that is not associated with the Generating Facility.

11.6 **Initial Payment.**
Interconnection Customer shall make an initial payment ("Initial Payment") equal to the greater of a) twenty (20) percent of the total cost of Network Upgrades, Shared Network Upgrades, Transmission Owner Interconnection Facilities and/or Distribution Upgrades listed in Appendix A or b) $4,000/MW of the size of the Generating Facility. Any remaining milestone deposits provided in Section 8.2 and Section 8.9 of the GIP will be applied to this requirement. The Initial Payment shall be provided to Transmission Owner or Transmission Provider as required in Appendix B by Interconnection Customer pursuant to this Article 11.6 within the later of a) thirty (30) days of the execution of the GIA by all Parties, or b) thirty (30) days of acceptance by FERC if the GIA is filed unexecuted and the payment is being protested by Interconnection Customer, or c) thirty (30) days of the filing if the GIA is filed unexecuted and the Initial Payment is not being protested by Interconnection Customer. The Interconnection Customer may agree to make this Initial Payment non-refundable in accordance with Article 11.6.2. If this GIA is terminated, then the Initial Payment shall be refunded to the Interconnection Customer less:

a. any costs that have been incurred for the construction of the facilities specified in Appendix A;

b. any funds that have been committed for the construction of those Shared Network Upgrades, or Network Upgrades, assigned to another interconnection customer where such upgrade costs would not have been assigned but for the termination of the GIA; or

c. any costs that has been incurred for the construction of those Shared Network Upgrades, or Network Upgrades, that were paid for by another interconnection customer that are now unnecessary due to the termination of the GIA.

11.6.1 If the Interconnection Customer has stated its intent to use the existing interconnection capacity of the Transmission System in order to achieve its Commercial Operation Date, the Interconnection Customer will provide the greater of a) one hundred (100) percent of the total cost of Network Upgrades, Shared Network Upgrades, Transmission Owner Interconnection Facilities and/or Distribution Upgrades listed in Appendix A or b) $4,000/MW of the size of the Generating Facility. The milestone deposits provided in Section 8.2 and Section 8.9 of the GIP may suffice for this requirement. The initial payment shall be provided to Transmission Owner or Transmission Provider as required in Appendix B by Interconnection Customer pursuant to this Article 11.6 within the later of a) thirty (30) days of the execution of the GIA by all Parties, or b) thirty (30) days of acceptance by FERC if the GIA is filed unexecuted and the payment is being protested by Interconnection Customer, or c) thirty (30) days of the filing if the GIA is filed unexecuted and the initial payment is not being protested by Interconnection Customer. This payment is not refundable upon termination of the GIA unless the higher queued interconnection customer chooses to retain its Network Upgrades by
agreeing to make its Article 11.6 payment non-refundable in accordance with Article 11.6.2. These funds will be used first to pay for additional Network Upgrades cost assigned to other interconnection customers due to the Interconnection Customer stating its intent to use existing interconnection capacity. Any remaining funds will be applied to the Network Upgrades assigned to the Interconnection Customer.

11.6.2 If another interconnection customer has notified the Transmission Provider in writing of its intent to use the existing interconnection capacity of the Transmission System in accordance to Article 11.6.1 of its GIA, the Interconnection Customer shall be subject to a restudy in accordance with Article 11.4.2(d) to determine the new scope of Network Upgrades unless the Interconnection Customer notifies the Transmission Provider within 30 Calendar Days of the notice from Transmission Provider of its intent to retain the Network Upgrades listed in Appendix A agrees to make its Initial Payment in Article 11.6 non-refundable and authorizes engineering, procurement, and construction of those Network Upgrades in accordance with Article 5.5 and Article 5.6. Upon receipt of this authorization, the applicable dates in Appendix B shall be revised by the Parties. The Interconnection Customer continues to be subject to restudy conditions in Article 11.4.2(a-c).

11.7 Provision of Security.

11.7.1 Initial Security. Within fifteen (15) Business Days of the date that Interconnection Customer delivers to Transmission Provider an executed Interim GIA, 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 in the amount set forth in Appendix A to this Interim GIA. This amount represents either (a) the sum of the estimated costs for which Interconnection Customer will be responsible for the construction, procurement, and installation of the applicable portion of Transmission Owner's Interconnection Facilities, Network Upgrades, or Distribution Upgrades for which it will share cost responsibility as determined in the study designated in Appendix A.4. and 100 percent of the costs of Interconnection Facilities, Network Upgrades, or Distribution Upgrades for which Interconnection Customer has sole cost responsibility or (b) if the estimated costs above have not been established at the time Interconnection Customer requests Interim Interconnection Service, the initial security amount will be established by the Transmission Provider based on one or more completed studies for comparable interconnection requests.

11.7.2 Security Adjustment. In the event that the results of any subsequently posted study (e.g., Definitive Interconnection System Impact Study, Interconnection Facilities Study, or any other study required pursuant to the GIP in connection with Interconnection Service under this Interim GIA) indicates that
Interconnection Customer’s cost responsibility for Interconnection Facilities, Network Upgrades, or Distribution Upgrades required to interconnect its Generating Facility is less than or greater than the amount set forth in Appendix A, the amount of security required under this Interim GIA shall be adjusted to reflect the Interconnection Customer’s revised amount of cost responsibility determined in such posted study. Transmission Provider shall notify Interconnection Customer of the revised security amount when it posts the study. If the security amount increases, Interconnection Customer shall provide the additional amount of security within fifteen (15) Business Days of receipt of such notification. If the security amount decreases, Transmission Provider and Interconnection Customer shall take the appropriate action to reduce the amount of security held by Transmission Provider within fifteen (15) Business Days of Interconnection Customer’s receipt of such notification. If Interconnection Customer fails to provide additional security as prescribed in this Article 11.5.2, this Interim GIA will be terminated in accordance with Article 2.3.

In addition:

11.7.2.1 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.

11.7.2.2 The letter of credit must be issued by a financial institution reasonably acceptable to Transmission Provider and must specify a reasonable expiration date.

11.7.2.3 The surety bond must be issued by an insurer reasonably acceptable to Transmission Provider and must specify a reasonable expiration date.

11.8 Interconnection Customer Compensation. If Transmission Provider or Transmission Owner 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 Interim GIA, 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 the Tariff. Interconnection Customer shall serve Transmission Provider 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 Interim GIA, 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.

11.8.1 Interconnection Customer Compensation for Actions During Emergency Condition. Transmission Provider 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 11.8.

**Article 12. Invoice**

The terms of this Article 12 apply to billing between the Parties for construction and operation and maintenance charges. All other billing will be handled according to the Tariff.

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 Interim GIA, 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 completion of the construction of Interconnection Facilities and the Network Upgrades to be constructed pursuant to this Interim GIA, the Interconnection Customer shall receive an invoice of the final cost due under this Interim GIA, including any applicable cost due to termination, which 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. Interconnection Customer shall receive a refund of 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 Interim GIA.

12.4 **Disputes.** In the event of a billing dispute between the Parties, Transmission Owner, and Transmission Provider shall continue to provide Interconnection Service under this Interim GIA as long as Interconnection Customer: (i) continues to make all payments not in dispute; and (ii) pays to Transmission Owner 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 Owner 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 C.F.R. § 35.19a(a)(2)(iii).

**Article 13. Emergencies**
13.1 **Definition.** “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 the Transmission System, or the electric systems of others to which the Transmission Provider’s Transmission System is directly connected; or (3) that, in the case of Transmission Owner, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, Transmission Owner’s Interconnection Facilities; or (4) 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 Interim Generator Interconnection Agreement, to possess black start capability.

13.2 **Obligations.** Each Party shall comply with the Emergency Condition procedures of NERC, the Applicable Reliability Council, Transmission Provider, Applicable Laws and Regulations, and any emergency procedures agreed to by the Joint Operating Committee.

13.3 **Notice.** Transmission Provider or Transmission Owner shall notify Interconnection Customer promptly when it becomes aware of an Emergency Condition that affects Transmission Owner’s Interconnection Facilities or the Transmission System that may reasonably be expected to affect Interconnection Customer's operation of the Generating Facility or Interconnection Customer's Interconnection Facilities.

Interconnection Customer shall notify Transmission Provider and Transmission Owner promptly when it becomes aware of an Emergency Condition that affects the Generating Facility or Interconnection Customer's Interconnection Facilities that may reasonably be expected to affect the Transmission System or Transmission Owner’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 Owner’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 Owner, such consent to not be unreasonably withheld, prior to performing any manual switching operations at the Generating Facility or Interconnection Customer's Interconnection Facilities in response to an Emergency Condition either declared by Transmission Provider or Transmission Owner or otherwise regarding the Transmission System.

13.5 **Transmission Provider and Transmission Owner Authority.**
13.5.1 General. Transmission Provider and/or Transmission Owner may take whatever actions or inactions with regard to the Transmission System or Transmission Owner’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 Owner’s Interconnection Facilities, (iii) limit or prevent damage, and (iv) expedite restoration of service.

Transmission Provider and Transmission Owner shall use Reasonable Efforts to minimize the effect of such actions or inactions on the Generating Facility or Interconnection Customer's Interconnection Facilities. Transmission Provider and/or Transmission Owner may, on the basis of technical considerations, require the 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 Generating Facility; implementing a reduction or disconnection pursuant to Article 13.5.2; directing Interconnection Customer to assist with black start (if available) or restoration efforts; or altering the outage schedules of the Generating Facility and Interconnection Customer's Interconnection Facilities. Interconnection Customer shall comply with all of Transmission Provider's and Transmission Owner’s operating instructions concerning Generating Facility real power and reactive power output within the manufacturer's design limitations of the 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 and/or Transmission Owner may reduce Interconnection Service or disconnect the 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, reduction, or disconnection of Transmission Provider pursuant to Transmission Provider's Tariff or Articles 2.5, 4.2.2 and 9.7.2. When Transmission Provider and/or Transmission Owner can schedule the reduction or disconnection in advance, Transmission Provider and/or Transmission Owner shall notify Interconnection Customer of the reasons, timing and expected duration of the reduction or disconnection. Transmission Provider and/or Transmission Owner shall coordinate with Interconnection Customer using Good Utility Practice to schedule the reduction or disconnection during periods of least impact to Interconnection Customer, Transmission Provider and/or Transmission Owner. 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 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 this Interim GIA and the GIP, Interconnection Customer may take actions or inactions with
regard to the 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 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 Owner’s Interconnection Facilities. Transmission Provider and/or Transmission Owner shall use Reasonable Efforts to assist Interconnection Customer in such actions.

13.7 Limited Liability. Except as otherwise provided in Article 11.8.1 of this Interim GIA, no Party shall be liable to the other Parties 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 Interim GIA 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 Interim GIA 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 2005, or the Public Utility Regulatory Policies Act of 1978, as amended by the 2005 Energy Policy Act.

14.2 Governing Law.

14.2.1 The validity, interpretation and performance of this Interim GIA 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 Interim GIA 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 Interim GIA, any notice, demand or request required or permitted to be given by any Party to another and any instrument required or permitted to be tendered or delivered by any Party in writing to another 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.
Any Party may change the notice information in this Interim GIA 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 any Party to another 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 Parties 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 No 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 Parties 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 Interim GIA or the result of an act or omission of another 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 Interim GIA 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 Interim GIA, 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 Interim GIA.

Article 18. Indemnity, Consequential Damages and Insurance

18.1 Indemnity. The Parties shall at all times indemnify, defend, and hold the other Parties 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 Parties’ action or inactions of its obligations under this Interim GIA 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 indemnnified 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 any Party be liable to any other Party under any provision of this Interim GIA 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 any Party may be liable to another Party under another agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

18.3 Insurance. Interconnection Customer and Transmission Owner shall at their own expense, maintain in force throughout the period of this Interim GIA, and until released by all other Parties, 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. The minimum limits for the Employers' Liability insurance shall be One Million Dollars ($1,000,000) each accident bodily injury by accident, One Million Dollars ($1,000,000) each employee bodily injury by disease, and One Million Dollars ($1,000,000) policy limit bodily injury by disease.
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 (if applicable), independent contractors coverage, coverage for pollution (if exposure is present) and punitive or exemplary damages, with minimum limits of One Million Dollars ($1,000,000) each occurrence/Two Million Dollars ($2,000,000) general aggregate and Two Million Dollars ($2,000,000) products and completed operations 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 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) each occurrence/Twenty Million Dollars ($20,000,000) general aggregate.

18.3.5 The Commercial General Liability Insurance, Comprehensive Automobile Liability 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 Interim GIA 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 Interim GIA, which coverage may be in the form of tail coverage or extended reporting period coverage if agreed to by all Parties.
18.3.8 The requirements contained herein as to the types and limits of all insurance to be maintained by the Interconnection Customer and Transmission Owner are not intended to and shall not in any manner, limit or qualify the liabilities and obligations assumed by the Parties under this Agreement.

18.3.9 Within ten (10) days following execution of this Interim GIA, 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, Interconnection Customer and Transmission Owner shall provide certification of all insurance required in this Interim GIA, executed by each insurer or by an authorized representative of each insurer to the Other Party Group.

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 Interim GIA.

Article 19 Assignment.

19.1 Assignment. This Interim GIA may be assigned by any Party only with the written consent of the other Parties; provided that any Party may assign this Interim GIA without the consent of the other Parties 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 Interim GIA; and provided further that Interconnection Customer shall have the right to assign this Interim GIA, without the consent of Transmission Provider or Transmission Owner, for collateral security purposes to aid in providing financing for the Generating Facility, provided that Interconnection Customer will promptly notify Transmission Provider and Transmission Owner of any such assignment. Any financing arrangement entered into by the 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 and Transmission Owner 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 11.7 and 18.3. Any assignment under this article not
solely for collateral security purposes shall be conditioned on the simultaneous assignment of Interconnection Customer’s Queue Position to assignee and assignee demonstrating the ability to enter into and fulfill the obligations of a final GIA. Any attempted assignment that violates this article is void and ineffective. Any assignment under this Interim GIA 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 Interim GIA 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 Interim GIA; provided that if Interconnection Customer (or any third party, but only if such third party is not acting at the direction of Transmission Owner) seeks and obtains such a final determination with respect to any provision of the Negotiated Option (Article 5.1.3), 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 any of the Parties to another prior to the execution of this Interim GIA.

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 any Party, a 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 Interim GIA, and for a period of three (3) years after the expiration or termination of this Interim GIA, 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 Interim GIA; or (6) is required, in accordance with Article 22.1.7 of the Interim GIA, 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 Interim GIA. 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.** No 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 Interim GIA, 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 another other Party. The disclosure by any Party to another Party of Confidential Information shall not be deemed a waiver by the disclosing 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, no Party makes any warranties or representations as to its accuracy or completeness. In addition, by supplying Confidential Information, no Party obligates itself to provide any particular information or Confidential Information to another 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 another Party under this Interim GIA or its regulatory requirements.

22.1.7 Order of Disclosure. If a court or a Governmental Authority or entity with the right, power, and apparent authority to do so requests or requires a 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 Parties with prompt notice of such request(s) or requirement(s) so that the other Parties may seek an appropriate protective order or waive compliance with the terms of this Interim GIA. 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 Interim GIA for any reason, each Party shall, within ten (10) Calendar Days of receipt of a written request from another 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. In the instance where Transmission Owner is a Federal Power Agency, as specified in the opening paragraph of this Agreement, then this section 22.1.9 shall not apply to Transmission Owner. The Parties agree that monetary damages would be inadequate to compensate a Party for another Party's Breach of its obligations under this Article 22. Each Party accordingly agrees that the other Parties 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 C.F.R. 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 Interim GIA, 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
C.F.R. 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 another Party to this Interim GIA prior to the release of the Confidential Information to FERC or its staff. The Party shall notify the other Parties to the Interim GIA when it is notified by FERC or its staff that a request to release Confidential Information has been received by FERC, at which time any of the Parties may respond before such information would be made public, pursuant to 18 C.F.R. 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 Interim GIA ("Confidential Information") shall not be disclosed by another 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 Interim GIA 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.

22.1.12 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).

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 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.

Article 25. Information Access and Audit Rights

25.1 Information Access. Each Party (the "disclosing Party") shall make available to the other Parties information that is in the possession of the disclosing Party and is necessary in order for the other Parties to: (i) verify the costs incurred by the disclosing Party for which the other Parties are responsible under this Interim GIA; and (ii) carry out its obligations and responsibilities under this Interim GIA. 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 Interim GIA.

25.2 Reporting of Non-Force Majeure Events. Each Party (the "notifying Party") shall notify the other Parties when the notifying Party becomes aware of its inability to comply with the provisions of this Interim GIA 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 Parties receiving such notification to allege a cause for anticipatory breach of this Interim GIA.

25.3 Audit Rights. Subject to the requirements of confidentiality under Article 22 of this Interim GIA, each Party shall have the right, during normal business hours, and upon prior reasonable notice to another Party, to audit at its own expense that other Party's accounts and records pertaining to either Party's performance or either Party's satisfaction of obligations under this Interim GIA. 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 Interim GIA. 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 Owner’s Interconnection Facilities and Network Upgrades shall be subject to audit for a period of twenty-four months following Transmission Owner’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 any Party's performance or satisfaction of all obligations under this Interim GIA 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 Interim GIA shall prevent a Party from utilizing the services of any subcontractor as it deems appropriate to perform its obligations under this Interim GIA; provided, however, that each Party shall require its subcontractors to comply with all applicable terms and conditions of this Interim GIA in providing such services and each Party shall remain primarily liable to the other Parties 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 Interim GIA. The hiring Party shall be fully responsible to the other Parties 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 Owner 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 Interim GIA. Any applicable obligation imposed by this Interim GIA 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 any Party has a dispute, or asserts a claim, that arises out of or in connection with this Interim GIA or its performance, the Parties agree to resolve such dispute using the dispute resolution procedures of the Tariff.

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 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 Interim GIA 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 Interim GIA.

28.1.2 Authority. Such Party has the right, power and authority to enter into this Interim GIA, to become a Party hereto and to perform its obligations hereunder. This Interim GIA 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 Interim GIA 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 Interim GIA 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 Interim GIA, and it will provide to any Governmental Authority notice of any actions under this Interim GIA that are required by Applicable Laws and Regulations.

Article 29. Joint Operating Committee
29.1 **Joint Operating Committee.** At least six (6) months prior to the expected Initial Synchronization Date, Interconnection Customer, Transmission Owner and Transmission Provider shall each appoint one representative and one alternate to the Joint Operating Committee. Each Party shall notify the other Parties 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 any 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 Interim GIA. All Parties 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 Owner’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 Generating Facility and other facilities that impact the normal operation of the interconnection of the 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 Interim GIA 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 Interim GIA and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this Interim GIA shall prevail and be deemed the final intent of the Parties.

30.3 **Rules of Interpretation.** This Interim GIA, 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 Interim GIA, 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 Interim GIA), 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 Interim GIA or such Appendix to this Interim GIA, or such Section to the GIP or such Appendix to the GIP, as the case may be; (6) "hereunder", "hereof", "herein", "hereto" and words of similar import shall be deemed references to this Interim GIA 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 Interim GIA, including all Appendices and Schedules attached hereto, constitutes the entire agreement among the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, among the Parties with respect to the subject matter of this Interim GIA. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, a Party's compliance with its obligations under this Interim GIA.

30.5 No Third Party Beneficiaries. This Interim GIA 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 Interim GIA to insist, on any occasion, upon strict performance of any provision of this Interim GIA will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

Any waiver at any time by a Party of its rights with respect to this Interim GIA 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 Interim GIA. Termination or Default of this Interim GIA 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 Interim GIA shall, if requested, be provided in writing.

30.7 Headings. The descriptive headings of the various Articles of this Interim GIA have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Interim GIA.
30.8 **Multiple Counterparts.** This Interim GIA may be executed in three 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 Interim GIA by a written instrument duly executed by each of the Parties.

30.10 **Modification by the Parties.** The Parties may by mutual agreement amend the Appendices to this Interim GIA by a written instrument duly executed by the Parties. Such amendment shall become effective and a part of this Interim GIA 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 Interim GIA 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 Interim GIA 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 another Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Interim GIA 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 Interim GIA shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership among the Parties or to impose any partnership obligation or partnership liability upon any Party. No 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, another Party.
IN WITNESS WHEREOF, the Parties have executed this Interim GIA in triplicate originals, each of which shall constitute and be an original effective Agreement among the Parties.

SOUTHWEST POWER POOL, INC.

By: __________________________
Title: __________________________
Date: __________________________

[Insert name of Transmission Owner]

By: __________________________
Title: __________________________
Date: __________________________

[Insert name of Interconnection Customer]

By: __________________________
Title: __________________________
Date: __________________________
Appendix A to Interim GIA

Interconnection Facilities, Network Upgrades, Distribution Upgrades, Security, Type and Amount of Interconnection Service, Construction Option, and Higher Queued Project List

1. Interconnection Facilities: [include description, responsible party, and estimated costs]
   
   A. Interconnection Customer’s Interconnection Facilities
   
   B. Transmission Owner Interconnection Facilities

2. Network Upgrades: [include description, responsible party, and estimated costs]
   
   A. Stand Alone Network Upgrades
   
   B. Network Upgrades For Which Interconnection Customer Is Solely Responsible
   
   C. Network Upgrades For Which Interconnection Customer Shares Cost Responsibility

3. Distribution Upgrades: [include description, responsible party, and estimated costs]

4. Security, Credits and Taxes:
   
   A. The amount of initial security to be provided by Interconnection Customer in accordance with Article 11.5.1 is $__________. The required amount of security required pursuant to this Interim GIA may be adjusted pursuant to Article 11.5.2 of this Agreement.
   
   B. The estimated portion of the Network Upgrades identified in Section 2 of this Appendix A that could be subject to the credits described in Article 11.4 of this Agreement is $____________.
   
   C. Interconnection Customer’s estimated liability for reimbursement of Transmission Owner for taxes, interest and/or penalties under Article 5.17.3 of this Agreement is $__________.

5. Type and Amount of Interim Interconnection Service:
The type of Interim Interconnection Service to be provided pursuant to this Interim GIA shall be [Energy Resource or Network Resource] Interim Interconnection Service in the amount of ______ MW.

6. Construction Option For Stand Alone Upgrades and Transmission Owner Interconnection Facilities:

The Parties have agreed to the construction options for the Stand Alone Network Upgrades and Transmission Owner Interconnection Facilities as specified below:

A. Stand Alone Network Upgrades:

[List the Stand Alone Network Upgrade and the construction option]

B. Transmission Owner Interconnection Facilities:

[List the Transmission Owner Interconnection Facility and the option]

7. Higher Queued Projects:

[List Higher Queued Projects]

8. Permits, Licenses and Authorizations:

9. Penalty, Redispatch or Market-Related Costs:

10. One-Line Diagram:
Appendix B to Interim GIA

Milestones
This Appendix C is an integral part of this Interim GIA.

1. **Description of Generating Facility:**

2. **Description of Point of Change of Ownership:**

3. **Description of Point of Interconnection:**

4. **Interconnection Guidelines:**
   The unique requirements of each generation interconnection will dictate the establishment of mutually agreeable Interconnection Guidelines that further define the requirements of this Agreement. The Interconnection Guidelines will address, but not be limited to, the following:
Infrastructure and Operational Security Arrangements

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 Interim GIA

Commercial Operation Date

[Date]

Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR  72223-4936

[Transmission Owner Address]

Re:  ____________________________

Dear ___________________________

On [Date], ____________________________ has completed Trial Operation of referenced generation facility in the Interim Generator Interconnection Agreement dated ____________________________. This letter confirms that ____________________________ commenced Commercial Operation of the referenced generation facility, effective as of [Date plus one day].

Thank you.

[Signature]

[Interconnection Customer Representative]
Appendix F to Interim GIA

ADDRESSES FOR DELIVERY OF NOTICES AND BILLINGS

Notices:

Transmission Provider:

___________________________, ______________________________
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR  72223-4936

Transmission Owner:

[To be Supplied]

Interconnection Customer:

[To be Supplied]

Billings and Payments: [Specify addresses for construction invoices, O&M invoices and settlement of ancillary services]

Transmission Provider:

___________________________, ______________________________
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR  72223-4936

Transmission Owner:

[To be Supplied]

Interconnection Customer:

[To be Supplied]

Alternative Forms of Delivery of Notices (telephone, facsimile or email):
Transmission Provider:

_______________________________, __________________________
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR  72223-4936
Phone: ____________________________
Facsimile: 501-482-2022

Transmission Owner:

[TO BE SUPPLIED]

Interconnection Customer:

[TO BE SUPPLIED]

Operational Communications: [Identify contacts for operations]
Appendix G to Interim GIA

REQUIREMENTS OF GENERATORS RELYING ON NEWER TECHNOLOGIES

Appendix G sets forth requirements and provisions specific to a wind generating plant. All other requirements of this Interim GIA 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 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 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 Transmission System 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 Transmission System 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)**

A wind generating plant 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 Interim GIA, 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 12 TO GIP

CONSENT TO ASSIGNMENT OF GIA GEN-____-__ DATED __/__/____

To Whom It May Concern:

Southwest Power Pool, Inc. (“Transmission Provider”) and ____________ (“Transmission Owner”) have been asked to provide written consent to the assignment of that certain Generator Interconnection Agreement GEN-____-____ entered into on __/__/____ among Transmission Provider, ____________ (“Interconnection Customer”) and Transmission Owner (the “GIA”).* Pursuant to Article 19.1 of the GIA, Interconnection Customer desires to assign GIA to ____________ (“Assignee”), and Assignee desires to assume the GIA.

Consistent with Article 19.1 of the GIA, Interconnection Customer represents to Transmission Provider and Transmission Owner that Assignee shall take assignment of the GIA and the related Interconnection Request number and queue position subject to the terms and conditions provided in the GIA, and the terms and conditions governing interconnection procedure and queue position contained in SPP’s Open Access Transmission Tariff (“OATT”), including but not limited to, all performance obligations, responsibilities and liabilities. Upon assignment of the GIA, Interconnection Customer will notify the Transmission Provider and Transmission Owner of the assignment. Further, to the knowledge of the undersigned representative of Interconnection Customer, after due inquiry, no default exists in the performance of Interconnection Customer’s obligations under the GIA.

Transmission Provider and Transmission Owner acknowledge that Interconnection Customer has the right to assign the GIA, either as a general assignment of the GIA or for purposes of obtaining financing, and does hereby expressly consent to such assignment. Interconnection Customer assigns the GIA and Assignee takes assignment subject to the provisions of Article 19.1 of the GIA. In granting consent, neither Transmission Provider nor Transmission Owner makes any other acknowledgments, representations or warranties of any kind.

This Consent to Assignment may be executed in one or more identical counterparts, including an electronic or facsimile copy hereof (and specifically including counterparts executed by the individual parties to indicate acknowledgement and agreement), each of which when executed by any one party and delivered to the Interconnection Customer shall be deemed an original and all of which taken together shall constitute a single instrument.

ACKNOWLEDGED AND AGREED

Southwest Power Pool, Inc.

By: _____________________
Name: ___________________
Title: ____________________
Date: ____________________

____________________ (Transmission Owner)

By: _____________________
Name: ___________________
Title: ____________________
Date: ____________________
(Interconnection Customer)

By: ________________
Name: ________________
Title: ________________
Date: ________________

* The agreement may have been executed under an older version of the pro forma OATT or for interim interconnection service; therefore it may be identified herein as a Large Generator Interconnection Agreement (“LGIA”) or an Interim Generator Interconnection Agreement (“Interim GIA”).
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 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 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.

**Breach** shall mean the failure of a Party to perform or observe any material term or condition of the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable.

**Breaching Party** shall mean a Party that is in Breach of the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable.

**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 is studied together, instead of serially, for the purpose of conducting the Interconnection Studies.
Commercial Operation shall mean the status of a 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 commences Commercial Operation as agreed to by the Parties pursuant to Appendix E to the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable.

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.

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.

Default shall mean the failure of a Breaching Party to cure its Breach in accordance with Article 17 of the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable.

Definitive Interconnection System Impact Study shall mean an engineering study that evaluates the impact of the proposed interconnection on the safety and reliability of 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 a Preliminary Interconnection System Impact Study or that may be caused by the withdrawal or addition of an Interconnection Request, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Generator Interconnection Procedures.

Definitive Interconnection System Impact Study Agreement shall mean the form of agreement contained in Appendix 3A of the Generator Interconnection Procedures for conducting the Definitive Interconnection System Impact Study.

Definitive Interconnection System Impact Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for a Definitive Interconnection System Impact Study.

Dispute Resolution shall mean the procedure in Section 12 of the Tariff 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 Owner’s facilities and equipment that are not included in the Transmission System. The voltage levels at which Distribution Systems operate differ among areas.
**Distribution Upgrades** shall mean the additions, modifications, and upgrades to the 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 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 the Transmission System, or the electric systems of others to which the Transmission Provider's Transmission System is directly connected; or (3) that, in the case of Transmission Owner, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to Transmission Owner's Interconnection Facilities; or (4) 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 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 System to be eligible to deliver the Generating Facility's electric output using the existing firm or nonfirm capacity of the 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 Owner 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.


**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 of electricity identified in the Interconnection Request, but shall not include the Interconnection Customer's Interconnection Facilities.

**Generating Facility Capacity** shall mean the net capacity of the Generating Facility and the aggregate net capacity of the Generating Facility where it includes multiple energy production devices.

**Generator Interconnection Agreement (GIA)** shall mean the form of interconnection agreement applicable to an Interconnection Request pertaining to a Generating Facility that is included in Appendix 6 to these Generator Interconnection Procedures.

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

**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, Transmission Owner 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.

**Initial Queue Position** shall mean the order of a valid Interconnection Request, relative to all other pending valid Interconnection Requests. The Initial Queue Position is established based upon the date and time of receipt of the valid Interconnection Requests by Transmission Provider.
**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 Owner's Interconnection Facilities to obtain back feed power.

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

**Interconnection Customer's Interconnection Facilities** shall mean all facilities and equipment, as identified in Appendix A of the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable, 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 System. Interconnection Customer's Interconnection Facilities are sole use facilities.

**Interconnection Facilities** shall mean the Transmission Owner’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 System. Interconnection Facilities are sole use facilities and shall not include Distribution Upgrades, Stand Alone Network Upgrades or Network Upgrades.

**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 Owner's Interconnection Facilities and Network Upgrades as identified in the Definitive Interconnection System Impact Study), the cost of those facilities, and the time required to interconnect the Generating Facility with the Transmission System. The scope of the study is defined in Section 8 of the Generator Interconnection Procedures.

**Interconnection Facilities Study Agreement** shall mean the form of agreement contained in Appendix 4 of the Generator Interconnection Procedures for conducting the Interconnection Facilities Study.

**Interconnection Facilities Study Queue** shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for an 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 System, the scope of which is described in Section 6 of the Generator Interconnection Procedures.

**Interconnection Feasibility Study Agreement** shall mean the form of agreement contained in Appendix 2 of the Generator Interconnection Procedures for conducting the Interconnection Feasibility Study.
Interconnection Feasibility Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for an Interconnection Feasibility Study.

Interconnection Queue Position shall mean the order of a valid Interconnection Request within the Interconnection Facilities Study Queue, relative to all other pending valid Interconnection Requests within the Interconnection Facilities Study Queue, which is established based upon the requirements in Section 4.1.3.

Interconnection Request shall mean an Interconnection Customer's request, in the form of Appendix 1 to the 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 System.

Interconnection Service shall mean the service provided by the Transmission Provider associated with interconnecting the Interconnection Customer's Generating Facility to the 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 Generator Interconnection Agreement and, if applicable, the Tariff.

Interconnection Study shall mean any of the following studies: the Interconnection Feasibility Study, the Preliminary Interconnection System Impact Study, the Definitive Interconnection System Impact Study, the Interim Availability Interconnection System Impact Study, and the Interconnection Facilities Study described in the Generator Interconnection Procedures.

Interconnection Study Agreement shall mean any of the following agreements: the Interconnection Feasibility Study Agreement, the Preliminary Interconnection System Impact Study Agreement, the Definitive Interconnection System Impact Study Agreement, the Interim Availability Interconnection System Impact Study Agreement, and the Interconnection Facilities Study Agreement described in the Generator Interconnection Procedures.

Interim Availability Interconnection System Impact Study shall mean an engineering study that evaluates the impact of the proposed interconnection on the safety and reliability of the Transmission System and, if applicable, an Affected System for the purpose of providing Interim Interconnection Service. The study shall identify and detail the system impacts that would result if the Generating Facility were interconnected without project modifications or system modifications on an interim basis.

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

Interim Generator Interconnection Agreement (Interim GIA) shall mean the form of interconnection agreement applicable to an Interconnection Request pertaining to a Generating Facility to allow interconnection to the Transmission System prior to the completion of the Interconnection Study process.
Interim 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 Interim Generator Interconnection Agreement and, if applicable, the Tariff.

IRS shall mean the Internal Revenue Service.

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

Limited Operation Interconnection Facilities Study Agreement shall mean the form of agreement contained in Appendix 4A of the Generator Interconnection Procedures for conducting the Interconnection Facilities Study.

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 another Party's performance, or non-performance of its obligations under the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable, on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnifying Party.

Material Modification shall mean those modifications that have a material impact on the cost or timing of any Interconnection Request with a later Queue priority date.

Metering Equipment shall mean all metering equipment installed or to be installed at the Generating Facility pursuant to the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable, 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 Corporation 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 Generating Facility with the Transmission System in a manner comparable to that in which the Transmission Owner integrates its generating facilities to serve Native Load Customers as a Network Resource. 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 System required at or beyond the point at which the Interconnection Facilities
connect to the Transmission System to accommodate the interconnection of the Generating Facility to the Transmission System.

**Notice of Dispute** shall mean a written notice of a dispute or claim that arises out of or in connection with the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable, or its performance.

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

**Point of Change of Ownership** shall mean the point, as set forth in Appendix A to the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable, where the Interconnection Customer's Interconnection Facilities connect to the Transmission Owner's Interconnection Facilities.

**Point of Interconnection** shall mean the point, as set forth in Appendix A to the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable, where the Interconnection Facilities connect to the Transmission System.

**Preliminary Interconnection System Impact Study** shall mean an engineering study that evaluates the impact of the proposed interconnection on the safety and reliability of 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 an Interconnection Feasibility Study or that may be caused by an Interconnection Request, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Generator Interconnection Procedures.

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

**Preliminary Interconnection System Impact Study Queue** shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for a Preliminary Interconnection System Impact Study.

**Previous Network Upgrade** shall mean a Network Upgrade that is needed for the interconnection of one or more Interconnection Customers’ Generating Facilities, where the Interconnection Customer is not responsible for the cost and which is identified in Appendix A of the Generator Interconnection Agreement.

**Queue** shall mean the Interconnection Feasibility Study Queue, the Preliminary Interconnection System Impact Study Queue, or the Definitive Interconnection System Impact Study Queue, or the Interconnection Facilities Study Queue, as applicable.

**Queue Position** shall mean the order of a valid Interconnection Request within the Interconnection Feasibility Study Queue, relative to all other pending valid Interconnection Requests within the Interconnection Feasibility Study Queue, the order of a valid Interconnection Request within the Preliminary Interconnection System Impact Study Queue, relative to all other pending valid Interconnection Requests within the Preliminary Interconnection System Impact...
Study Queue, or the order of a valid Interconnection Request within the Definitive Interconnection System Impact Study Queue, relative to all other pending valid Interconnection Requests within the Definitive Interconnection System Impact Study Queue, as applicable, that is established based upon the date and time of receipt of the valid Interconnection Request and the date and time of receipt of other information specified under Section 4.1 of this GIP, as applicable, by the Transmission Provider.

Reasonable Efforts shall mean, with respect to an action required to be attempted or taken by a Party under the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable, 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.

Scoping Meeting shall mean the meeting between representatives of the Interconnection Customer, Transmission Owner 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.

Shared Network Upgrade shall mean a Network Upgrade listed in Appendix A of the Generator Interconnection Agreement that is needed for the interconnection of multiple Interconnection Customers’ Generating Facilities where such Interconnection Customers share the cost.

Site Control shall mean documentation reasonably demonstrating: (1) ownership of, a leasehold interest in, or a right to develop a site of sufficient size for the purpose of constructing the Generating Facility; (2) an option to purchase or acquire a leasehold site of sufficient size 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 of sufficient size for such purpose.

Small Generating Facility shall mean a Generating Facility that has an aggregate net Generating Facility Capacity of no more than 2 MW.

Stand Alone Network Upgrades shall mean Network Upgrades that an Interconnection Customer may construct without affecting day-to-day operations of the Transmission System during their construction. The Transmission Provider, Transmission Owner and the Interconnection Customer must agree as to what constitutes Stand Alone Network Upgrades and identify them in Appendix A to the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable.

System Protection Facilities shall mean the equipment, including necessary protection signal communications equipment, required to protect (1) the 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 System or on other delivery systems or other generating systems to which the 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 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 Owner's Interconnection Facilities** shall mean all facilities and equipment owned, controlled, or operated by the Transmission Owner from the Point of Change of Ownership to the Point of Interconnection as identified in Appendix A to the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable, including any modifications, additions or upgrades to such facilities and equipment. Transmission Owner's Interconnection Facilities are sole use facilities and shall not include Distribution Upgrades, Stand Alone Network Upgrades or Network Upgrades.

**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.
Section 3. Interconnection Requests

3.1 General.

An Interconnection Customer shall submit to Transmission Provider an Interconnection Request in the form of Appendix 1 to this GIP and the deposit along with the other items in Section 3.3.1 of these Generator Interconnection Procedures. Transmission Provider shall apply the deposit toward the cost of the applicable 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.

3.2 Identification of Types of Interconnection Services.

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.

3.2.1 Energy Resource Interconnection Service.

3.2.1.1 The Product. Energy Resource Interconnection Service allows Interconnection Customer to connect the Generating Facility to the Transmission System and be eligible to deliver the 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.

3.2.1.2 The Study. The study consists of short circuit/fault duty, 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 Generating Facility and would also identify the maximum allowed output, at the time the study is performed, of the interconnecting Generating Facility without requiring additional Network Upgrades.

3.2.2 **Network Resource Interconnection Service.**

3.2.2.1 **The Product.** Transmission Provider must conduct the necessary studies and the Transmission Owner construct the Network Upgrades needed to integrate the Generating Facility in a manner comparable to that in which Transmission Owner integrates its generating facilities to serve Native Load Customers as Network Resources. Network Resource Interconnection Service allows Interconnection Customer's Generating Facility to be designated as a Network Resource, up to the 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.

3.2.2.2 **The Study.** The Interconnection Study for Network Resource Interconnection Service shall assure that Interconnection Customer's Generating Facility meets the requirements for Network Resource Interconnection Service and as a general matter, that such Generating Facility's interconnection is also studied with Transmission System at peak load, under a variety of severely stressed conditions, to determine whether, with the Generating Facility at full output, the aggregate of generation in the local area can be delivered to the aggregate of load on Transmission System, consistent with Applicable Reliability Standards. This approach assumes that some portion of existing Network Resources are displaced by the output of Interconnection Customer's 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.

3.3 **Valid Interconnection Request.**

3.3.1 **Initiating an Interconnection Request.**
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 1, and (iii) demonstration of Site Control; provided, however, demonstration of Site Control is not required for inclusion of an Interconnection Request in the Interconnection Feasibility Study Queue. Specifications for acceptable site size for the purpose of demonstrating Site Control are posted on the Transmission Provider’s website, available at: http://sppoasis.spp.org/documents/swpp/transmission/studies/Interconnection%20Request%20Guidelines%20for%20Posting.pdf; Interconnection Customer may propose an alternative site size for Transmission Provider approval. Transmission Provider shall approve a demonstration of Site Control with an alternative site size when the Interconnection Customer submits to Transmission Provider a final layout drawing of the Generating Facility that includes at a minimum: (i) the spacing and number of turbines; (ii) the cable requirements to interconnect the individual turbines to the collector substation and the cable requirements from the collector substation to the interconnection substation; (iii) the resistance and impedance measurements of the interconnecting cable and (iv) acknowledgment by Interconnection Customer that the layout drawing is intended to be final and not subsequently substantially changed. Interconnection Customer may modify the layout drawing of a project until it submits an Interconnection Request into the **Definitive Interconnection System Impact Study Queue ("DISIS Queue")**. Once an Interconnection Request has been submitted in the DISIS Queue, and Transmission Provider has approved the final layout drawing and demonstration of Site Control, any subsequent change to the design of the Generating Facility as depicted in the layout drawing will be subject to Section 4.4 and will be evaluated to determine whether the change constitutes a Material Modification under Section 4.4. Deposits provided pursuant to this section shall be applied toward any Interconnection Studies pursuant to the Interconnection Request.

The expected In-Service Date of the new 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 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 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.

**3.3.2 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.

3.3.3 **Deficiencies in Interconnection Request.**

An Interconnection Request will not be considered to be a valid request until all items in Section 3.3.1 have been received by Transmission Provider; provided however, that demonstration of Site Control is not required for inclusion of an Interconnection Request in the Interconnection Feasibility Study Queue. If an Interconnection Request fails to meet the requirements set forth in Section 3.3.1, 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. **In the event that Transmission Provider discovers or verifies a deficiency later in the GIP process, Transmission Provider will notify Interconnection Customer as soon as practicable.** 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 3.3.3 shall be treated in accordance with Section 3.6.

3.3.4 **Scoping Meeting.**

Within ten (10) Business Days after receipt of a valid Interconnection Request, Transmission Provider shall establish a date agreeable to the Transmission Owner and the 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, Transmission Owner and Interconnection Customer shall provide 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, Transmission Owner and Interconnection Customer will also make available 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 6.1, and one or
more available alternative Point(s) of Interconnection. The duration of the 
meeting shall be sufficient to accomplish its purpose.

3.4 OASIS Posting.

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 Initial Queue Position, and Interconnection 
Queue Position, as 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. The 
list will not disclose the identity of Interconnection Customer until 
Interconnection Customer executes a GIA or requests that Transmission Provider 
file an unexecuted GIA with FERC. Transmission Provider shall post to its 
OASIS site any deviations from the study timelines set forth herein. 
Interconnection Study reports and Re-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 
Generating Facility's In-Service Date.

3.5 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 GIP. 
Transmission Provider will include such Affected System Operators in all 
meetings held with Interconnection Customer as required by this GIP. 
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.

3.6 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 GIP, except as
provided in Section 13.5 (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 Initial Queue Position or Interconnection Queue Position, as applicable, and the forfeiture of milestone deposits provided in Sections 8.2 and 8.9, as applicable. If an Interconnection Customer disputes the withdrawal and loss of its Initial Queue Position or Interconnection Queue Position, then during Dispute Resolution, Interconnection Customer's Interconnection Request is eliminated from the applicable Queue until such time that the outcome of Dispute Resolution would restore its Initial Queue Position or Interconnection 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 list of Interconnection Requests Queue Position posting and (ii) refund to Interconnection Customer any portion of Interconnection Customer's deposit or study payments that exceeds 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 13.1, 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.
4.1 Queue Position.

4.1.1 The Transmission Provider shall assign an Initial Queue Position within each study Queue as follows: to each Interconnection Request based on the date and time of receipt of the valid Interconnection Requests; 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 3.3.3, then Transmission Provider shall assign Interconnection Customer an Initial Queue Position based on the date the application form was originally submitted to the Transmission Provider. The Initial Queue Position of each Interconnection Request will be used solely as an identifier for the Interconnection Request.

a. All Interconnection Requests The Queue Position within the Interconnection Feasibility Study Queue (“FeasibilityIFS Queue”) shall have equal priority, be assigned 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 3.3.3, then Transmission Provider shall assign Interconnection Customer a Queue Position within the IFS Queue based on the date the application form was originally filed.

b. All Interconnection Requests The Queue Position within the Preliminary Interconnection System Impact Study Queue ("PISIS Queue") shall have equal priority, be assigned based upon the date and time of receipt of all items required under Section 7.2.

c. All Interconnection Requests The Queue Position within the Definitive Interconnection System Impact Study Queue ("DISIS Queue") shall be based assigned upon the date and time of receipt of all items required under Section 8.2, have equal priority.

4.1.2 The Transmission Provider shall assign an Interconnection Queue Position for Interconnection Requests within the Interconnection Facilities Study Queue based upon the date and time the Interconnection Customer satisfies all of the requirements of Section 8.9 to enter an Interconnection Facilities Study. The priority of the Interconnection Queue Position of each Interconnection Request as determined in Section 4.1.3 will be used to determine the order of performing the Interconnection Facilities Studies and determination of cost responsibility for the facilities necessary to accommodate the Interconnection Request.
4.1.32 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. An Initial Queue Position in the PISIS Queue shall be deemed higher than all Initial Queue Positions in the Feasibility IFS Queue. An Initial Queue Position in the DISIS Queue shall be deemed higher than all Initial Queue Positions in the PISIS Queue. Once an Interconnection Customer has met all requirements for an Interconnection Facilities Study, including the execution of a Interconnection Facilities Study Agreement or a Limited Operation Interconnection Facilities Study Agreement, its Interconnection Queue Position shall be deemed higher than those in the DISIS Queue. A higher queued Interconnection Request in the Interconnection Facilities Study Queue is one that has been placed “earlier” in the Interconnection Facilities Study Queue in relation to another Interconnection Request. Interconnection Requests in the Interconnection Facilities Study Queue shall be considered to be placed in the Interconnection Facilities Study Queue at the same time if the Interconnection Requests were studied in the same Definitive Interconnection System Impact Study and each meets the requirements of Section 8.9 following the completion of that study. Moving a Point of Interconnection shall result in a lowering of Interconnection Queue Position if it is deemed a Material Modification under Section 4.4.3.

4.2 General Study Process.

The following diagram provides an overview and timeline of the Transmission Provider’s Interconnection Request submission and study process which is further described in detail in this Section 4.2 and Sections 6, 7, 8 and 9 of this GIP.
Interconnection Request Study Process and Timeline.

4.2.1 **IFS Feasibility** Queue Study Procedures.

The Transmission Provider shall accept Interconnection Requests for Interconnection Feasibility Studies during a ninety (90) Calendar Day period, hereinafter referred to as the "**IFSFeasibility** Queue Cluster Window", every (90) Calendar Days. Following the close of the **IFSFeasibility** Queue Cluster Window, the Transmission Provider shall complete the study of valid Interconnection Requests within the **IFSFeasibility** Queue during the (90) Calendar Day period following the close of the **IFSFeasibility** Queue Cluster Window as described under Section 6.3. The Transmission Provider shall, without regard to **Interconnection** Queue Position, simultaneously study two or more valid
Interconnection Requests within the IFS–Feasibility Queue on the basis of geographic location and proposed electrical interconnection as specified in the Interconnection Requests in a non-discriminatory manner without regard to the nature of the underlying Interconnection Service, whether Energy Resource Interconnection Service or Network Resource Interconnection Service (“Cluster Study”). The Initial Queue Position of an Interconnection Request shall have no bearing on the allocation of the cost of the common upgrades identified in a Cluster Study.

The Transmission Provider may study an Interconnection Request separately to the extent warranted by Good Utility Practice based upon the electrical remoteness of the proposed Generating Facility. The Transmission Provider shall study individual Interconnection Requests within the IFS–Feasibility Queue not included within a Cluster Study based upon Initial Queue Position without regard to the nature of the underlying Interconnection Service, whether Energy Resource Interconnection Service or Network Resource Interconnection Service.

4.2.2 PISIS Queue Study Procedures.

The Transmission Provider shall accept Interconnection Requests for Preliminary Interconnection System Impact Studies during a one-hundred-eighty (180) Calendar Day period, hereinafter referred to as the "PISIS Queue Cluster Window", every one-hundred-eighty (180) days. Following the close of the PISIS Queue Cluster Window, the Transmission Provider shall complete the study of valid Interconnection Requests within the PISIS Queue in accordance with the timeline specified in Section 7.4. The Transmission Provider shall, without regard to Initial Queue Position, simultaneously study two or more valid Interconnection Requests within the PISIS Queue on the basis of geographic location and proposed electrical interconnection as specified in the Interconnection Requests in a non-discriminatory manner without regard to the nature of the underlying Interconnection Service, whether Energy Resource Interconnection Service or Network Resource Interconnection Service (“Cluster Study”). The Initial Queue Position of an Interconnection Request shall have no bearing on the allocation of the cost of the common upgrades identified in a Cluster Study.

The Transmission Provider may study an Interconnection Request separately to the extent warranted by Good Utility Practice based upon the electrical remoteness of the proposed Generating Facility.

The Transmission Provider shall study individual Interconnection Requests within the PISIS Queue not included within a Cluster Study based upon Initial Queue Position without regard to the nature of the underlying Interconnection Service, whether Energy Resource Interconnection Service or Network Resource Interconnection Service.
Cluster Studies performed within the Preliminary Interconnection System Impact Study phase 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. In the event that an Interconnection Customer withdraws from the process at any point during the PISIS phase and that Interconnection Customer’s request was included in a Cluster Study, the Transmission Provider may substitute the next highest queued similarly situated Interconnection Request within the PISIS Queue into the current study phase, provided such substitution occurs on a non-discriminatory basis and does not have a material impact on the effort required for completion of the applicable study.

4.2.3 DISIS Queue Study Procedures.

The Transmission Provider shall accept Interconnection Requests for Definitive Interconnection System Impact Studies during a one-hundred-eighty (180) Calendar Day period, hereinafter referred to as the "DISIS Queue Cluster Window", every one-hundred-eighty (180) days. The one-hundred-eighty (180) Calendar Day period shall begin two-hundred-ten (210) days prior to the beginning of the Definitive Interconnection System Impact Study. Following the close of the DISIS Queue Cluster Window, there shall be a 30 Calendar Day review period “DISIS Review Period” to resolve any deficiencies in the Interconnection Requests received during the DISIS Queue Cluster Window. Following the DISIS Review Period, the Transmission Provider shall complete the study of valid Interconnection Requests within the DISIS Queue in accordance with the timeline specified in Section 8.54. The Transmission Provider shall, without regard to Queue Position, simultaneously study two or more valid Interconnection Requests within the DISIS Queue on the basis of geographic location and proposed electrical interconnection as specified in the Interconnection Requests in a non-discriminatory manner without regard to the nature of the underlying Interconnection Service, whether Energy Resource Interconnection Service or Network Resource Interconnection Service (“Cluster Study”). The Queue Position of an Interconnection Request shall have no bearing on the allocation of the cost of the common upgrades identified in a Cluster Study.

The Transmission Provider may study an Interconnection Request separately to the extent warranted by Good Utility Practice based upon the electrical remoteness of the proposed Generating Facility. The Transmission Provider shall study individual Interconnection Requests within the DISIS Queue not included within a Cluster Study based upon Initial Queue Position without regard to the nature of the underlying Interconnection Service, whether Energy Resource Interconnection Service or Network Resource Interconnection Service.

Cluster Studies performed within the Definitive Interconnection System Impact Study phase 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. In the event that an Interconnection Customer withdraws from the process at any point during the Definitive Interconnection System Impact Study phase and that Interconnection Customer’s request was included in a Cluster Study, the Transmission Provider may substitute the next highest queued similarly situated Interconnection Request within the DISIS Queue into the current study phase, provided such substitution occurs on a non-discriminatory basis and does not have a material impact on the effort required for completion of the applicable study.

4.2.4 Changes to Study Procedures.

The IFS-Feasibility Queue Cluster Window, the PISIS Queue Cluster Window and the DISIS Queue Cluster Window described in the following subsections have a fixed time interval based on fixed annual opening and closing dates.

Any changes to the established PISIS Queue Cluster Window or the DISIS Queue Cluster Window 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 changes and continuing thereafter through the end date of the first queue cluster window that is to be modified.

Any changes to the established DISIS Queue Cluster Window 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 changes and continuing thereafter through the end date of the first queue cluster window that is to be modified.

Any changes to the established IFSFeasibility Queue Cluster Window and opening or closing dates shall be announced with a posting on Transmission Provider’s OASIS beginning at least ninety Calendar Days in advance of changes and continuing thereafter through the end date of the first queue cluster window that is to be modified.

4.2.5 Study Cost and Network Upgrade Cost Allocation.

The Transmission Provider shall determine each Interconnection Customer’s share of Interconnection Feasibility Study costs, Preliminary Interconnection System Impact Study costs and/or Definitive Interconnection System Impact Study cost by allocating 50% of the applicable study costs to Interconnection Customers pro-rata based on number of Interconnection Requests included in the applicable study and by allocating 50% of the applicable study costs to Interconnection Customers pro-rata based on requested MWs included in the applicable study.

For Network Upgrades identified in Cluster Studies, the Transmission Provider shall calculate each Interconnection Customer’s share of Network Upgrade costs in the following manner:
a. All Network Upgrades that are required to provide Interconnection Service for all Interconnection Requests included in a Cluster Study shall be included in a cluster cost allocation assessment group (“CCAAG”). The cost of each Network Upgrade component will be allocated to each Interconnection Customer in the CCAAG on a pro-rata impact basis as provided for in paragraph b below. With regard to the cost allocation, the Transmission Provider shall review all Network Upgrades and determine the earliest date that each upgrade is required to be in-service in order to provide the requested Interconnection Service (“Date Upgrade Needed”).

b. An allocation of the cost of each Network Upgrade to each Interconnection Customer shall be determined on a pro-rata basis for the positive incremental power flow impacts of the requested service on such Network Upgrade in proportion to the total of all positive incremental power flow impacts on such Network Upgrade. For each Network Upgrade identified, the average incremental power flow impact of each Interconnection Request in the Cluster Study shall be determined using each seasonal model available for the Cluster Study period during which the generating facility associated with the Interconnection Request is most likely to be generating at nameplate capacity, after the Date Upgrade Needed of such upgraded facility. Each impact amount shall be determined by first establishing a set of initial seasonal base cases that excludes flows associated with all requests included in the Cluster Study. Then each request will be added to the models and the change in flow across such Network Upgrades shall be determined for each request included in the Cluster Study. The cost of a Network Upgrade allocated to each request shall be proportional to the average positive incremental impact of each request on such Network Upgrade divided by the total average positive incremental impact of all requests included in the Cluster Study on such Network Upgrade. The cost of each Network Upgrade shall be allocated to requests independently. Incremental flows having a negative impact (counter flow) on a Network Upgrade shall be ignored.

4.3 Transferability of Queue Position.

An Interconnection Customer may transfer its Interconnection Queue Position or Initial 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.

4.4 Modifications.
Interconnection Customer shall submit to Transmission Provider, in writing, modifications to any information provided in the Interconnection Request. Interconnection Customer shall retain its Interconnection Queue Position if the modifications are in accordance with Sections 4.4.1 or 4.4.4, or are determined not to be Material Modifications pursuant to Section 4.4.2.

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. To the extent the identified changes are acceptable to Transmission Provider and Interconnection Customer, 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 8.86 and Section 8.143 as applicable and Interconnection Customer shall retain its Interconnection Queue Position or Initial Queue Position.

4.4.1 Prior to the return of the executed Definitive Interconnection Facilities System Impact Study Agreement to Transmission Provider, modifications permitted under this Section shall include specifically: (a) a decrease of electrical output (MW) of the proposed project; (b) modifying the technical parameters associated with the Generating Facility technology or the 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.

4.4.2 Prior to making any modification other than those specifically permitted by Sections 4.4.1, and 4.4.4, 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 4.4.1, 6.1, 8.2 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.

4.4.3 Upon receipt of Interconnection Customer's request for modification permitted under this Section 4.4, 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.

4.4.4 Prior to the Effective Date of the GIA, Extensions of less than three (3) cumulative years in the Commercial Operation Date of the Generating Facility to which the Interconnection Request relates are not material and should be handled through construction sequencing. Extensions of more than three (3) cumulative years of the Commercial Operation Date of the Generating Facility are deemed to be a Material Modification. Extensions of Commercial Operation Date due to circumstances in Section 8.7 are applicable to this Section 4.4.4.
Section 5. Procedures for Interconnection Requests Submitted Prior to Effective Date of Generator Interconnection Procedures

5.1 Transition Procedures.

5.1.1 Any Interconnection Request that does not have an executed GIA or requested a GIA be filed unexecuted with FERC as of March 1, 2014 (“Revision Date”) shall be subject to this GIP. Any Interconnection Customer that fails to meet these requirements shall have its Interconnection Request deemed withdrawn pursuant to Section 3.6. Any Interconnection Customer assigned a Queue Position prior to the effective date of the GIP as revised in Docket No. ER09-1254-000 and accepted by the Commission in *Southwest Power Pool, Inc.*, 128 FERC ¶ 61,114 (2009) (“Revised GIP”) shall retain that Queue Position subject to meeting the requirements below in Sections 5.1.1.1 and 5.1.1.2. Any Interconnection Customer that fails to meet these requirements shall have its Interconnection Request deemed withdrawn pursuant to Section 3.6.

5.1.1.1 Any Interconnection Request in the Feasibility Study Queue and the PISIS Queue will transition to the revised GIP upon the completion of the Feasibility Study or the PISIS that the Interconnection Request is being studied in at the time of the Revision Date.

All Interconnection Requests for which an Interconnection Facilities Study Agreement has been executed, including those that have a Facilities Study posted or that are in GIA negotiation process pursuant to Section 11.2 as of August 1, 2009 (or such later date resulting from the cure period pursuant to Section 3.6 of this Attachment V), shall not be required to conform to the Revised GIP with the exception of the revised requirements in Appendix 6, Section 5.16 of this Attachment V. Such Interconnection Requests that are included in the first transitional cluster established in Docket No. ER09-262-000 will continue to be studied in that first transitional cluster.

5.1.1.2 Any Interconnection Request in the DISIS Queue for which an Interconnection Facilities Study Agreement has not yet been executed as of the Revision Date shall be placed into the transitional DISIS Queue Cluster window that closes on the Revision Date provided it meets the requirements in Section 8.2 to be studied in the DISIS Queue by the end of the transition period. All DISIS Study Queue Interconnection Requests shall have equal priority.

All Interconnection Requests for which an Interconnection Facilities Study Agreement has not been executed as of August 1, 2009 (or such later date resulting from the cure period pursuant to
Section 3.6 of this Attachment V) must conform to the Revised GIP and shall be subject to the Revised GIP. By September 30, 2009, Interconnection Customers with Interconnection Requests subject to the Revised GIP shall take all actions necessary to conform to the Revised GIP, including but not limited to revising the previously submitted Interconnection Request and providing any additional deposits required to conform to all deposit and data requirements specified under Section 3.3.1, Section 7.2 or Section 8.2 of the Revised GIP, as applicable. Interconnection Customer shall retain its priority in the applicable Queue, as determined by its deposit and data submittal, relative to the other Interconnection Customers in that respective Queue.

5.1.1.3 Any Interconnection Request in the DISIS Queue for which an Interconnection Facilities Study Agreement has been executed meeting all requirements in the Section 8 of the GIP, and has not executed a GIA or requested a GIA be filed unexecuted with FERC as of the Revision Date, will be assigned an Interconnection Queue Position for cost assignment purposes based upon its current DISIS Queue Cluster Window.

5.1.2 Any Interconnection Request for which a GIA has been executed or has been filed unexecuted with FERC as of the Revision Date shall not be subject to this GIP unless the Interconnection Customer is not meeting the milestones listed in Appendix B of its GIA. An Interconnection Customer not meeting its milestones shall be required to conform to Sections 8.2 and 8.9 of this GIP. If an Interconnection Customer is not meeting the milestones in Appendix B of its GIA, the Transmission Provider shall revise the GIA to conform to this GIP and shall file such revised GIA at FERC.

All Interconnection Requests pending in the Queue as of June 2, 2009, for which an Interconnection Facilities Study Agreement has not been executed as of August 1, 2009 (or such later date resulting from the cure period pursuant to Section 3.6 of this Attachment V.) and that satisfy the requirements of Section 5.1.1.1 above will be included in a transitional cluster window that closes on September 30, 2009. Interconnection Requests included in this transitional cluster window shall be studied in transitional clusters established for each respective IFS Queue, PISIS Queue, and DISIS Queue. If the transitional cluster window results in a transitional cluster for the IFS Queue, PISIS Queue, or DISIS Queue that includes Interconnection Requests totaling more than 15,000 MW, Transmission Provider, at its option, may divide such a transitional cluster into smaller clusters based on original Queue Position and consisting of Interconnection Requests totaling no more than 15,000 MW. If the Transmission Provider divides the transitional cluster into smaller clusters,
Transmission Provider shall base the order in which it conducts the studies of the smaller clusters on the Queue Position priority of the Interconnection Requests contained in the clusters.

5.1.3 Transition Period.

An Interconnection Customer with an Interconnection Request that has not executed a GIA as of the Revision Date shall transition to the revised GIP within sixty (60) Calendar Days of the Revision Date.

If a GIA has been submitted to FERC for approval before the effective date of the Revised GIP, then the GIA shall not be required to conform to the Revised GIP.

5.2 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 GIP 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 GIA to Interconnection Customer but Interconnection Customer has not either executed the GIA or requested the filing of an unexecuted GIA with FERC, unless otherwise provided, Interconnection Customer must complete negotiations with the successor Transmission Provider.
Section 6.  Interconnection Feasibility Study

6.1  Interconnection Feasibility Study Agreement.

Simultaneously with the acknowledgement of a valid Interconnection Request indicating that an Interconnection Feasibility Study is to be performed, 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 up to two (2) 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 the lesser of fifteen (15) Calendar Days after its receipt or the close of the IFS-Feasibility Queue Cluster Window. This deposit, along with the $10,000 deposit received with the Interconnection Request, will be applied towards the Interconnection Feasibility Study costs. If the Interconnection Customer’s share of the Interconnection Feasibility Study costs exceed $20,000, then Interconnection Customer will be responsible for this excess cost. If the Interconnection Customer’s share of the Interconnection Feasibility Study costs is less than $20,000, the difference shall be refunded to the Interconnection Customer, or the Interconnection Customer may elect to apply the difference as part of the deposit requirements for participation in a Preliminary Interconnection System Impact Study or Definitive Interconnection System Impact Study. 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 1, Attachment A.

6.1.1  For interconnection requests not more than 2 MW the Interconnection Customer shall execute and deliver to Transmission Provider the Interconnection Feasibility Study Agreement no later than the lesser of fifteen (15) Calendar Days after its receipt or the close of the IFS-Feasibility Queue Cluster Window. The additional $10,000 deposit required in Section 6.1 does not apply. The initial $10,000 deposit received with the Interconnection request will be applied towards the Interconnection Feasibility Study cost. If the Interconnection Customer’s share of the Interconnection Feasibility Study costs exceed $10,000, then Interconnection Customer will be responsible for this excess cost. If the Interconnection Customer’s share of the Interconnection Feasibility Study
cost is less than $10,000, the difference shall be refunded to the Interconnection Customer, or the Interconnection Customer may elect to apply the difference as part of the deposit requirements for participation in a Preliminary Interconnection System Impact Study or Definitive Interconnection System Impact Study. 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 1, Attachment A.

6.2 Scope of 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 Interconnection Queue Position but have executed a GIA or requested that an unexecuted GIA 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.

6.3 Interconnection Feasibility Study Procedures.

Transmission Provider shall utilize existing studies to the extent practicable when it performs the study. Interconnection Requests for Interconnection Feasibility Studies may be submitted within the IFS Feasibility Queue Cluster Window and the Transmission Provider shall perform Interconnection Feasibility Studies every ninety (90) days. Transmission Provider shall use Reasonable Efforts to complete the Interconnection Feasibility Study no later than ninety (90) Calendar Days after the close of the IFS–Feasibility 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 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 13.1.
6.3.1 Meeting with Transmission Provider.

Within ten (10) Business Days of providing an Interconnection Feasibility Study report to Interconnection Customer, Transmission Provider and Interconnection Customer shall meet to discuss the results of the Interconnection Feasibility Study.
Section 7. Preliminary Interconnection System Impact Study

7.1 Preliminary Interconnection System Impact Study Agreement.

Unless otherwise agreed, pursuant to the Scoping Meeting provided in Section 3.3.4, simultaneously with the delivery of the Interconnection Feasibility Study to Interconnection Customer or simultaneously with the acknowledgement of a valid Interconnection Request indicating that a Preliminary Interconnection System Impact Study is to be performed, Transmission Provider shall provide to Interconnection Customer a Preliminary Interconnection System Impact Study Agreement in the form of Appendix 3 to this GIP. The Preliminary Interconnection System Impact Study Agreement shall provide that Interconnection Customer shall compensate Transmission Provider for the actual cost of the Preliminary Interconnection System Impact Study. Within three (3) Business Days following the Interconnection Feasibility Study results meeting described under Section 6.3.1, or within (3) Business Days following acknowledgement of a valid Interconnection Request indicating that a Preliminary Interconnection System Impact Study is to be performed, Transmission Provider shall provide to Interconnection Customer a non-binding good faith estimate of the cost and timeframe for completing the Preliminary Interconnection System Impact Study.

7.2 Execution of Preliminary Interconnection System Impact Study Agreement.

Interconnection Customer shall execute the Preliminary Interconnection System Impact Study Agreement and deliver the executed Preliminary Interconnection System Impact Study Agreement to Transmission Provider following its receipt no later than the lesser of (i) thirty (30) Calendar Days or (ii) the Calendar Days remaining prior to close of the PISIS Queue Cluster Window along with:

a. demonstration of Site Control; and

b. a $10,000 deposit for requests less than or equal to 2 MW; or

c. a $25,000 deposit for requests greater than 2 MW and less than or equal to 20 MW; or

d. a $40,000 deposit for requests greater than 20 MW and less than 100 MW; or

e. a $60,000 deposit for requests greater than or equal to 100 MW and less than 800 MW; or

f. a $90,000 deposit for requests greater than or equal to 800 MW; and

g. Technical data as denoted in Appendix 7 of this GIP, if applicable.
Failure to return the Preliminary Interconnection System Impact Study Agreement and to meet the requirements listed above will result in immediate withdrawal of the Interconnection Request.

Deposits will be applied towards the Preliminary Interconnection System Impact Study costs. If the Interconnection Customer’s share of the Preliminary Interconnection System Impact Study costs exceeds the deposited amount, then the Interconnection Customer will be responsible for this excess cost. If the Interconnection Customer’s share of the Preliminary Interconnection System Impact Study cost is less than the deposited amount, the difference shall be refunded to the Interconnection Customer, or, the Interconnection Customer may elect to apply the difference as part of the deposit requirements for participation in a Definitive Interconnection System Impact Study.

7.3 Scope of Preliminary Interconnection System Impact Study.

The Preliminary Interconnection System Impact Study shall evaluate the impact of the proposed interconnection on the reliability of the Transmission System. The Preliminary 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 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 Interconnection Queue Position but have executed a GIA or requested that an unexecuted GIA be filed with FERC.

The Preliminary Interconnection System Impact Study will consist of a short circuit analysis, a stability analysis, and a power flow analysis. The Preliminary 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. The Preliminary 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.

7.4 Preliminary Interconnection System Impact Study Procedures.

Transmission Provider shall coordinate the Preliminary Interconnection System Impact Study with any Affected System that is affected by the Interconnection Request pursuant to Section 3.5 above. Transmission Provider shall utilize existing studies to the extent practicable when it performs the study. Interconnection Requests for Preliminary Interconnection System Impact Studies
may be submitted within the PISIS Queue Cluster Window and the Transmission Provider shall perform Preliminary Interconnection System Impact Studies every one-hundred-eighty (180) days. Transmission Provider shall use Reasonable Efforts to complete the Preliminary Interconnection System Impact Study no later than one-hundred-fifty (150) Calendar Days after the close of the PISIS 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 Preliminary Interconnection System Impact Study, Transmission Provider shall notify Interconnection Customer as to the schedule status of the Preliminary Interconnection System Impact Study. If Transmission Provider is unable to complete the Preliminary 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 Preliminary Interconnection System Impact Study, subject to confidentiality arrangements consistent with Section 13.1.

7.5 Meeting with Transmission Provider.

Within ten (10) Business Days of providing a Preliminary Interconnection System Impact Study report to Interconnection Customer, Transmission Provider, Transmission Owner and Interconnection Customer shall meet to discuss the results of the Preliminary Interconnection System Impact Study.
Section 8. Definitive Planning Phase

8.1 Definitive Interconnection System Impact Study Agreement.

Unless otherwise agreed, pursuant to the Scoping Meeting provided in Section 3.3.4, simultaneously with the delivery of the Preliminary Interconnection System Impact Study to Interconnection Customer or simultaneously with the acknowledgement of a valid Interconnection Request indicating that a Definitive Interconnection System Impact Study is to be performed, Transmission Provider shall provide to Interconnection Customer a Definitive Interconnection System Impact Study Agreement in the form of Appendix 3A to this GIP. The Definitive Interconnection System Impact Study Agreement shall provide that Interconnection Customer shall compensate Transmission Provider for the actual cost of the Definitive Interconnection System Impact Study. Within three (3) Business Days following the Preliminary Interconnection System Impact Study results meeting described under Section 7.5, or within (3) Business Days following acknowledgement of a valid Interconnection Request indicating that a Definitive Interconnection System Impact Study is to be performed, Transmission Provider shall provide to Interconnection Customer a non-binding good faith estimate of the cost and timeframe for completing the Definitive Interconnection System Impact Study.

8.2 Execution of Definitive Interconnection System Impact Study Agreement.

Interconnection Customer shall execute the Definitive Interconnection System Impact Study Agreement and deliver the executed Definitive Interconnection System Impact Study Agreement to Transmission Provider following its receipt no later than the lesser of (i) thirty (30) Calendar Days or (ii) the Calendar Days remaining prior to close of the DISIS Queue Cluster Window, along with each of the following:

a. Demonstration of Site Control; and

b. Study deposit, which shall be one of the following:

   a1. a $15,000 deposit for requests less than or equal to 2 MW (See Section 13.38.4.e and 8.9.d for requirements for this deposit to be considered refundable); or

   e2. a $50,250 deposit for requests greater than 2 MW and less than or equal to 20 MW (See Section 13.38.4.e and 8.9.d for requirements for this deposit to be considered refundable); or

   d3. a $75,400 deposit for requests of greater than 20 MW and less than 75 MW (See Section 13.38.4.e and 8.9.d for requirements for this deposit to be considered refundable); or
e4. a $150,000 deposit for requests greater than or equal to 75 MW (See Section 13.3.4.e and 8.9.d for requirements for this deposit to be considered refundable); and

fc. d Definitive Point of Interconnection; and

gd. d Definitive plant size (MW); and

he. Technical information required in Appendix 7 of this GIP, if applicable; and

i. one of the following:

i. Security deposit equal to $21000/MW of the plant size (refundable at commercial operation or if Interconnection Request is withdrawn prior to the execution of the Interconnection Facilities Study Agreement). GIA is not executed by Interconnection Customer); or

ii. An executed contract (or comparable evidence) for the sale of electric energy or capacity from the Generating Facility; or

iii. Statement signed by an officer or authorized agent of the Interconnection Customer attesting that the Generating Facility is included in an applicable state resource plan; or

iv. Other information that the Transmission Provider deems to be reasonable evidence that the Generating Facility will qualify as a Designated Resource; or

v. Purchase Order for generating equipment specific to Queue Position or statement signed by an officer or authorized agent of the Interconnection Customer attesting that the Generating Facility is included to be supplied with turbines with a manufacturer’s blanket purchase agreement that Interconnection Customer is a party. This agreement shall be provided to Transmission Provider; or

vi. Application for an air permit (if applicable); or

vii. Filing a Notice of Proposed Construction or Alteration with the Federal Aviation Administration (if applicable).

If the Definitive Interconnection System Impact Study uncovers any unexpected result(s) not contemplated during the Interconnection Feasibility Study or the Preliminary Interconnection System Impact Study, a substitute Point of Interconnection identified by Transmission Provider may be substituted for the designated Point of Interconnection specified above without loss of Initial Queue Position, and restudies shall be completed pursuant to Section 8.86 as applicable.
8.3 **DISIS Review Period**

The DISIS Review Period shall be the thirty (30) Calendar Day period following the close of the DISIS Queue Cluster Window during which the Transmission Provider will validate Interconnection Requests. The Transmission Provider shall notify the Interconnection Customer of any deficiencies that would warrant removal from the DISIS Queue. Interconnection Customer shall have fifteen (15) Business Days from the date of the notice to cure any deficiencies. If the Interconnection Customer does not cure the deficiencies within such time period, the Interconnection Request shall be deemed withdrawn. Transmission Provider may conduct additional Scoping Meetings during the DISIS Review Period.

8.43 **Scope of Definitive Interconnection System Impact Study.**

The Definitive Interconnection System Impact Study shall evaluate the impact of the proposed interconnection on the reliability of the Transmission System. The Definitive Interconnection System Impact Study will consider two different scenarios as described below.

8.4.1 The “Cluster Scenario” will consider the Base Case, as well as all Interconnection Requests in the Definitive Interconnection System Impact Study Queue and all generating facilities (and with respect to (iii) below, any identified Network Upgrades associated with such higher queued interconnection) that, on the date the Definitive 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 Interconnection Queue Position but have executed a GIA or requested that an unexecuted GIA be filed with FERC.

8.4.2 The “Stand Alone Scenario” 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 Definitive 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 Interconnection Queue Position but have executed a GIA or requested that an unexecuted GIA be filed with FERC.

The Definitive Interconnection System Impact Study will consist of a short circuit analysis, a stability analysis, and a power flow analysis. The Definitive 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. The Definitive 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.

8.4.3 Availability of Limited Operation.

If the Definitive Interconnection System Impact Study “Stand Alone Scenario” as defined in Section 8.4.2 determines that the full amount of interconnection capacity requested by the Interconnection Customer is not available by its requested Commercial Operation Date due to transmission constraints that may be remedied by an upgrade(s) with an in-service date beyond the Commercial Operation Date proposed by the Interconnection Customer, the Transmission Provider shall quantify the amount of interconnection capacity available to the Interconnection Customer prior to the in-service date of such upgrade(s) (“Limited Operation”). The Interconnection Customer shall be notified of the amount of interconnection capacity available under the Limited Operation condition. The Interconnection Customer may choose to proceed with Limited Operation by executing the Limited Operation Interconnection Facilities Study Agreement in Appendix 4A. The Interconnection Customer may also be subject to conditions in Section 8.7 of the GIP.

8.4.4 Facilities Analysis.

During the Definitive Interconnection System Impact Study, the Transmission Provider shall specify and estimate the cost of the equipment, engineering, procurement and construction work needed for transmission facilities at the Point of Interconnection to
physically and electrically connect the Generating Facility to the Transmission System (“Facilities Analysis”). The Facilities Analysis 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 Owner'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 results of the Facility Analysis shall be utilized as part of the Interconnection Facilities Study.

The Definitive Interconnection System Impact Study scope shall the same as the Preliminary Interconnection System Impact Study scope described under Section 7.3 and shall include removal of Interconnection Requests included in the Preliminary Interconnection System Impact Study that have elected not to participate in the Definitive Interconnection System Impact Study and inclusion of any Interconnection Requests received during the DISIS Queue Cluster Window.

8.54 Definitive Interconnection System Impact Study Procedures.

a. Transmission Provider shall coordinate the Definitive Interconnection System Impact Study with any Affected System that is affected by the Interconnection Request pursuant to Section 3.5 above. Transmission Provider shall utilize existing studies to the extent practicable when it performs the study. Interconnection Requests for Definitive System Impact Studies may be submitted within the DISIS Queue Cluster Window and the Transmission Provider shall perform Definitive Interconnection System Impact Studies every one-hundred-eighty (180) days. Transmission Provider shall use Reasonable Efforts to complete the Definitive Interconnection System Impact Study no later than one-hundred-twenty (120) Calendar Days after the close of the DISIS Queue Cluster Window.

b. 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 Definitive Interconnection System Impact Study, Transmission Provider shall notify Interconnection Customer as to the schedule status of the Definitive Interconnection System Impact Study. If Transmission Provider is unable to complete the Definitive 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 Definitive Interconnection System Impact Study, subject to confidentiality arrangements consistent with Section 13.1.

e. Interconnection Customer’s study cost obligations and refunds shall be as defined in Section 13.3 with the following exception. If an Interconnection Customer withdraws from an active Definitive Interconnection System Impact Study prior to the Interconnection Facilities Study phase, that Interconnection Customer’s study cost obligation shall be equal to two (2) times its actual allocated cost of the Definitive Interconnection System Impact Study. If the Interconnection Customer’s study cost obligation as defined above exceeds the deposited amount submitted pursuant to Section 8.2, then the Interconnection Customer will be responsible for this excess cost. If the Interconnection Customer’s study cost obligation as defined above is less than the deposited amount submitted pursuant to Section 8.2, the difference shall be refunded to the Interconnection Customer.

8.65 Meeting with Transmission Provider.

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

8.7 Interconnection Requests That Require Previously Approved Network Upgrades.

At the completion of the Definitive Interconnection System Impact Study, the Definitive Interconnection System Impact Study may identify one or more Network Upgrades previously approved for construction under Section VI of Attachment O of this Tariff (“Previously Approved Network Upgrade”) and required to be in-service prior to an Interconnection Customer’s Commercial Operation Date. If a Previously Approved Network Upgrade will not be in-service prior to the Interconnection Customer’s Commercial Operation Date, Interconnection Customer’s Commercial Operation Date may be extended for a maximum period of three (3) years pursuant to Section 4.4.4 to accommodate the in-service date for a Previously Approved Network Upgrade. If the three (3) year extension is not sufficient for a Previously Approved Network Upgrade to be placed into service prior to the Interconnection Customer’s Commercial Operation Date, the Interconnection Customer will not be tendered an Interconnection Facilities Study Agreement. The Transmission Provider shall tender a Limited Operation Interconnection Facilities Study Agreement in the form of Appendix 4A to the Interconnection Customer. If the Interconnection Customer executes the Limited Operation Interconnection Facilities Study Agreement, the Interconnection Customer agrees to the following conditions for moving into the Interconnection Facilities Study:
a. The Generating Facility will be allowed to operate under Limited Operation in accordance with Section 8.4.3 before a Previously Approved Network Upgrade is placed into service;

b. The Interconnection Customer will meet all requirements of the GIP;

c. The Interconnection Customer will provide financial security and authorize engineering, procurement, and construction of its cost assigned Network Upgrades and interconnection facilities no later than thirty (30) days after the effective date of the GIA; and

d. If the Transmission Provider determines that an earlier in-service date for a Previously Approved Network Upgrade can reasonably be met, then:

   1. If the Limited Operation Interconnection Facilities Study Agreement amount identified in Section 8.4.3 is less than seventy-five (75) percent of the requested Interconnection Service, then the Interconnection Customer shall pay the cost of placing a Previously Approved Network Upgrade into service at an earlier date; or

   2. If the Limited Operation Interconnection Facilities Study Agreement amount identified in Section 8.4.3 is greater than or equal to seventy-five (75) percent of the requested Interconnection Service, then the Interconnection Customer may either accept Limited Operation until the scheduled in-service date of a Previously Approved Network Upgrade or pay the cost of placing a Previously Approved Network Upgrade into service at an earlier date.

   If the Interconnection Customer declines to execute the Limited Operation Interconnection Facilities Study Agreement, the Interconnection Customer may either remain in the DISIS Queue, withdraw the Interconnection Request or request a reduction in the amount of interconnection capacity in Interconnection Customer’s Interconnection Request.

8.86 Re-Study.

If Re-Study of the Definitive Interconnection System Impact Study is required due to a higher queued or equal priority queued project dropping out of the queue, or a modification of a higher queued project subject to Section 4.4, or redesignation of the Point of Interconnection pursuant to Section 8.2, or more than one Interconnection Customer (with similar electrical impacts as determined by the Transmission Provider) meeting all requirements of the Interconnection Facilities Study Agreement, the 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, as reduced by deposit amounts retained for other Interconnection Customer(s) under Section 13.38.4.c, shall be borne by the Interconnection Customer(s) being re-studied. Restudies will not be required of the Definitive Interconnection System Impact Study “Cluster Scenario” as the “Cluster Scenario” will be automatically re-evaluated for every open season.

8.97 Interconnection Facilities Study Agreement.

Simultaneously with the delivery of the Definitive 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 GIP or a Limited Operation Interconnection Facilities Study Agreement in the form of Appendix 4A to this GIP. The Interconnection Facilities Study Agreement and the Limited Operation 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 Definitive 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 within thirty (30) Calendar Days after receipt, execute and provide to the Transmission Provider the Interconnection Facilities Study Agreement or the Limited Operation 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 along with one of the following security deposit equal to $3000/MW of the plant size. This security deposit is in addition to any amount provided in Section 8.2. This security deposit shall be applied as follows:

a. The security deposit is refundable if the Interconnection Request is withdrawn prior to the execution of a GIA or a request to file the GIA at the Commission unexecuted unless the following conditions exist:

1. the withdrawal of the Interconnection Request is determined by Transmission Provider to cause increased facility upgrade cost to any Interconnection Customer in the Interconnection Facilities Queue; and

2. the total Network Upgrade cost estimates in the Interconnection Facilities Study increased by less than twenty-five percent (25%) over the Network Upgrade cost estimates in the Definitive Interconnection System Impact Study for the withdrawing Interconnection Customer.
b. Following the execution of a GIA or the filing of an unexecuted GIA at the Commission, the security deposit shall be applied toward the cost of constructing any Network Upgrades and Interconnection Facilities identified in the GIA. Any remaining funds shall be refunded to the Interconnection Customer following the Commercial Operation Date or otherwise subject to terms of the GIA.

a. Letter of credit or payment of Interconnection Customer’s share of estimated Network Upgrades less any amounts provided under Section 8.2.g.i. (refundable if GIA is not executed by Interconnection Customer). Letter of credit shall be provided pursuant to Attachment X of the Tariff; or

b. An executed contract (or comparable evidence) for the sale of electric energy or capacity from the Generating Facility; or

c. Statement signed by an officer or authorized agent of the Interconnection Customer attesting that the Generating Facility is included in an applicable state resource plan; or

d. Other information that the Transmission Provider deems to be reasonable evidence that the Generating Facility will qualify as a Designated Resource; or

e. Purchase Order for generating equipment specific to Queue Position or statement signed by an officer or authorized agent of the Interconnection Customer attesting that the Generating Facility is included to be supplied with turbines with a manufacturer’s blanket purchase agreement that Interconnection Customer is a party. This agreement shall be provided to Transmission Provider; or

f. Application for an air permit (if applicable); or

g. Filing a Notice of Proposed Construction or Alteration with the Federal Aviation Administration (if applicable).

8.108 Scope of Interconnection Facilities Study.

The Interconnection Facilities Study shall specify and estimate the cost of the equipment, engineering, procurement and construction work needed to implement the conclusions of the Definitive Interconnection System Impact Study in accordance with Good Utility Practice to physically and electrically connect the Generating Facility 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 Owner'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 Interconnection Facilities Study shall utilize results of the Facility Analysis from the Definitive Interconnection System Impact Study performed in accordance with Section 8.4.4.

8.119 Interconnection Facilities Study Procedures.

a. Transmission Provider shall coordinate the Interconnection Facilities Study with any Affected System pursuant to Section 3.5 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.

b. 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.

c. Interconnection Customer may, within thirty (30) Calendar Days after receipt of the draft report, provide written comments to Transmission Provider, which Transmission Provider shall include in the final 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-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 Report. 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 13.1.
d. Interconnection Customer’s study cost obligations and refunds shall be as defined in Section 13.3 with the following exception. An Interconnection Customer that withdraws during or after the completion of the Interconnection Facilities Study will receive no refund unless the facilities cost estimate from the Interconnection Facilities Study exceeds the facilities cost estimate from the Definitive Interconnection System Impact Study by twenty-five percent (25%) or more. In such case, the Interconnection Customer’s study cost obligation shall be equal to two (2) times its actual allocated costs of such Definitive Interconnection System Impact Study and Interconnection Facilities Study. If the Interconnection Customer’s study cost obligation as defined above exceeds the deposited amount submitted pursuant to Section 8.2, then the Interconnection Customer will be responsible for this excess cost. If the Interconnection Customer’s study cost obligation as defined above is less than the deposited amount submitted pursuant to Section 8.2, the difference shall be refunded to the Interconnection Customer.

8.120 Meeting with Transmission Provider.

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

8.131 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 4.4, Transmission Provider shall so 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, as reduced by deposit amounts retained under Section 8.9.d13.3, shall be borne by the Interconnection Customer(s) being re-studied.
Section 9. Engineering & Procurement ('E&P') Agreement

Prior to executing a GIA, an Interconnection Customer may, in order to advance the implementation of its interconnection, request and Transmission Owner shall offer the Interconnection Customer, an E&P Agreement that authorizes Transmission Owner to begin engineering and procurement of long lead-time items necessary for the establishment of the interconnection. However, Transmission Owner 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 or comply with any prerequisites specified in other parts of the GIP. The E&P Agreement is an optional procedure and it will not alter the Interconnection Customer's Interconnection 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 Owner may elect: (i) to take title to the equipment, in which event Transmission Owner 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 11. Generator Interconnection Agreement (GIA)

11.1 Tender.

Interconnection Customer shall tender comments on the draft Interconnection Facilities Study report within thirty (30) Calendar Days of receipt of the report. Simultaneously with issuance of the final Interconnection Facilities Study report, the Transmission Provider shall tender to the Interconnection Customer a draft GIA together with draft appendices. The draft GIA shall be in the form of the Transmission Provider’s FERC-approved standard form GIA, which is in Appendix 6. The Transmission Provider, Transmission Owner and the Interconnection Customer shall negotiate concerning provisions of the appendices to the draft GIA for not more than sixty (60) Calendar Days after tender of the final Interconnection Facilities Study report.

11.2 Negotiation.

Notwithstanding Section 11.1, at the request of Interconnection Customer Transmission Provider and the Transmission Owner shall begin negotiations with Interconnection Customer concerning the appendices to the GIA at any time after Interconnection Customer executes the Interconnection Facilities Study Agreement. Transmission Provider, Transmission Owner and Interconnection Customer shall negotiate concerning any disputed provisions of the appendices to the draft GIA 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, it may request termination of the negotiations at any time after tender of the draft GIA pursuant to Section 11.1 and request submission of the unexecuted GIA with FERC or initiate Dispute Resolution procedures pursuant to Section 13.5. If Interconnection Customer requests termination of the negotiations, but within sixty (60) Calendar Days thereafter fails to request either the filing of the unexecuted GIA 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 GIA, requested filing of an unexecuted GIA, or initiated Dispute Resolution procedures pursuant to Section 13.5 within sixty (60) Calendar Days of tender of draft GIA appendices, it shall be deemed to have withdrawn its Interconnection Request. Transmission Provider shall provide to Interconnection Customer a final GIA within fifteen (15) Business Days after the completion of the negotiation process.

11.3 Execution and Filing.

Within fifteen (15) Business Days after receipt of the final GIA, Interconnection Customer shall provide Transmission Provider (A) reasonable evidence of 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 Generating Facility, at Interconnection Customer election, has been achieved: (i) the execution of a contract for the supply or transportation of fuel to the Generating Facility; (ii) the execution of a contract for the supply of cooling water to the Generating Facility; (iii) execution of a contract for the engineering for, procurement of major equipment for, or construction of, the Generating Facility; (iv) execution of a contract (or comparable evidence) for the sale of electric energy or capacity from the Generating Facility; (v) statement signed by an officer or authorized agent of the Interconnection Customer attesting the Generating Facility is included in an applicable state resource plan; (vi) other information that the Transmission Provider deems to be reasonable evidence that the Generating Facility will qualify as a Designated Resource; or (vii) application for an air, water, or land use permit. The Transmission Provider will not execute the final Generator Interconnection Agreement unless the Interconnection Customer provides the information described in this paragraph.

Within fifteen (15) Business Days after receipt of the final GIA, the Interconnection Customer shall either: (i) execute three originals of the tendered GIA and return them to Transmission Owner who will execute them and forward them to the Transmission Provider; or (ii) request in writing that Transmission Provider file with FERC a GIA in unexecuted form. As soon as practicable, but not later than thirty (30) Calendar Business Days after receiving either the three executed originals of the tendered GIA (if it does not conform with a FERC-approved standard form of interconnection agreement) or ten (10) Business Days after receiving the request to file an unexecuted GIA, Transmission Provider shall file the GIA with FERC, together with its explanation of any matters as to which Interconnection Customer, Transmission Owner and Transmission Provider disagree and support for the costs that Transmission Provider and/or the Transmission Owner propose to charge to Interconnection Customer under the GIA. An unexecuted GIA should contain terms and conditions deemed appropriate by Transmission Provider and the Transmission Owner 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 GIA, they may proceed pending FERC action.

11.4 Commencement of Interconnection Activities.

If Interconnection Customer executes the final GIA, Transmission Provider, the Transmission Owner and Interconnection Customer shall perform their respective obligations in accordance with the terms of the GIA, subject to modification by FERC. Upon submission of an unexecuted GIA, Interconnection Customer, Transmission Owner and Transmission Provider shall promptly comply with the unexecuted GIA, subject to modification by FERC.
Section 11A. Interim Generator Interconnection Agreement (Interim GIA)

11A.1 Availability.

Interconnection Customers with pending Interconnection Requests relating to Generating Facilities that have anticipated In-Service Dates prior to the expected completion of the Interconnection Studies pursuant to this Attachment V may request Interim Interconnection Service, execute a Interim Generator Interconnection Agreement (Interim GIA) and receive Interim Interconnection Service pursuant to the terms and conditions of this Section 11A and the Interim GIA. Execution of an Interim GIA and receipt of Interim Interconnection Service is an optional procedure and will not alter the Interconnection Customer’s Interconnection Queue Position. Interim Interconnection Service may be terminated at any point that a Generating Facility with an Interconnection Request that has a higher Interconnection Queue Position goes into Commercial Operation and Transmission Provider determines that Interim Interconnection Service and Interconnection Service cannot be provided to more than one Interconnection Customer simultaneously.

11A.2 Eligibility.

Interconnection Customers shall be eligible for Interim Interconnection Service under the following conditions:

11A.2.1 Interconnection Customer has provided Transmission Provider: (i) reasonable evidence of continued Site Control or posting of $250,000, non-refundable additional security, which shall be applied toward future construction costs; and (ii) reasonable evidence that one or more of the following milestones in the development of the Generating Facility, at Interconnection Customer election, has been achieved: (a) the execution of a contract for the supply or transportation of fuel to the Generating Facility; (b) the execution of a contract for the supply of cooling water to the Generating Facility; (c) execution of a contract for the engineering for, procurement of major equipment for, or construction of, the Generating Facility; (d) execution of a contract (or comparable evidence) for the sale of electric energy or capacity from the Generating Facility; (e) statement signed by an officer or authorized agent of the Interconnection Customer attesting the Generating Facility is included in an applicable state resource plan; (f) other information that the Transmission Provider deems to be reasonable evidence that the Generating Facility will qualify as a Designated Resource; or (g) application for an air, water, or land use permit. The Transmission Provider will not execute the Interim Generator Interconnection Agreement unless the Interconnection Customer provides the information described in this paragraph.
11A.2.2 Interconnection Customer has met the terms and conditions to be included in Transmission Provider’s Definitive Interconnection System Impact Study Queue pursuant to Section 8.2;

11A.2.3 Interconnection Customer has submitted in writing to Transmission Provider a request for Interim Interconnection Service;

11A.2.4 Interconnection Customer has entered into a study agreement pursuant to which it has agreed to pay all costs, including deposits for any additional studies deemed necessary by Transmission Provider to evaluate the feasibility of the Interconnection Customer’s requested Interim Interconnection Service;

11A.2.4.1 The Interim Availability Interconnection System Impact Study will maintain the scope and procedures of the Definitive Interconnection System Impact Study with the exception that certain previous queued Interconnection Requests may not be included in the study. Such exceptions and reasons for those exceptions will be noted in the study.

11A.2.4.2 The cost of the Interim Availability Interconnection System Impact Study will be subtracted from the Customer’s deposit submitted for the Definitive Interconnection System Impact Study.

11A.2.5 Transmission Provider has determined based upon the results of the additional studies, taking into account the Interconnection Customer’s In-Service Date and the Transmission System topology upon such date that there will be sufficient stability and reliability margin to accommodate Interim Interconnection Service to the Interconnection Customer’s Generating Facility;

11A.2.6 Interconnection Customer has executed an Interim GIA in accordance with Section 11A.3; and

11A.2.7 Interconnection Customer has provided security in accordance with Article 11.5 of the Interim GIA.

11A.3 Tender, Negotiation, Execution and Filing of Interim GIA.

11A.3.1 Upon completion of Transmission Provider’s analysis referenced in Section 11A.2.5, Transmission Provider shall notify Interconnection Customer in writing whether Interim Interconnection Service is feasible. In the event that Interconnection Customer’s requested Interim Interconnection Service is feasible, Transmission Provider shall tender to the Interconnection Customer a draft Interim GIA together with
appendices. The draft Interim GIA shall be in the form of the Transmission Provider's FERC-approved standard form Interim GIA, which is in Appendix 8.

11A.3.2 Transmission Provider, Transmission Owner and Interconnection Customer shall negotiate concerning any disputed provisions of the appendices to the draft Interim GIA for not more than thirty (30) Calendar Days after tender of the draft Interim GIA, unless another time period is agreed upon by the Parties. At the conclusion of the negotiation period or sooner if the Parties have reached agreement, Transmission Provider shall tender a final Interim GIA and within ten (10) Calendar Days the Interconnection Customer shall either: (i) execute three originals of the tendered Interim GIA and return them to Transmission Owner who will execute them and forward them to the Transmission Provider; or (ii) request in writing that Transmission Provider file with FERC an Interim GIA in unexecuted form. As soon as practicable, but not later than thirty (30) Calendar Business Days after receiving either the three executed originals of the tendered Interim GIA (if it does not conform with a FERC-approved standard form of interim interconnection agreement) or ten (10) Business Days after receiving the request to file an unexecuted Interim GIA, Transmission Provider shall file the Interim GIA with FERC, together with its explanation of any matters as to which Interconnection Customer, Transmission Owner and Transmission Provider disagree and support for the costs that Transmission Provider and/or the Transmission Owner propose to charge to Interconnection Customer under the Interim GIA. An unexecuted Interim GIA should contain terms and conditions deemed appropriate by Transmission Provider and the Transmission Owner for the Interconnection Request. Prior to FERC action, the Parties may agree to proceed with design, procurement, and construction of facilities and upgrades under the terms of the unexecuted Interim GIA.

11A.4 Commencement of Interim Interconnection Activities.

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

11A.5 Interconnection Service upon Termination of Interim GIA.
Terminating events for an Interim GIA are given in Article 2.3.1 of the Interim GIA. Upon termination of the Interim GIA for any reason, the Interim Interconnection Service shall cease. Interconnection Service, if any, associated with the Generating Facility shall be provided to Interconnection Customer by Transmission Provider pursuant to the terms and conditions of a final GIA.
Section 13. Miscellaneous

13.1 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 a GIA.

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.

13.1.1 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 GIA; or (6) is required, in accordance with Section 13.1.6, 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 GIA. 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.

13.1.2 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 13.1 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 13.1.

13.1.3 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.

13.1.4 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.

13.1.5 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.

13.1.6 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 GIA. 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.
13.1.7 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 13.1. 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 13.1, 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 13.1, 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 13.1.

13.1.8 Disclosure to FERC, its Staff, or a State.

Notwithstanding anything in this Section 13.1 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 GIP, 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 GIA 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.

13.1.9 Subject to the exception in Section 13.1.8, 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 GIP 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.

13.1.10 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).

13.1.11 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.

13.2 Delegation of Responsibility.

Transmission Provider may use the services of subcontractors as it deems appropriate to perform its obligations under this GIP. Transmission Provider shall remain primarily liable to Interconnection Customer for the performance of such subcontractors and compliance with its obligations of this GIP. 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.

13.3 Obligation for Study Costs.

Except as provided below in Section 8.4.c and Section 8.9.d, 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 therefore. 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. **Milestone**
deposits collected in Sections 8.2 and 8.9 may also be used to pay the study costs for any restudies in accordance with Section 8.13 that affect lower-queued Interconnection Customers.

Unused study deposits provided pursuant to Section 8.2 will be refunded upon Commercial Operation. In the event that the Interconnection Customer withdraws its Interconnection Request during or after the Interconnection Facilities Study phase or terminates or suspends its interconnection agreement, Transmission Provider shall refund to Interconnection Customer such unused study deposits, less any costs associated with any studies or restudies required as a result of the withdrawal of the Interconnection Request or suspension or termination of the interconnection agreement, including any restudies associated with any affected lower-queued customers.

13.4 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 6.3, 7.4 or 8.5 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 6.3, 7.4 or 8.5 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 GIA (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 practicable upon Interconnection Customer's request subject to the confidentiality provision in Section 13.1. 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 GIP, Article 26 of the GIA (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.

13.5 Disputes.

In the event any Party has a dispute, or asserts a claim, that arises out of or in connection with the GIP, or their performance, the Parties agree to resolve such dispute using the dispute resolution procedures in Section 12 of the Tariff.

13.6 Local Furnishing Bonds.

13.6.1 Transmission Owners That Own Facilities Financed by Local Furnishing or Other Tax-Exempt Bonds or That Are Tax Exempt Entities.

This provision is applicable only to a Transmission Owner 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") or facilities with other bonds the interest on which is excluded from gross income under Section 103 of the Internal Revenue Code ("other tax-exempt bonds"), or that are tax-exempt entities, described in Section 501(c) of the Internal Revenue Code. Notwithstanding any other provision of this GIA and GIP, Transmission Provider shall not be required to provide Interconnection Service to Interconnection Customer pursuant to this GIA and GIP if the provision of such Interconnection Service would jeopardize the tax-exempt status of any local furnishing bond(s) or other tax-exempt bonds used to finance a Transmission Owner’s facilities that would be used in providing such Interconnection Service or would jeopardize the tax-exempt status of the tax-exempt entity.

13.6.2 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) or other tax-exempt bonds used to finance a Transmission Owner’s facilities that would be used in providing such Interconnection Service or would jeopardize the tax-exempt status of the Transmission Owner, Transmission Provider 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.
APPENDIX 2 TO GIP

INTERCONNECTION FEASIBILITY STUDY AGREEMENT

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 Southwest Power Pool, Inc. a Corporation existing under the laws of the State of Arkansas, ("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 Generating Facility or generating capacity addition to an existing Generating Facility consistent with the Interconnection Request submitted by the Interconnection Customer dated ____________, and

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

WHEREAS, the Interconnection Customer has requested the Transmission Provider to perform an Interconnection Feasibility Study to assess the feasibility of interconnecting the proposed 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 GIP.

2.0 Interconnection Customer elects and Transmission Provider shall cause to be performed an Interconnection Feasibility Study consistent with Section 6.0 of this GIP 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 3.3.4 of the GIP. If, after the designation of the Point of Interconnection pursuant to Section 3.3.4 of the GIP, Interconnection Customer modifies its Interconnection Request pursuant to Section 4.4, 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 thermal overload or voltage limit violations resulting from the interconnection; and

- preliminary description and non-binding estimated cost of facilities required to interconnect the Generating Facility to the Transmission System and to address the identified power flow issues.

6.0 The Interconnection Customer shall have provided the deposit(s) as specified under Section 6 of the GIP with the submission of the Interconnection Request and 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 Governing Law

7.1 Governance. The validity, interpretation and performance of this Agreement and each of its provisions shall be governed by the laws of the United States of America except to the extent that the laws of the state of Arkansas may apply.

7.2 Applicability. This Agreement is subject to all applicable federal and state Laws and Regulations.

7.3 Reservation of Rights. Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, rules, or regulations of a Governmental Authority.

8.0 Notices.

8.1 General. Unless otherwise provided in this Agreement, 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.

To Transmission Provider:
To Interconnection Customer:

__________________________
__________________________
__________________________
Attention: __________________

8.2 **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.

9.0 **Force Majeure**

9.1 **Economic Hardship.** Economic hardship is not considered a Force Majeure event.

9.2 **Default.** Neither Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 10), 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 the full details 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.

10.0 **Indemnity**

10.1 **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
Partys’ action or inactions of its obligations under this Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

10.1.1 **Indemnified Person.** If an indemnified person is entitled to indemnification under this Article 10 as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 10.1, 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.

10.1.2 **Indemnifying Party.** If an indemnifying Party is obligated to indemnify and hold any indemnified person harmless under this Article 10, 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.

10.1.3 **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 10.1 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.

10.2 Consequential Damages. Other than the Liquidated Damages heretofore described, in no event shall either Party be liable under any provision of this Agreement 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.

11.0 Assignment

11.1 Assignment. This Agreement may be assigned by either Party only with the written consent of the other Party; provided that either Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that the Interconnection Customer shall have the right to assign this Agreement, without the consent of Transmission Provider for collateral security purposes to aid in providing financing for the Generating Facility, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to notify the Transmission Provider of any such assignment. Any financing arrangement entered into by the 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 the Transmission Provider of the date and particulars of any such exercise of assignment right. Any attempted assignment that violates this Article or Applicable Laws and Regulations is void and ineffective. Any assignment under this Agreement 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.

12.0 Severability

12.1 Severability. If any provision in this Agreement 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 Agreement.

13.0 Comparability

13.1 Comparability. The Parties will comply with all applicable comparability and code of conduct laws, rules and regulations, as amended from time to time.

14.0 Deposits and Invoice Procedures

14.1 General. The Transmission Provider and the Interconnection Customer 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 the GIP, including credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

14.2 Study Deposits. The Interconnection Customer shall provide study deposits, in accordance with the GIP to the Transmission Provider. The study deposits amounts and schedule shall be in accordance with the GIP.

14.3 Final Invoice. Within six months after completion of the studies Transmission Provider shall provide an invoice of the final cost of the studies and shall set forth such costs in sufficient detail to enable the 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 the studies within thirty (30) Calendar Days of the issuance of such final study invoice.

14.4 Payment. Invoices shall be rendered to the paying Party at the address specified in the Interconnection Request in Appendix 1 to the GIP. 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 the GIP.
14.5 **Disputes.** In the event of a billing dispute between Transmission Provider and Interconnection Customer, Transmission Provider shall continue to provide studies for Interconnection Service under the GIP 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 16. 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).

15.0 **Representations, Warranties, and Covenants**

15.1 **General.** Each Party makes the following representations, warranties and covenants:

15.1.1 **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; and that it has the corporate power and authority to own its properties, to carry on its business as now being conducted and to enter into this Agreement and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.

15.1.2 **Authority.** Such Party has the right, power and authority to enter into this Agreement, to become a party hereto and to perform its obligations hereunder. This Agreement is a legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by general equitable principles (regardless of whether enforceability is sought in a proceeding in equity or at law).

15.1.3 **No Conflict.** The execution, delivery and performance of this Agreement does not violate or conflict with the organizational or formation documents, or bylaws or operating agreement, of such Party, or any judgment, license, permit, order, material agreement or instrument applicable to or binding upon such Party or any of its assets.
15.1.4 **Consent and Approval.** Such Party has sought or obtained, or, in accordance with this Agreement will seek or obtain, each consent, approval, authorization, order, or acceptance by any Governmental Authority in connection with the execution, delivery and performance of this Agreement, and it will provide to any Governmental Authority notice of any actions under this Agreement that are required by Applicable Laws and Regulations.

16.0 **Breach, Cure and Default**

16.1 **General.** A breach of this Agreement ("Breach") shall occur upon the failure by a Party to perform or observe any material term or condition of this Agreement. A default of this Agreement ("Default") shall occur upon the failure of a Party in Breach of this Agreement to cure such Breach in accordance with the provisions of Section 17.4.

16.2 **Events of Breach.** A Breach of this Agreement shall include:

(a) The failure to pay any amount when due;

(b) The failure to comply with any material term or condition of this Agreement, including but not limited to any material Breach of a representation, warranty or covenant made in this Agreement;

(c) If a Party: (1) becomes insolvent; (2) files a voluntary petition in bankruptcy under any provision of any federal or state bankruptcy law or shall consent to the filing of any bankruptcy or reorganization petition against it under any similar law; (3) makes a general assignment for the benefit of its creditors; or (4) consents to the appointment of a receiver, trustee or liquidator;

(d) Assignment of this Agreement in a manner inconsistent with the terms of this Agreement;

(e) Failure of any Party to provide information or data to the other Party as required under this Agreement, provided the Party entitled to the information or data under this Agreement requires such information or data to satisfy its obligations under this Agreement.

16.3 **Cure and Default.** Upon the occurrence of an event of Breach, the Party not in Breach (hereinafter the “Non-Breaching Party”), when it becomes aware of the Breach, shall give written notice of the Breach to the Breaching Party (the “Breaching Party”) and to any other person a Party to this Agreement identifies in writing to the other Party in advance. Such notice shall set forth, in reasonable detail, the nature of the Breach, and where known and applicable, the steps necessary to cure such Breach. Upon receiving written notice of the Breach hereunder, the Breaching Party shall have thirty (30) days to cure such Breach.
the Breach is such that it cannot be cured within thirty (30) days, the Breaching Party will commence in good faith all steps as are reasonable and appropriate to cure the Breach within such thirty (30) day time period and thereafter diligently pursue such action to completion. In the event the Breaching Party fails to cure the Breach, or to commence reasonable and appropriate steps to cure the Breach, within thirty (30) days of becoming aware of the Breach, the Breaching Party will be in Default of the Agreement.

16.4 **Right to Compel Performance.** Notwithstanding the foregoing, upon the occurrence of an event of Default, the non-Defaulting Party shall be entitled to: (1) commence an action to require the Defaulting Party to remedy such Default and specifically perform its duties and obligations hereunder in accordance with the terms and conditions hereof, and (2) exercise such other rights and remedies as it may have in equity or at law.

17. **Miscellaneous**

17.1 **Binding Effect.** This Agreement 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.

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

17.3 **Rules of Interpretation.** This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder.

17.4 **Entire Agreement.** This Agreement, 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 Agreement. There are no other agreements, representations, warranties, or covenants that constitute any part of
the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.

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

17.6 **Waiver.** The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Termination or Default of this Agreement 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 Agreement shall, if requested, be provided in writing.

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

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

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

17.10 **Modification by the Parties.** The Parties may by mutual agreement amend the Appendices to this Agreement by a written instrument duly executed by the Parties. Such amendment shall become effective and a part of this Agreement upon satisfaction of all Applicable Laws and Regulations.

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

Southwest Power Pool, Inc.

By: __________________________
Title: __________________________
Date: __________________________

[Insert name of Interconnection Customer]

By: __________________________
Title: __________________________
Date: __________________________
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 3 TO GIP

PRELIMINARY INTERCONNECTION SYSTEM IMPACT STUDY AGREEMENT

THIS AGREEMENT is made and entered into this ______ day of ___________ 20___ by and between ___________________ a ________________ and existing under the laws of the State of ___________________ ("Interconnection Customer") and Southwest Power Pool, Inc. a non-profit organization under the laws of the State of Arkansas ("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 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 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 or Interconnection Customer does not require the Interconnection Feasibility Study.); and

WHEREAS, Interconnection Customer has requested Transmission Provider to perform a Preliminary Interconnection System Impact Study to assess the impact of interconnecting the 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 GIP.

2.0 Interconnection Customer elects and Transmission Provider shall cause to be performed a Preliminary Interconnection System Impact Study consistent with Section 7.0 of this GIP in accordance with the Tariff.

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

4.0 The Preliminary Interconnection System Impact Study will be based upon the results of the Interconnection Feasibility Study (if performed) and the technical information provided by Interconnection Customer in the Interconnection Request, subject to any modifications in accordance with Section 4.4 of the GIP. 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 Preliminary 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 Preliminary Interconnection System Impact Study may be extended.

5.0 The Preliminary 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 Generating Facility to the Transmission System and to address the identified short circuit, instability, and power flow issues.

6.0 Interconnection Customer shall provide the deposit specified under Section 7.2 of the GIP for the performance of the Preliminary Interconnection System Impact Study. Transmission Provider's good faith estimate for the time of completion of the Preliminary Interconnection System Impact Study is [insert date].

Upon receipt of the Preliminary Interconnection System Impact Study results, Transmission Provider shall charge and Interconnection Customer shall pay the actual costs of the Preliminary 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 in accordance with Section 7.2 of the GIP.

7.0 Governing Law

7.1 Governance. The validity, interpretation and performance of this Agreement and each of its provisions shall be governed by the laws of the United States of America except to the extent that the laws of the state of Arkansas may apply.

7.2 Applicability. This Agreement is subject to all applicable federal and state Laws and Regulations.
7.3 **Reservation of Rights.** Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, rules, or regulations of a Governmental Authority.

8.0 **Notices.**

8.1 **General.** Unless otherwise provided in this Agreement, 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.

To Transmission Provider:

Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936
Attention: Manager, GI Studies

To Interconnection Customer:

__________________________

__________________________

Attention: ______________________

8.2 **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.

9.0 **Force Majeure**

9.1 **Economic Hardship.** Economic hardship is not considered a Force Majeure event.

9.2 **Default.** Neither Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 10), 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 the full details 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.

10.0 Indemnity

10.1 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 Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

10.1.1 Indemnified Person. If an indemnified person is entitled to indemnification under this Article 10 as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 10.1, 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.

10.1.2 Indemnifying Party. If an indemnifying Party is obligated to indemnify and hold any indemnified person harmless under this Article 10, 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.

10.1.3 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 10.1 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.

10.2 **Consequential Damages.** Other than the Liquidated Damages heretofore described, in no event shall either Party be liable under any provision of this Agreement 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.

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11.1 **Assignment.** This Agreement may be assigned by either Party only with the written consent of the other Party; provided that either Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this
Agreement; and provided further that the Interconnection Customer shall have the right to assign this Agreement, without the consent of Transmission Provider for collateral security purposes to aid in providing financing for the Generating Facility, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to notify the Transmission Provider of any such assignment. Any financing arrangement entered into by the 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 the Transmission Provider of the date and particulars of any such exercise of assignment right. Any attempted assignment that violates this Article or Applicable Laws and Regulations is void and ineffective. Any assignment under this Agreement 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.

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estimated costs exceeds the actual costs of the studies within thirty (30) Calendar Days of the issuance of such final study invoice.

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15.1.2 Authority. Such Party has the right, power and authority to enter into this Agreement, to become a party hereto and to perform its obligations hereunder. This Agreement is a legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by
general equitable principles (regardless of whether enforceability is sought in a proceeding in equity or at law).

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

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

16.0 **Breach, Cure and Default**

16.1 **General.** A breach of this Agreement ("Breach") shall occur upon the failure by a Party to perform or observe any material term or condition of this Agreement. A default of this Agreement ("Default") shall occur upon the failure of a Party in Breach of this Agreement to cure such Breach in accordance with the provisions of Section 17.4.

16.2 **Events of Breach.** A Breach of this Agreement shall include:

(a) The failure to pay any amount when due;

(b) The failure to comply with any material term or condition of this Agreement, including but not limited to any material Breach of a representation, warranty or covenant made in this Agreement;

(c) If a Party: (1) becomes insolvent; (2) files a voluntary petition in bankruptcy under any provision of any federal or state bankruptcy law or shall consent to the filing of any bankruptcy or reorganization petition against it under any similar law; (3) makes a general assignment for the benefit of its creditors; or (4) consents to the appointment of a receiver, trustee or liquidator;

(d) Assignment of this Agreement in a manner inconsistent with the terms of this Agreement;

(e) Failure of any Party to provide information or data to the other Party as required under this Agreement, provided the Party entitled to the information or
data under this Agreement requires such information or data to satisfy its obligations under this Agreement.

16.3 **Cure and Default.** Upon the occurrence of an event of Breach, the Party not in Breach (hereinafter the “Non-Breaching Party”), when it becomes aware of the Breach, shall give written notice of the Breach to the Breaching Party (the “Breaching Party”) and to any other person a Party to this Agreement identifies in writing to the other Party in advance. Such notice shall set forth, in reasonable detail, the nature of the Breach, and where known and applicable, the steps necessary to cure such Breach. Upon receiving written notice of the Breach hereunder, the Breaching Party shall have thirty (30) days to cure such Breach. If the Breach is such that it cannot be cured within thirty (30) days, the Breaching Party will commence in good faith all steps as are reasonable and appropriate to cure the Breach within such thirty (30) day time period and thereafter diligently pursue such action to completion. In the event the Breaching Party fails to cure the Breach, or to commence reasonable and appropriate steps to cure the Breach, within thirty (30) days of becoming aware of the Breach, the Breaching Party will be in Default of the Agreement.

16.4 **Right to Compel Performance.** Notwithstanding the foregoing, upon the occurrence of an event of Default, the non-Defaulting Party shall be entitled to: (1) commence an action to require the Defaulting Party to remedy such Default and specifically perform its duties and obligations hereunder in accordance with the terms and conditions hereof, and (2) exercise such other rights and remedies as it may have in equity or at law.

17. **Miscellaneous**

17.1 **Binding Effect.** This Agreement 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.

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

17.3 **Rules of Interpretation.** This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person’s successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and
Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder.

17.4 **Entire Agreement.** This Agreement, 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 Agreement. There are no other agreements, representations, warranties, or covenants that constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.

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

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

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

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

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

17.10 **Modification by the Parties.** The Parties may by mutual agreement amend the Appendices to this Agreement by a written instrument duly executed by the Parties. Such amendment shall become effective and a part of this Agreement upon satisfaction of all Applicable Laws and Regulations.
17.11 **No Partnership.** This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

7.0 **Miscellaneous.** The Preliminary 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 GIP and the GIA.

**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: ___________________________
ASSUMPTIONS USED IN CONDUCTING THE PRELIMINARY INTERCONNECTION SYSTEM IMPACT STUDY

The Preliminary Interconnection System Impact Study will be based upon the results of the Interconnection Feasibility Study (if performed), subject to any modifications in accordance with Section 4.4 of the GIP, 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]

GENERATING FACILITY DATA FOR THE PRELIMINARY INTERCONNECTION SYSTEM IMPACT STUDY

UNIT RATINGS

Nameplate kVA ____________  °F ________ Voltage ____________
Prime Mover type ____________________________
Power Factor: Lead ________ Lag ________
Speed (RPM) ____________ Connection (e.g. Wye) ____________
Short Circuit Ratio ______________ Frequency, Hertz ____________
Stator Amperes at Rated kVA ____________ Field Volts ______________
Max Turbine Power: Summer MW ______________ °F ________
Winter MW ______________ °F ________

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 Xdv ______ Xqv ______
Synchronous – unsaturated \(X_{di} \quad \quad \quad X_{qi} \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad \quad 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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 ________________________________

Impedance: Positive $Z_1$ (on self-cooled kVA rating)_________________% ______ X/R

Impedance: Zero $Z_0$ (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 Interconnection Request to determine if the information designated by (*) is required.
APPENDIX 3A TO GIP

DEFINITIVE INTERCONNECTION SYSTEM IMPACT STUDY AGREEMENT

THIS AGREEMENT is made and entered into this ______ day of ___________ 20___ by and between ___________________ a ________________ and existing under the laws of the State of ___________________ ("Interconnection Customer") and Southwest Power Pool, Inc. a non-profit organization under the laws of the State of Arkansas ("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 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 System;

WHEREAS, Transmission Provider has completed a Preliminary Interconnection System Impact Study and provided the results of said study to Interconnection Customer (This recital to be omitted if Interconnection Customer did not participate in Preliminary Interconnection System Impact Study); and

WHEREAS, Interconnection Customer has participated in a Preliminary Interconnection System Impact Study and wishes to participate in the Definitive Interconnection System Impact Study or has requested Transmission Provider to perform a Definitive Interconnection System Impact Study to assess the impact of interconnecting the 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 GIP.

2.0 Interconnection Customer elects and Transmission Provider shall cause to be performed a Definitive Interconnection System Impact Study consistent with Section 28.0 of this GIP 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 will be based upon the results of the Preliminary Interconnection System Impact Study and the technical information provided by Interconnection Customer in the Interconnection Request, subject to any modifications in accordance with Section 4.4 of the GIP.
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 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;
- description and non-binding, good faith estimated cost of facilities required to interconnect the Generating Facility to the Transmission System and to address the identified short circuit, instability, and power flow issues;

will include a Facilities Analysis as specified in Section 8.4.4 that will provide cost estimates for Transmission Owner’s Interconnection Facilities and Network Upgrades at the Point of Interconnection.

6.0 Interconnection Customer shall provide the deposit specified under Section 8.2 of the GIP for the performance of the Definitive Interconnection System Impact Study. Transmission Provider's good faith estimate for the time of completion of the Definitive Interconnection System Impact Study is [insert date].

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

Any difference between the deposit and Interconnection Customer’s study cost obligation shall be paid by or refunded to Interconnection Customer, as appropriate per Section 13.3 of the Generation Interconnection Procedures.

7.0 Governing Law

7.1 Governance. The validity, interpretation and performance of this Agreement and each of its provisions shall be governed by the laws of the United States of America except to the extent that the laws of the state of Arkansas may apply.
7.2 **Applicability.** This Agreement is subject to all applicable federal and state Laws and Regulations.

7.3 **Reservation of Rights.** Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, rules, or regulations of a Governmental Authority.

8.0 **Notices.**

8.1 **General.** Unless otherwise provided in this Agreement, 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.

To Transmission Provider:

Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936
Attention: Manager, GI Studies

To Interconnection Customer:


Attention: 

8.2 **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.

9.0 **Force Majeure**

9.1 **Economic Hardship.** Economic hardship is not considered a Force Majeure event.

9.2 **Default.** Neither Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 10), 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 the full details 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.

10.0 **Indemnity**

10.1 **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 Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

10.1.1 **Indemnified Person.** If an indemnified person is entitled to indemnification under this Article 10 as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 10.1, 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.

10.1.2 **Indemnifying Party.** If an indemnifying Party is obligated to indemnify and hold any indemnified person harmless under this Article 10, 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.

10.1.3 **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 10.1 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.

10.2 **Consequential Damages.** Other than the Liquidated Damages heretofore described, in no event shall either Party be liable under any provision of this Agreement 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.

11.0 **Assignment**

11.1 **Assignment.** This Agreement may be assigned by either Party only with the written consent of the other Party; provided that either Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this
Agreement; and provided further that the Interconnection Customer shall have the right to assign this Agreement, without the consent of Transmission Provider for collateral security purposes to aid in providing financing for the Generating Facility, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to notify the Transmission Provider of any such assignment. Any financing arrangement entered into by the 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 the Transmission Provider of the date and particulars of any such exercise of assignment right. Any attempted assignment that violates this Article or Applicable Laws and Regulations is void and ineffective. Any assignment under this Agreement 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.

12.0 Severability

12.1 Severability. If any provision in this Agreement 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 Agreement.

13.0 Comparability

13.1 Comparability. The Parties will comply with all applicable comparability and code of conduct laws, rules and regulations, as amended from time to time.

14.0 Deposits and Invoice Procedures

14.1 General. The Transmission Provider and the Interconnection Customer 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 the GIP, including credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

14.2 Study Deposits. The Interconnection Customer shall provide study deposits, in accordance with the GIP to the Transmission Provider. The study deposits amounts and schedule shall be in accordance with the GIP.

14.3 Final Invoice. Within six months after completion of the studies Transmission Provider shall provide an invoice of the final cost of the studies and shall set forth such costs in sufficient detail to enable the 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 the studies within thirty (30) Calendar Days of the issuance of such final study invoice.

14.4 Payment. Invoices shall be rendered to the paying Party at the address specified in the Interconnection Request in Appendix 1 to the GIP. 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 the GIP.

14.5 Disputes. In the event of a billing dispute between Transmission Provider and Interconnection Customer, Transmission Provider shall continue to provide studies for Interconnection Service under the GIP 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 16. 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).

15.0 Representations, Warranties, and Covenants

15.1 General. Each Party makes the following representations, warranties and covenants:

15.1.1 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; and that it has the corporate power and authority to own its properties, to carry on its business as now being conducted and to enter into this Agreement and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.

15.1.2 Authority. Such Party has the right, power and authority to enter into this Agreement, to become a party hereto and to perform its obligations hereunder. This Agreement is a legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by general equitable principles (regardless of whether enforceability is sought in a proceeding in equity or at law).
15.1.3 **No Conflict.** The execution, delivery and performance of this Agreement does not violate or conflict with the organizational or formation documents, or bylaws or operating agreement, of such Party, or any judgment, license, permit, order, material agreement or instrument applicable to or binding upon such Party or any of its assets.

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

16.0 **Breach, Cure and Default**

16.1 **General.** A breach of this Agreement ("Breach") shall occur upon the failure by a Party to perform or observe any material term or condition of this Agreement. A default of this Agreement ("Default") shall occur upon the failure of a Party in Breach of this Agreement to cure such Breach in accordance with the provisions of Section 17.4.

16.2 **Events of Breach.** A Breach of this Agreement shall include:

(a) The failure to pay any amount when due;

(b) The failure to comply with any material term or condition of this Agreement, including but not limited to any material Breach of a representation, warranty or covenant made in this Agreement;

(c) If a Party: (1) becomes insolvent; (2) files a voluntary petition in bankruptcy under any provision of any federal or state bankruptcy law or shall consent to the filing of any bankruptcy or reorganization petition against it under any similar law; (3) makes a general assignment for the benefit of its creditors; or (4) consents to the appointment of a receiver, trustee or liquidator;

(d) Assignment of this Agreement in a manner inconsistent with the terms of this Agreement;

(e) Failure of any Party to provide information or data to the other Party as required under this Agreement, provided the Party entitled to the information or data under this Agreement requires such information or data to satisfy its obligations under this Agreement.
16.3 **Cure and Default.** Upon the occurrence of an event of Breach, the Party not in Breach (hereinafter the “Non-Breaching Party”), when it becomes aware of the Breach, shall give written notice of the Breach to the Breaching Party (the “Breaching Party”) and to any other person a Party to this Agreement identifies in writing to the other Party in advance. Such notice shall set forth, in reasonable detail, the nature of the Breach, and where known and applicable, the steps necessary to cure such Breach. Upon receiving written notice of the Breach hereunder, the Breaching Party shall have thirty (30) days to cure such Breach. If the Breach is such that it cannot be cured within thirty (30) days, the Breaching Party will commence in good faith all steps as are reasonable and appropriate to cure the Breach within such thirty (30) day time period and thereafter diligently pursue such action to completion. In the event the Breaching Party fails to cure the Breach, or to commence reasonable and appropriate steps to cure the Breach, within thirty (30) days of becoming aware of the Breach, the Breaching Party will be in Default of the Agreement.

16.4 **Right to Compel Performance.** Notwithstanding the foregoing, upon the occurrence of an event of Default, the non-Defaulting Party shall be entitled to: (1) commence an action to require the Defaulting Party to remedy such Default and specifically perform its duties and obligations hereunder in accordance with the terms and conditions hereof, and (2) exercise such other rights and remedies as it may have in equity or at law.

17. **Miscellaneous**

17.1 **Binding Effect.** This Agreement 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.

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

17.3 **Rules of Interpretation.** This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder.
17.4 **Entire Agreement.** This Agreement, 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 Agreement. There are no other agreements, representations, warranties, or covenants that constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.

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

17.6 **Waiver.** The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Termination or Default of this Agreement 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 Agreement shall, if requested, be provided in writing.

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

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

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

17.10 **Modification by the Parties.** The Parties may by mutual agreement amend the Appendices to this Agreement by a written instrument duly executed by the Parties. Such amendment shall become effective and a part of this Agreement upon satisfaction of all Applicable Laws and Regulations.

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

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 GIP and the GIA.

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: ___________________________
ASSUMPTIONS USED IN CONDUCTING THE DEFINITIVE INTERCONNECTION SYSTEM IMPACT STUDY

The Definitive Interconnection System Impact Study will be based upon the information set forth in the Interconnection Requests and results of applicable prior studies, subject to any modifications in accordance with Section 4.4 of the GIP, 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, Transmission Owner and Transmission Provider]

GENERATING FACILITY DATA FOR THE DEFINITIVE INTERCONNECTION SYSTEM IMPACT STUDY

UNIT RATINGS

Nameplate kVA ___________ °F _______ Voltage ___________
Prime Mover type __________________
Power Factor: Lead _______ Lag _______
Speed (RPM) _______ Connection (e.g. Wye) _______________
Short Circuit Ratio _______ Frequency, Hertz ___________
Stator Amperes at Rated kVA _______ Field Volts _______________
Max Turbine Power: Summer MW _______ °F _______
Winter MW _______ °F _______

COMBINED TURBINE-GENERATOR-EXCITER INERTIA DATA

Inertia Constant, H = _________________ kW sec/kVA
Moment-of-Inertia, WR^2 = _________________ lb. ft.^2

REACTANCE DATA (PER UNIT-RATED KVA)

<table>
<thead>
<tr>
<th></th>
<th>DIRECT AXIS</th>
<th>QUADRATURE AXIS</th>
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<tbody>
<tr>
<td>Synchronous – saturated</td>
<td>X_dv _______</td>
<td>X_qv _______</td>
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<td>Synchronous – unsaturated</td>
<td>X_di _______</td>
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<td>Transient – saturated</td>
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<td>X_qv _______</td>
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<tr>
<td>Transient – unsaturated</td>
<td>X_di _______</td>
<td>X_qi _______</td>
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</table>
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
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 Ratio (Generator Side/System side/Tertiary)
____________ / ______________ / ______________kV

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

Fixed Taps Available _____________________________________________________

Present Tap Setting _______________________________________________________

Impedance: Positive \( Z_1 \) (on self-cooled kVA rating)____________ % ______ X/R

Impedance: Zero \( Z_0 \) (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): ______
(*) $I_2^2t$ 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.
APPENDIX 4 TO GIP

INTERCONNECTION FACILITIES STUDY AGREEMENT

THIS AGREEMENT is made and entered into this ____ of _____________ 20___ by and between ____________ a __________________ and existing under the laws of the State of __________________ ("Interconnection Customer") and Southwest Power Pool, Inc. a non-profit organization under the laws of the State of Arkansas ("Transmission Provider "). Interconnection Customer and Transmission Provider each may be referred to as a "Party," or collectively as the "Parties."

RE bâtals

WHEREAS, Interconnection Customer is proposing to develop a 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 System;

WHEREAS, Transmission Provider has completed a Definitive Interconnection System Impact Study (the "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 the Definitive Interconnection System Impact Study in accordance with Good Utility Practice to physically and electrically connect the 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 GIP.

2.0 Interconnection Customer elects and Transmission Provider shall cause an Interconnection Facilities Study consistent with Section 8.0 of this GIP 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 Generating Facility to the Transmission System and (ii)
shall address the short circuit, instability, and power flow issues identified in the Definitive Interconnection System Impact Study.

5.0 Interconnection Customer shall meet the milestone requirements specified under Section 8.79 of the GIP prior to 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. Any difference between the applicable deposits specified under Section 8.2 of the GIP and Interconnection Customer’s share of study costs shall be paid by or refunded to Interconnection Customer, as appropriate per Section 13.38.9 of the GIP.

6.0 Reserved.

7.0 Governing Law

7.1 Governance. The validity, interpretation and performance of this Agreement and each of its provisions shall be governed by the laws of the United States of America except to the extent that the laws of the state of Arkansas may apply.

7.2 Applicability. This Agreement is subject to all applicable federal and state Laws and Regulations.

7.3 Reservation of Rights. Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, rules, or regulations of a Governmental Authority.

8.0 Notices.

8.1 General. Unless otherwise provided in this Agreement, 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.

To Transmission Provider:

Southwest Power Pool, Inc.
201 Worthen Drive
8.2 **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.

9.0 **Force Majeure**

9.1 **Economic Hardship.** Economic hardship is not considered a Force Majeure event.

9.2 **Default.** Neither Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 10), 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 the full details 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.

10.0 **Indemnity**

10.1 **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 Parties’ action or inactions of its obligations under this Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.
10.1.1 Indemnified Person. If an indemnified person is entitled to indemnification under this Article 10 as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 10.1, 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.

10.1.2 Indemnifying Party. If an indemnifying Party is obligated to indemnify and hold any indemnified person harmless under this Article 10, 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.

10.1.3 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 10.1 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.

10.2 **Consequential Damages.** Other than the Liquidated Damages heretofore described, in no event shall either Party be liable under any provision of this Agreement 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.

11.0 **Assignment**

11.1 **Assignment.** This Agreement may be assigned by either Party only with the written consent of the other Party; provided that either Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that the Interconnection Customer shall have the right to assign this Agreement, without the consent of Transmission Provider for collateral security purposes to aid in providing financing for the Generating Facility, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to notify the Transmission Provider of any such assignment. Any financing arrangement entered into by the 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 the Transmission Provider of the date and particulars of any such exercise of assignment right. Any attempted assignment that violates this Article or Applicable Laws and Regulations is void and ineffective. Any assignment under this Agreement 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.
12.1 **Severability.** If any provision in this Agreement 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 Agreement.

13.0 **Comparability**

13.1 **Comparability.** The Parties will comply with all applicable comparability and code of conduct laws, rules and regulations, as amended from time to time.

14.0 **Deposits and Invoice Procedures**

14.1 **General.** The Transmission Provider and the Interconnection Customer 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 the GIP, including credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

14.2 **Study Deposits.** The Interconnection Customer shall provide study deposits, in accordance with the GIP to the Transmission Provider. The study deposits amounts and schedule shall be in accordance with the GIP.

14.3 **Final Invoice.** Within six months after completion of the studies Transmission Provider shall provide an invoice of the final cost of the studies and shall set forth such costs in sufficient detail to enable the 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 the studies within thirty (30) Calendar Days of the issuance of such final study invoice.

14.4 **Payment.** Invoices shall be rendered to the paying Party at the address specified in the Interconnection Request in Appendix I to the GIP. 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 the GIP.

14.5 **Disputes.** In the event of a billing dispute between Transmission Provider and Interconnection Customer, Transmission Provider shall continue to provide studies for Interconnection Service under the GIP 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 16. 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).

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15.1 **General.** Each Party makes the following representations, warranties and covenants:

15.1.1 **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; and that it has the corporate power and authority to own its properties, to carry on its business as now being conducted and to enter into this Agreement and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.

15.1.2 **Authority.** Such Party has the right, power and authority to enter into this Agreement, to become a party hereto and to perform its obligations hereunder. This Agreement is a legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by general equitable principles (regardless of whether enforceability is sought in a proceeding in equity or at law).

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

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

16.0 **Breach, Cure and Default**
16.1 **General.** A breach of this Agreement ("Breach") shall occur upon the failure by a Party to perform or observe any material term or condition of this Agreement. A default of this Agreement ("Default") shall occur upon the failure of a Party in Breach of this Agreement to cure such Breach in accordance with the provisions of Section 17.4.

16.2 **Events of Breach.** A Breach of this Agreement shall include:

(a) The failure to pay any amount when due;

(b) The failure to comply with any material term or condition of this Agreement, including but not limited to any material Breach of a representation, warranty or covenant made in this Agreement;

(c) If a Party: (1) becomes insolvent; (2) files a voluntary petition in bankruptcy under any provision of any federal or state bankruptcy law or shall consent to the filing of any bankruptcy or reorganization petition against it under any similar law; (3) makes a general assignment for the benefit of its creditors; or (4) consents to the appointment of a receiver, trustee or liquidator;

(d) Assignment of this Agreement in a manner inconsistent with the terms of this Agreement;

(e) Failure of any Party to provide information or data to the other Party as required under this Agreement, provided the Party entitled to the information or data under this Agreement requires such information or data to satisfy its obligations under this Agreement.

16.3 **Cure and Default.** Upon the occurrence of an event of Breach, the Party not in Breach (hereinafter the “Non-Breaching Party”), when it becomes aware of the Breach, shall give written notice of the Breach to the Breaching Party (the “Breaching Party”) and to any other person a Party to this Agreement identifies in writing to the other Party in advance. Such notice shall set forth, in reasonable detail, the nature of the Breach, and where known and applicable, the steps necessary to cure such Breach. Upon receiving written notice of the Breach hereunder, the Breaching Party shall have thirty (30) days to cure such Breach. If the Breach is such that it cannot be cured within thirty (30) days, the Breaching Party will commence in good faith all steps as are reasonable and appropriate to cure the Breach within such thirty (30) day time period and thereafter diligently pursue such action to completion. In the event the Breaching Party fails to cure the Breach, or to commence reasonable and appropriate steps to cure the Breach, within thirty (30) days of becoming aware of the Breach, the Breaching Party will be in Default of the Agreement.
16.4 **Right to Compel Performance.** Notwithstanding the foregoing, upon the occurrence of an event of Default, the non-Defaulting Party shall be entitled to: (1) commence an action to require the Defaulting Party to remedy such Default and specifically perform its duties and obligations hereunder in accordance with the terms and conditions hereof, and (2) exercise such other rights and remedies as it may have in equity or at law.

17. **Miscellaneous**

17.1 **Binding Effect.** This Agreement 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.

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

17.3 **Rules of Interpretation.** This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder.

17.4 ** Entire Agreement.** This Agreement, 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 Agreement. There are no other agreements, representations, warranties, or covenants that constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.

17.5 **No Third Party Beneficiaries.** This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.
17.6 **Waiver.** The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Termination or Default of this Agreement 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 Agreement shall, if requested, be provided in writing.

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

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

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

17.10 **Modification by the Parties.** The Parties may by mutual agreement amend the Appendices to this Agreement by a written instrument duly executed by the Parties. Such amendment shall become effective and a part of this Agreement upon satisfaction of all Applicable Laws and Regulations.

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

**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 GIP and the GIA.

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]
INTERCONNECTION CUSTOMER SCHEDULE ELECTION FOR CONDUCTING THE INTERCONNECTION FACILITIES STUDY

Transmit 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 copy of this Interconnection Facilities Study Agreement:

- ninety (90) Calendar Days with no more than a +/- 20 percent cost estimate contained in the report.
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 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 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**
  Date: __________________

- **receives back feed power**
  Date: __________________

- **Generation Testing**
  Date: __________________

- **Commercial Operation**
  Date: __________________
APPENDIX 4A TO GIP

LIMITED OPERATION INTERCONNECTION FACILITIES STUDY AGREEMENT

THIS AGREEMENT is made and entered into this of 20 by and between a and existing under the laws of the State of ("Interconnection Customer") and Southwest Power Pool, Inc. a non-profit organization under the laws of the State of Arkansas ("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 Generating Facility or generating capacity addition to an existing Generating Facility consistent with the Interconnection Request submitted by Interconnection Customer dated , and

WHEREAS, Transmission Provider has completed a Definitive Interconnection System Impact Study (the "System Impact Study") that requires Limited Operation in accordance with Section 8.4.3 as being necessary for the Interconnection Request and has 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 the Definitive Interconnection System Impact Study in accordance with Good Utility Practice to physically and electrically connect the 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 GIP.

2.0 Interconnection Customer elects and Transmission Provider shall cause an Interconnection Facilities Study consistent with Section 8.0 of this GIP 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 Generating Facility to the Transmission System and (ii) shall address the short circuit, instability, and power flow issues identified in the Definitive Interconnection System Impact Study.

5.0 Interconnection Customer shall meet the milestone requirements specified under Section 8.9 of the GIP prior to 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. Any difference between the applicable deposits specified under Section 8.2 of the GIP and Interconnection Customer’s share of study costs shall be paid by or refunded to Interconnection Customer, as appropriate per Section 8.9 of the GIP.

6.0 Conditions for Limited Operation. Interconnection Customer agrees to the following conditions:

1. The Generating Facility will be allowed to operate under Limited Operation in accordance with Section 8.4.3 of the GIP before a Network Upgrade previously approved for construction under Section VI of Attachment O of this Tariff (“Previously Approved Network Upgrade”) is placed into service;

2. The Interconnection Customer will meet all requirements of the GIP;

3. The Interconnection Customer will provide financial security and authorize engineering, procurement, and construction of its cost assigned Network Upgrades and interconnection facilities no later than thirty (30) days after the effective date of the GIA; and

4. If the Transmission Provider determines that an earlier in-service date for a Previously Approved Network Upgrade can reasonably be met, then:

a. If the Limited Operation Interconnection Facilities Study Agreement amount identified in Section 8.4.3 of the GIP is less than seventy-five (75) percent of the requested Interconnection Service, then the Interconnection Customer shall pay the cost of placing a Previously Approved Network Upgrade into service at an earlier date; or

b. If the Limited Operation Interconnection Facilities Study Agreement amount identified in Section 8.4.3 of the GIP is greater than or equal to seventy-five (75) percent of the requested Interconnection Service, then the Interconnection Customer may either accept Limited Operation until the scheduled in-service date of a Previously Approved Network Upgrade.
Upgrade or pay the cost of placing a Previously Approved Network Upgrade into service at an earlier date.

7.0 Governing Law

7.1 Governance. The validity, interpretation and performance of this Agreement and each of its provisions shall be governed by the laws of the United States of America except to the extent that the laws of the state of Arkansas may apply.

7.2 Applicability. This Agreement is subject to all applicable federal and state Laws and Regulations.

7.3 Reservation of Rights. Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, rules, or regulations of a Governmental Authority.

8.0 Notices.

8.1 General. Unless otherwise provided in this Agreement, 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.

To Transmission Provider:

Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936
Attention: Manager, GI Studies

To Interconnection Customer:


Attention: ____________________________

8.2 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.
9.0 **Force Majeure**

9.1 **Economic Hardship.** Economic hardship is not considered a Force Majeure event.

9.2 **Default.** Neither Party shall be considered to be in Default with respect to any obligation hereunder, including obligations under Article 10, 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 the full details 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.

10.0 **Indemnity**

10.1 **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 Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

10.1.1 **Indemnified Person.** If an indemnified person is entitled to indemnification under this Article 10 as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 10.1, 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.

10.1.2 **Indemnifying Party.** If an indemnifying Party is obligated to indemnify and hold any indemnified person harmless under this Article 10, 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.
10.1.3 **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 10.1 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.

10.2 **Consequential Damages.** Other than the Liquidated Damages heretofore described, in no event shall either Party be liable under any provision of this Agreement 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.

11.0 Assignment

11.1 Assignment. This Agreement may be assigned by either Party only with the written consent of the other Party; provided that either Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that the Interconnection Customer shall have the right to assign this Agreement, without the consent of Transmission Provider for collateral security purposes to aid in providing financing for the Generating Facility, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to notify the Transmission Provider of any such assignment. Any financing arrangement entered into by the 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 the Transmission Provider of the date and particulars of any such exercise of assignment right. Any attempted assignment that violates this Article or Applicable Laws and Regulations is void and ineffective. Any assignment under this Agreement 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.

12.0 Severability

12.1 Severability. If any provision in this Agreement 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 Agreement.

13.0 Comparability

13.1 Comparability. The Parties will comply with all applicable comparability and code of conduct laws, rules and regulations, as amended from time to time.

14.0 Deposits and Invoice Procedures

14.1 General. The Transmission Provider and the Interconnection Customer 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 the GIP, including credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

14.2 Study Deposits. The Interconnection Customer shall provide study deposits, in accordance with the GIP to the Transmission Provider. The study deposits amounts and schedule shall be in accordance with the GIP.

14.3 Final Invoice. Within six months after completion of the studies Transmission Provider shall provide an invoice of the final cost of the studies and shall set forth such costs in sufficient detail to enable the 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 the studies within thirty (30) Calendar Days of the issuance of such final study invoice.

14.4 Payment. Invoices shall be rendered to the paying Party at the address specified in the Interconnection Request in Appendix 1 to the GIP. 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 the GIP.

14.5 Disputes. In the event of a billing dispute between Transmission Provider and Interconnection Customer, Transmission Provider shall continue to provide studies for Interconnection Service under the GIP 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 16. 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).

15.0 Representations, Warranties, and Covenants

15.1 General. Each Party makes the following representations, warranties and covenants:

15.1.1 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; and that it has the corporate power and authority to own its properties, to carry on
its business as now being conducted and to enter into this Agreement and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.

15.1.2 **Authority.** Such Party has the right, power and authority to enter into this Agreement, to become a party hereto and to perform its obligations hereunder. This Agreement is a legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by general equitable principles (regardless of whether enforceability is sought in a proceeding in equity or at law).

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

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

16.0 **Breach, Cure and Default**

16.1 **General.** A breach of this Agreement ("Breach") shall occur upon the failure by a Party to perform or observe any material term or condition of this Agreement. A default of this Agreement ("Default") shall occur upon the failure of a Party in Breach of this Agreement to cure such Breach in accordance with the provisions of Section 17.4.

16.2 **Events of Breach.** A Breach of this Agreement shall include:

(a) The failure to pay any amount when due;

(b) The failure to comply with any material term or condition of this Agreement, including but not limited to any material Breach of a representation, warranty or covenant made in this Agreement;
(c) If a Party: (1) becomes insolvent; (2) files a voluntary petition in bankruptcy under any provision of any federal or state bankruptcy law or shall consent to the filing of any bankruptcy or reorganization petition against it under any similar law; (3) makes a general assignment for the benefit of its creditors; or (4) consents to the appointment of a receiver, trustee or liquidator;

(d) Assignment of this Agreement in a manner inconsistent with the terms of this Agreement;

(e) Failure of any Party to provide information or data to the other Party as required under this Agreement, provided the Party entitled to the information or data under this Agreement requires such information or data to satisfy its obligations under this Agreement.

16.3 Cure and Default. Upon the occurrence of an event of Breach, the Party not in Breach (hereinafter the “Non-Breaching Party”), when it becomes aware of the Breach, shall give written notice of the Breach to the Breaching Party (the “Breaching Party”) and to any other person a Party to this Agreement identifies in writing to the other Party in advance. Such notice shall set forth, in reasonable detail, the nature of the Breach, and where known and applicable, the steps necessary to cure such Breach. Upon receiving written notice of the Breach hereunder, the Breaching Party shall have thirty (30) days to cure such Breach. If the Breach is such that it cannot be cured within thirty (30) days, the Breaching Party will commence in good faith all steps as are reasonable and appropriate to cure the Breach within such thirty (30) day time period and thereafter diligently pursue such action to completion. In the event the Breaching Party fails to cure the Breach, or to commence reasonable and appropriate steps to cure the Breach, within thirty (30) days of becoming aware of the Breach, the Breaching Party will be in Default of the Agreement.

16.4 Right to Compel Performance. Notwithstanding the foregoing, upon the occurrence of an event of Default, the non-Defaulting Party shall be entitled to: (1) commence an action to require the Defaulting Party to remedy such Default and specifically perform its duties and obligations hereunder in accordance with the terms and conditions hereof, and (2) exercise such other rights and remedies as it may have in equity or at law.

17. Miscellaneous

17.1 Binding Effect. This Agreement 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.

17.2 Conflicts. In the event of a conflict between the body of this Agreement and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this Agreement shall prevail and be deemed the final intent of the Parties.
17.3 **Rules of Interpretation.** This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder.

17.4 **Entire Agreement.** This Agreement, 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 Agreement. There are no other agreements, representations, warranties, or covenants that constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.

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

17.6 **Waiver.** The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Termination or Default of this Agreement 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 Agreement shall, if requested, be provided in writing.

17.7 **Headings.** The descriptive headings of the various Articles of this Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Agreement.
17.8 **Multiple Counterparts.** This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

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

17.10 **Modification by the Parties.** The Parties may by mutual agreement amend the Appendices to this Agreement by a written instrument duly executed by the Parties. Such amendment shall become effective and a part of this Agreement upon satisfaction of all Applicable Laws and Regulations.

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

**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: ____________________________
INTERCONNECTION CUSTOMER SCHEDULE ELECTION FOR CONDUCTING THE LIMITED OPERATION 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 copy of this Interconnection Facilities Study Agreement:

- ninety (90) Calendar Days with no more than a +/- 20 percent cost estimate contained in the report.
DATA FORM TO BE PROVIDED BY INTERCONNECTION CUSTOMER WITH THE LIMITED OPERATION 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 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 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 Date: __________________

receives back feed power

Generation Testing Date: __________________

Commercial Operation Date: __________________
APPENDIX 5 TO GIP

INTERIM AVAILABILITY INTERCONNECTION SYSTEM IMPACT STUDY AGREEMENT

THIS AGREEMENT is made and entered into this _____ day of ___________ 20___ by and between ___________________ a __________________ and existing under the laws of the State of ___________________ ("Interconnection Customer") and Southwest Power Pool, Inc. a non-profit organization under the laws of the State of Arkansas ("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 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 has a fully executed Definitive Interconnection System Impact Study Agreement and has submitted all requirements and milestones to be included in the Definitive Interconnection System Impact Study Queue;

WHEREAS, Interconnection Customer desires to interconnect the Generating Facility with the Transmission System on an interim basis before all such required studies under the GIP can be completed;

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 GIP.

2.0 Interconnection Customer elects and Transmission Provider shall cause to be performed an Interim Availability Interconnection System Impact Study as described in Section 11A.2.4.1 of this GIP.

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

4.0 The Interim Availability Interconnection System Impact Study will be based upon the technical information provided by Interconnection Customer in the Interconnection Request. 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 Interim Availability Interconnection System Impact Study.
5.0 The Interim Availability 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 Generating Facility to the Transmission System and to address the identified short circuit, instability, and power flow issues.

6.0 Interconnection Customer shall provide the deposit specified under Section 8.2 of the GIP for the performance of the Interim Availability Interconnection System Impact Study. Transmission Provider's good faith estimate for the time of completion of the Interim Availability Interconnection System Impact Study is [insert date].

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

Any difference between the deposit and Interconnection Customer’s study cost obligation shall be paid by or refunded to Interconnection Customer, as appropriate per Section 13.38.4 of the Generator Interconnection Procedures.

7.0 Governing Law

7.1 Governance. The validity, interpretation and performance of this Agreement and each of its provisions shall be governed by the laws of the United States of America except to the extent that the laws of the state of Arkansas may apply.

7.2 Applicability. This Agreement is subject to all applicable federal and state Laws and Regulations.

7.3 Reservation of Rights. Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, rules, or regulations of a Governmental Authority.

8.0 Notices.
8.1 General. Unless otherwise provided in this Agreement, 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.

To Transmission Provider:

Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR  72223-4936
Attention: Manager, GI Studies

To Interconnection Customer:

______________________________
______________________________
______________________________
Attention: ______________________

8.2 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.

9.0 Force Majeure

9.1 Economic Hardship. Economic hardship is not considered a Force Majeure event.

9.2 Default. Neither Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 10), 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 the full details 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.

10.0 Indemnity

10.1 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 Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

10.1.1 Indemnified Person. If an indemnified person is entitled to indemnification under this Article 10 as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 10.1, 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.

10.1.2 Indemnifying Party. If an indemnifying Party is obligated to indemnify and hold any indemnified person harmless under this Article 10, 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.

10.1.3 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 10.1 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.

10.2 Consequential Damages. Other than the Liquidated Damages heretofore
described, in no event shall either Party be liable under any provision of this
Agreement 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.

11.0 Assignment

11.1 Assignment. This Agreement may be assigned by either Party only with the
written consent of the other Party; provided that either Party may assign this
Agreement without the consent of the other Party to any Affiliate of the assigning
Party with an equal or greater credit rating and with the legal authority and
operational ability to satisfy the obligations of the assigning Party under this
Agreement; and provided further that the Interconnection Customer shall have the
inght to assign this Agreement, without the consent of Transmission Provider for
collateral security purposes to aid in providing financing for the Generating
Facility, provided that the Interconnection Customer will require any secured
party, trustee or mortgagee to notify the Transmission Provider of any such
assignment. Any financing arrangement entered into by the 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 the Transmission Provider of the date and particulars of any such exercise of assignment right. Any attempted assignment that violates this Article or Applicable Laws and Regulations is void and ineffective. Any assignment under this Agreement 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.

12.0 Severability

12.1 Severability. If any provision in this Agreement 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 Agreement.

13.0 Comparability

13.1 Comparability. The Parties will comply with all applicable comparability and code of conduct laws, rules and regulations, as amended from time to time.

14.0 Deposits and Invoice Procedures

14.1 General. The Transmission Provider and the Interconnection Customer 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 the GIP, including credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

14.2 Study Deposits. The Interconnection Customer shall provide study deposits, in accordance with the GIP to the Transmission Provider. The study deposits amounts and schedule shall be in accordance with the GIP.

14.3 Final Invoice. Within six months after completion of the studies Transmission Provider shall provide an invoice of the final cost of the studies and shall set forth such costs in sufficient detail to enable the 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 the studies within thirty (30) Calendar Days of the issuance of such final study invoice.

14.4 Payment. Invoices shall be rendered to the paying Party at the address specified in the Interconnection Request in Appendix 1 to the GIP. 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 the GIP.

14.5 Disputes. In the event of a billing dispute between Transmission Provider and Interconnection Customer, Transmission Provider shall continue to provide studies for Interconnection Service under the GIP 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 16. 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).

15.0 Representations, Warranties, and Covenants

15.1 General. Each Party makes the following representations, warranties and covenants:

15.1.1 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; and that it has the corporate power and authority to own its properties, to carry on its business as now being conducted and to enter into this Agreement and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.

15.1.2 Authority. Such Party has the right, power and authority to enter into this Agreement, to become a party hereto and to perform its obligations hereunder. This Agreement is a legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by general equitable principles (regardless of whether enforceability is sought in a proceeding in equity or at law).

15.1.3 No Conflict. The execution, delivery and performance of this Agreement does not violate or conflict with the organizational or formation documents, or bylaws or operating agreement, of such
15.1.4 **Consent and Approval.** Such Party has sought or obtained, or, in accordance with this Agreement will seek or obtain, each consent, approval, authorization, order, or acceptance by any Governmental Authority in connection with the execution, delivery and performance of this Agreement, and it will provide to any Governmental Authority notice of any actions under this Agreement that are required by Applicable Laws and Regulations.

16.0 **Breach, Cure and Default**

16.1 **General.** A breach of this Agreement ("Breach") shall occur upon the failure by a Party to perform or observe any material term or condition of this Agreement. A default of this Agreement ("Default") shall occur upon the failure of a Party in Breach of this Agreement to cure such Breach in accordance with the provisions of Section 17.4.

16.2 **Events of Breach.** A Breach of this Agreement shall include:

   (a) The failure to pay any amount when due;

   (b) The failure to comply with any material term or condition of this Agreement, including but not limited to any material Breach of a representation, warranty or covenant made in this Agreement;

   (c) If a Party: (1) becomes insolvent; (2) files a voluntary petition in bankruptcy under any provision of any federal or state bankruptcy law or shall consent to the filing of any bankruptcy or reorganization petition against it under any similar law; (3) makes a general assignment for the benefit of its creditors; or (4) consents to the appointment of a receiver, trustee or liquidator;

   (d) Assignment of this Agreement in a manner inconsistent with the terms of this Agreement;

   (e) Failure of any Party to provide information or data to the other Party as required under this Agreement, provided the Party entitled to the information or data under this Agreement requires such information or data to satisfy its obligations under this Agreement.

16.3 **Cure and Default.** Upon the occurrence of an event of Breach, the Party not in Breach (hereinafter the “Non-Breaching Party”), when it becomes aware of the Breach, shall give written notice of the Breach to the Breaching Party (the “Breaching Party”) and to any other person a Party to this Agreement identifies in
writing to the other Party in advance. Such notice shall set forth, in reasonable
detail, the nature of the Breach, and where known and applicable, the steps
necessary to cure such Breach. Upon receiving written notice of the Breach
hereunder, the Breaching Party shall have thirty (30) days to cure such Breach. If
the Breach is such that it cannot be cured within thirty (30) days, the Breaching
Party will commence in good faith all steps as are reasonable and appropriate to
cure the Breach within such thirty (30) day time period and thereafter diligently
pursue such action to completion. In the event the Breaching Party fails to cure
the Breach, or to commence reasonable and appropriate steps to cure the Breach,
within thirty (30) days of becoming aware of the Breach, the Breaching Party will
be in Default of the Agreement.

16.4 Right to Compel Performance. Notwithstanding the foregoing, upon the
occurrence of an event of Default, the non-Defaulting Party shall be entitled to:
(1) commence an action to require the Defaulting Party to remedy such Default
and specifically perform its duties and obligations hereunder in accordance with
the terms and conditions hereof, and (2) exercise such other rights and remedies
as it may have in equity or at law.

17. Miscellaneous

17.1 Binding Effect. This Agreement 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.

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

17.3 Rules of Interpretation. This Agreement, unless a clear contrary intention
appears, shall be construed and interpreted as follows: (1) the singular number
includes the plural number and vice versa; (2) reference to any person includes
such person's successors and assigns but, in the case of a Party, only if such
successors and assigns are permitted by this Agreement, and reference to a person
in a particular capacity excludes such person in any other capacity or individually;
(3) reference to any agreement (including this Agreement), document, instrument
or tariff means such agreement, document, instrument, or tariff as amended or
modified and in effect from time to time in accordance with the terms thereof and,
if applicable, the terms hereof; (4) reference to any Applicable Laws and
Regulations means such Applicable Laws and Regulations as amended, modified,
codified, or reenacted, in whole or in part, and in effect from time to time,
including, if applicable, rules and regulations promulgated thereunder.

17.4 Entire Agreement. This Agreement, 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 Agreement. There are no other agreements, representations, warranties, or covenants that constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.

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

17.6 **Waiver.** The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Termination or Default of this Agreement 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 Agreement shall, if requested, be provided in writing.

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

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

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

17.10 **Modification by the Parties.** The Parties may by mutual agreement amend the Appendices to this Agreement by a written instrument duly executed by the Parties. Such amendment shall become effective and a part of this Agreement upon satisfaction of all Applicable Laws and Regulations.

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

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: __________________________
ASSUMPTIONS USED IN CONDUCTING THE INTERIM AVAILABILITY INTERCONNECTION SYSTEM IMPACT STUDY

The Interim Availability Interconnection System Impact Study will be based upon the information set forth in the Interconnection Requests and results of applicable prior studies, subject to any modifications in accordance with Section 4.4 of the GIP, 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, Transmission Owner and Transmission Provider]

GENERATING FACILITY DATA FOR THE INTERIM AVAILABILITY INTERCONNECTION SYSTEM IMPACT STUDY

UNIT RATINGS

<table>
<thead>
<tr>
<th>Nameplate kVA</th>
<th>°F</th>
<th>Voltage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prime Mover type</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Power Factor: Lead</td>
<td>Lag</td>
<td></td>
</tr>
<tr>
<td>Speed (RPM)</td>
<td>Connection (e.g. Wye)</td>
<td></td>
</tr>
<tr>
<td>Short Circuit Ratio</td>
<td>Frequency, Hertz</td>
<td></td>
</tr>
<tr>
<td>Stator Amperes at Rated kVA</td>
<td>Field Volts</td>
<td></td>
</tr>
<tr>
<td>Max Turbine Power: Summer MW</td>
<td>°F</td>
<td></td>
</tr>
<tr>
<td>Winter MW</td>
<td>°F</td>
<td></td>
</tr>
</tbody>
</table>

COMBINED TURBINE-GENERATOR-EXCITER INERTIA DATA

Inertia Constant, $H = \frac{\text{kW sec/kVA}}{\text{lb. ft}^2}$

Moment-of-Inertia, $WR^2 = \frac{\text{lb. ft}^2}{\text{}}$

REACTANCE DATA (PER UNIT-RATED KVA)

<table>
<thead>
<tr>
<th>DIRECT AXIS</th>
<th>QUADRATURE AXIS</th>
</tr>
</thead>
<tbody>
<tr>
<td>$X_{dv}$</td>
<td>$X_{qv}$</td>
</tr>
</tbody>
</table>
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**

**GENERATING FACILITY DATA**

**ARMATURE WINDING RESISTANCE DATA (PER UNIT)**

- Positive \( R_{1} \)
- Negative \( R_{2} \)
- Zero \( R_{0} \)

Rotor Short Time Thermal Capacity \( I_{2t}^2 = \)
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

Impedance: Positive $Z_1$ (on self-cooled kVA rating) % X/R
Impedance: Zero $Z_0$ (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): ______________
(*) I^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.
APPENDIX 6 TO THE GENERATOR INTERCONNECTION PROCEDURES
GENERATOR INTERCONNECTION AGREEMENT (GIA)
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GENERATOR INTERCONNECTION AGREEMENT

THIS GENERATOR INTERCONNECTION AGREEMENT ("Agreement") is made and entered into this ___ day of ___________ 20__, by and among _________________________, a __________________________ organized and existing under the laws of the State/Commonwealth of ________________ ("Interconnection Customer" with a Generating Facility), Southwest Power Pool, Inc., a corporation organized and existing under the laws of the State of Arkansas ("Transmission Provider") and ____________________________________, a __________________________ organized and existing under the laws of the State/Commonwealth of ________________ ("Transmission Owner"). Interconnection Customer, Transmission Provider and Transmission Owner each may be referred to as a "Party" or collectively as the "Parties."

Recitals

WHEREAS, Transmission Provider functionally controls the operation of the Transmission System; and,

WHEREAS, Interconnection Customer intends to own, lease and/or control and operate the Generating Facility identified as a Generating Facility in Appendix C to this Agreement; and,

WHEREAS, Transmission Owner owns facilities to which the Generating Facility is to be interconnected and may be constructing facilities to allow the interconnection; and,

WHEREAS, Interconnection Customer, Transmission Provider and Transmission Owner have agreed to enter into this Agreement for the purpose of interconnecting the 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 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 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 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.

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

Breaching Party shall mean a Party that is in Breach of the 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 is studied together, instead of serially, for the purpose of conducting Interconnection Studies.
Commercial Operation shall mean the status of a 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 commences Commercial Operation as agreed to by the Parties pursuant to Appendix E to the 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.

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 Reliability Council.

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

Definitive Interconnection System Impact Study shall mean an engineering study that evaluates the impact of the proposed interconnection on the safety and reliability of 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 a Preliminary Interconnection System Impact Study or that may be caused by the withdrawal or addition of an Interconnection Request, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Generator Interconnection Procedures.

Definitive Interconnection System Impact Study Agreement shall mean the form of agreement contained in Appendix 3A of the Generator Interconnection Procedures for conducting the Definitive Interconnection System Impact Study.

Definitive Interconnection System Impact Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for a Definitive Interconnection System Impact Study.

Dispute Resolution shall mean the procedure in Section 12 of the Tariff 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 Owner’s facilities and equipment that are not included in the Transmission System. The voltage levels at which Distribution Systems operate differ among areas.
**Distribution Upgrades** shall mean the additions, modifications, and upgrades to the 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 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 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 or the electric systems of others to which the Transmission System is directly connected; or (3) that, in the case of Transmission Owner, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to Transmission Owner’s Interconnection Facilities; or (4) 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 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 System to be eligible to deliver the Generating Facility's electric output using the existing firm or nonfirm capacity of the 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 Owner 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.


**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 of electricity identified in the Interconnection Request, but shall not include the Interconnection Customer's Interconnection Facilities.

**Generating Facility Capacity** shall mean the net capacity of the Generating Facility and the aggregate net capacity of the Generating Facility where it includes multiple energy production devices.

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

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

**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, Transmission Owner 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.

**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 Owner's Interconnection Facilities to obtain back feed power.

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

**Interconnection Customer's Interconnection Facilities** shall mean all facilities and equipment, as identified in Appendix A of the 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 System. Interconnection Customer's Interconnection Facilities are sole use facilities.

**Interconnection Facilities** shall mean the Transmission Owner'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 System. Interconnection Facilities are sole use facilities and shall not include Distribution Upgrades, Stand Alone Network Upgrades or Network Upgrades.

**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 Owner's Interconnection Facilities and Network Upgrades as identified in the Definitive Interconnection System Impact Study), the cost of those facilities, and the time required to interconnect the Generating Facility with the Transmission System. The scope of the study is defined in Section 8 of the Generator Interconnection Procedures.

**Interconnection Facilities Study Agreement** shall mean the form of agreement contained in Appendix 4 of the Generator Interconnection Procedures for conducting the Interconnection Facilities Study.

**Interconnection Facilities Study Queue** shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for an 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 System, the scope of which is described in Section 6 of the Generator Interconnection Procedures.

**Interconnection Feasibility Study Agreement** shall mean the form of agreement contained in Appendix 2 of the Generator Interconnection Procedures for conducting the Interconnection Feasibility Study.

**Interconnection Feasibility Study Queue** shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for an Interconnection Feasibility Study.
**Interconnection Queue Position** shall mean the order of a valid Interconnection Request within the Interconnection Facilities Study Queue, relative to all other pending valid Interconnection Requests within the Interconnection Facilities Study Queue, which is established based upon the requirements in Section 4.1.3 of the Generator Interconnection Procedures.

**Interconnection Request** shall mean an Interconnection Customer's request, in the form of Appendix 1 to the 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 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 Generator Interconnection Agreement and, if applicable, the Tariff.

**Interconnection Study** shall mean any of the following studies: the Interconnection Feasibility Study, the Preliminary Interconnection System Impact Study, the Definitive Interconnection System Impact Study and the Interconnection Facilities Study described in the Generator Interconnection Procedures.

**Interconnection Study Agreement** shall mean any of the following agreements: the Interconnection Feasibility Study Agreement, the Preliminary Interconnection System Impact Study Agreement, the Definitive Interconnection System Impact Study Agreement and the Interconnection Facilities Study Agreement described in the Generator Interconnection Procedures.

**IRS** shall mean the Internal Revenue Service.

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

**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 another Party's performance, or non-performance of its obligations under the 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 those modifications that have a material impact on the cost or timing of any Interconnection Request with a later Queue priority date.

**Metering Equipment** shall mean all metering equipment installed or to be installed at the Generating Facility pursuant to the 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 Corporation 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 Generating Facility with the Transmission System in a manner comparable to that in which the Transmission Owner integrates its generating facilities to serve Native Load Customers as a Network Resource. 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 System required at or beyond the point at which the Interconnection Facilities connect to the Transmission System to accommodate the interconnection of the Generating Facility to the Transmission System.

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

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

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

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

Preliminary Interconnection System Impact Study shall mean an engineering study that evaluates the impact of the proposed interconnection on the safety and reliability of 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 an Interconnection Feasibility Study or that may be caused by an Interconnection Request, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Generator Interconnection Procedures.

Preliminary Interconnection System Impact Study Agreement shall mean the form of agreement contained in Appendix 3 of the Generator Interconnection Procedures for conducting the Preliminary Interconnection System Impact Study.
Preliminary Interconnection System Impact Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for a Preliminary Interconnection System Impact Study.

Previous Network Upgrade shall mean a Network Upgrade that is needed for the interconnection of one or more Interconnection Customers’ Generating Facilities, but is not the cost responsibility of the Interconnection Customer, subject to restudy, and which is identified in Appendix A of the Generator Interconnection Agreement.

Queue shall mean the Interconnection Feasibility Study Queue, the Preliminary Interconnection System Impact Study Queue, or the Definitive Interconnection System Impact Study Queue, or the Interconnection Facilities Study Queue, as applicable.

Queue Position shall mean the order of a valid Interconnection Request within the Interconnection Feasibility Study Queue, relative to all other pending valid Interconnection Requests within the Interconnection Feasibility Study Queue, the order of a valid Interconnection Request within the Preliminary Interconnection System Impact Study Queue, relative to all other pending valid Interconnection Requests within the Preliminary Interconnection System Impact Study Queue, or the order of a valid Interconnection Request within the Definitive Interconnection System Impact Study Queue, as applicable, that is established based upon the date and time of receipt of the Interconnection Request and the date and time of receipt of other information specified under Section 4.1 of this GIP, as applicable, by the Transmission Provider.

Reasonable Efforts shall mean, with respect to an action required to be attempted or taken by a Party under the 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.

Scoping Meeting shall mean the meeting between representatives of the Interconnection Customer, Transmission Owner 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.

Shared Network Upgrade shall mean a Network Upgrade listed in Appendix A of the Generator Interconnection Agreement that is needed for the interconnection of multiple Interconnection Customers’ Generating Facilities and which is the shared funding responsibility of such Interconnection Customers that may also benefit other Interconnection Customer(s) that are later identified as beneficiaries.

Site Control shall mean documentation reasonably demonstrating: (1) ownership of, a leasehold interest in, or a right to develop a site of sufficient size for the purpose of constructing the Generating Facility; (2) an option to purchase or acquire a leasehold site of sufficient size 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 of sufficient size for such purpose.
Small Generating Facility shall mean a Generating Facility that has an aggregate net Generating Facility Capacity of no more than 2 MW.

Stand Alone Network Upgrades shall mean Network Upgrades that an Interconnection Customer may construct without affecting day-to-day operations of the Transmission System during their construction. The Transmission Provider, Transmission Owner and the Interconnection Customer must agree as to what constitutes Stand Alone Network Upgrades and identify them in Appendix A to the Generator Interconnection Agreement.

System Protection Facilities shall mean the equipment, including necessary protection signal communications equipment, required to protect (1) the 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 System or on other delivery systems or other generating systems to which the 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 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 Owner's Interconnection Facilities shall mean all facilities and equipment owned, controlled or operated by the Transmission Owner from the Point of Change of Ownership to the Point of Interconnection as identified in Appendix A to the Generator Interconnection Agreement, including any modifications, additions or upgrades to such facilities and equipment. Transmission Owner's Interconnection Facilities are sole use facilities and shall not include Distribution Upgrades Stand Alone Network Upgrades or Network Upgrades.

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.

**Article 2. Effective Date, Term, and Termination**

2.1 **Effective Date.** This GIA 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 GIA 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 GIA 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 GIA may be terminated by Interconnection Customer after giving Transmission Provider and Transmission Owner ninety (90) Calendar Days advance written notice, or by Transmission Provider notifying FERC after the Generating Facility permanently ceases Commercial Operation.

2.3.2 **If the Generating Facility fails to achieve Commercial Operation for three (3) consecutive years following the Commercial Operation Date, this GIA may be terminated by the Transmission Provider after giving the Interconnection Customer ninety (90) Calendar Days advance written notice. Where a portion of the Generating Facility fails to achieve Commercial Operation for three (3) consecutive years following the Commercial Operation Date, the Transmission Provider shall issue a revised GIA to reflect the amount of the Generating Facility Capacity that achieved Commercial Operation.**

2.3.3 **Default.** Any Party may terminate this GIA in accordance with Article 17.

2.3.4 **Notwithstanding Articles 2.3.1, 2.3.2 and 2.3.3, 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 GIA, 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, Interconnection Customer and Transmission Owner shall pay all costs incurred (including any cancellation costs relating to orders or contracts for Interconnection Facilities and equipment) or charges assessed by any other Party, as of the date of such Party's receipt of such notice of termination, that are the responsibility of the Terminating Party under this GIA. In the event of termination by any Party, all Parties shall use Commercially Reasonable Efforts to mitigate the costs, damages and charges arising as a consequence of termination. Upon termination of this GIA, unless otherwise ordered or approved by FERC:
2.4.1 With respect to any portion of Transmission Owner's Interconnection Facilities that have not yet been constructed or installed, Transmission Owner shall, to the extent possible and with Interconnection Customer's authorization, cancel any pending orders for, 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 Owner 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 Owner for any or all such costs of materials or equipment not taken by Interconnection Customer, Transmission Owner shall promptly refund such amounts to Interconnection Customer, less any costs, including penalties incurred by Transmission Owner to cancel any pending orders of or return such materials, equipment, or contracts.

If an Interconnection Customer terminates this GIA, 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 Owner has incurred expenses and has not been reimbursed by Interconnection Customer and the Interconnection Customer's allocated share of Network Upgrade(s) costs as calculated pursuant to Section 4.2.5 of the GIP and as listed in Appendix A of this GIA which are required for service to other Interconnection Customer(s).

2.4.2 Transmission Owner 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 Owner 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 GIA, 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 GIA, the Parties will take all appropriate steps to disconnect the 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 GIA or such non-terminating Party otherwise is responsible for these costs under this GIA.

2.6 **Survival.** This GIA 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 GIA; to permit payments for any credits under this GIA; to permit the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this GIA was in effect; and to
permit each Party to have access to the lands of another Party pursuant to this GIA 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 GIA (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 GIA, 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 Generating Facility to the Transmission System and be eligible to deliver the 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 Appendix A.

**4.1.1.2 Transmission Delivery Service Implications.** Under Energy Resource Interconnection Service, Interconnection Customer will be eligible to inject power from the Generating Facility into and deliver power across the Transmission System on an "as available" basis. The Interconnection Customer's ability to inject its Generating Facility output beyond the Point of Interconnection, therefore, will depend on the existing capacity of the 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 Generating Facility in a manner comparable to that in which Transmission Owner integrates its generating facilities to serve Native Load Customers as all Network Resources. To the extent Interconnection Customer wants to
receive Network Resource Interconnection Service, Transmission Owner shall construct the facilities identified in Appendix A to this GIA.

4.1.2.2 Transmission Delivery Service Implications. Network Resource Interconnection Service allows Interconnection Customer's Generating Facility to be designated by any Network Customer under the Tariff on the Transmission System as a Network Resource, up to the Generating Facility's full output, on the same basis as existing Network Resources interconnected to the 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 Generating Facility in the same manner as it accesses Network Resources. A 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 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 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 Generating Facility to any particular load on the Transmission System without incurring congestion costs. In the event of transmission constraints on the Transmission System, Interconnection Customer's 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 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 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 Generating Facility within the
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 Generating
Facility be undertaken, regardless of whether or not such Generating
Facility is ever designated by a Network Customer as a Network Resource
and regardless of changes in ownership of the 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 Generating Facility
outside the 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 Generating Facility at the Point of Interconnection.

4.3 **Performance Standards.** Each Party shall perform all of its obligations under this GIA
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 GIA for its compliance therewith. If such Party is a Transmission
Provider or Transmission Owner, then that Party shall amend the GIA and submit the
amendment to FERC for approval.

4.4 **No Transmission Delivery Service.** The execution of this GIA 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 GIA are set forth in Article 9.6 and Article 13.5.1.
Interconnection Customer shall be paid for such services in accordance with Article
11.86.

**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 Option To Build as described under Article 5.1.2 or the
Negotiated Option described under Article 5.1.3 if the Interconnection Customer and the
Transmission Owner cannot reach agreement under the Standard Option described under Article 5.1.1, for completion of Transmission Owner's Interconnection Facilities and Network Upgrades as set forth in Appendix A, Interconnection Facilities and Network Upgrades, and such dates and selected option, as applicable, shall be set forth in Appendix B, Milestones.

5.1.1 Standard Option. Transmission Owner shall design, procure, and construct Transmission Owner’s Interconnection Facilities and Network Upgrades, using Reasonable Efforts to complete Transmission Owner’s Interconnection Facilities and Network Upgrades by the dates set forth in Appendix B, Milestones. Transmission Owner 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 Owner reasonably expects that it will not be able to complete Transmission Owner’s Interconnection Facilities, and Network Upgrades by the specified dates, Transmission Owner shall promptly provide written notice to Interconnection Customer and shall undertake Reasonable Efforts to meet the earliest dates thereafter.

5.1.2 Option to Build. If the dates designated by Interconnection Customer are not acceptable to Transmission Owner, Transmission Owner shall so notify Interconnection Customer within thirty (30) Calendar Days, and unless the Parties agree otherwise, Interconnection Customer shall have the option to assume responsibility for the design, procurement and construction of Transmission Owner’s Interconnection Facilities and Stand Alone Network Upgrades on the dates specified in Article 5.1.1. Transmission Owner 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.

5.1.3 Negotiated Option. If Interconnection Customer elects not to exercise its option under Article 5.1.2, Option to Build, Interconnection Customer shall so notify Transmission Provider and Transmission Owner within thirty (30) Calendar Days, and 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 a portion of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades by Interconnection Customer) pursuant to which Transmission Owner is responsible for the design, procurement and construction of Transmission Owner's Interconnection Facilities and Network Upgrades. If the Parties are unable to reach agreement on such terms and conditions, Transmission Owner shall assume responsibility for the design, procurement and construction of Transmission Owner’s Interconnection Facilities and Network Upgrades pursuant to 5.1.1, Standard Option.
5.2 **General Conditions Applicable to Option to Build.** If Interconnection Customer assumes responsibility for the design, procurement and construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades,

(1) Interconnection Customer shall engineer, procure equipment, and construct Transmission Owner'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 Owner;

(2) Interconnection Customer's engineering, procurement and construction of Transmission Owner'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 Owner's Interconnection Facilities and Stand Alone Network Upgrades;

(3) Transmission Owner shall review and approve the engineering design, equipment acceptance tests, and the construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades;

(4) Prior to commencement of construction, Interconnection Customer shall provide to Transmission Provider and Transmission Owner 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 and Transmission Owner;

(5) At any time during construction, Transmission Owner shall have the right to gain unrestricted access to Transmission Owner'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 Owner, Interconnection Customer shall be obligated to remedy deficiencies in that portion of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades;

(7) Interconnection Customer shall indemnify Transmission Provider and Transmission Owner for claims arising from Interconnection Customer's construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades under the terms and procedures applicable to Article 18.1 Indemnity;

(8) The Interconnection Customer shall transfer control of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades to Transmission Provider;
(9) Unless Parties otherwise agree, Interconnection Customer shall transfer ownership of Transmission Owner's Interconnection Facilities and Stand-Alone Network Upgrades to Transmission Owner not later than the Commercial Operation Date;

(10) Transmission Owner shall approve and accept for operation and maintenance Transmission Owner'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 Owner "as-built" drawings, information, and any other documents that are reasonably required by Transmission Owner to assure that the Interconnection Facilities and Stand-Alone Network Upgrades are built to the standards and specifications required by Transmission Provider.

5.3 **Liquidated Damages.** The actual damages to Interconnection Customer, in the event Transmission Owner’s Interconnection Facilities or Network Upgrades are not completed by the dates designated by Interconnection Customer and accepted by Transmission Owner pursuant to subparagraph 5.1.3, 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 Owner to Interconnection Customer in the event that Transmission Owner does not complete any portion of Transmission Owner’s Interconnection Facilities or Network Upgrades by the applicable dates, shall be an amount equal to ½ of 1 percent per day of the actual cost of Transmission Owner’s Interconnection Facilities and Network Upgrades, in the aggregate, for which Transmission Owner 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 Owner’s Interconnection Facilities and Network Upgrades for which Transmission Owner has assumed responsibility to design, procure, and construct. The foregoing payments will be made by Transmission Owner 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 GIA. Liquidated damages, when the Parties agree to them, are the exclusive remedy for the Transmission Owner’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 Owner’s Interconnection Facilities or Network Upgrades to take the delivery of power for the Generating Facility's Trial Operation or to export power from the Generating Facility on the specified dates, unless Interconnection Customer would have been able to commence use of Transmission Owner’s Interconnection Facilities or Network Upgrades to take the delivery of power for Generating Facility's Trial Operation or to export power from the Generating Facility, but for Transmission Owner’s delay; (2) Transmission Owner’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 a GIA with Transmission Owner or any cause beyond Transmission Owner’s reasonable control or reasonable ability to cure; (3) the Interconnection Customer has assumed responsibility for the design, procurement and construction of Transmission Owner’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 Generating Facility. If the Generating Facility's Power System Stabilizers are removed from service or not capable of automatic operation, Interconnection Customer shall immediately notify Transmission Owner’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 Owner’s Interconnection Facilities or Network Upgrades is to be borne by Transmission Owner, then Transmission Owner shall commence design of Transmission Owner’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 Interconnection Facilities Study pursuant to the Interconnection Facilities Study Agreement;

5.5.2 Transmission Owner 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 11.75 by the dates specified in Appendix B, Milestones.

5.6 **Construction Commencement.** Transmission Owner shall commence construction of Transmission Owner’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 Owner’s Interconnection Facilities and Network Upgrades;

5.6.3 Transmission Owner 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 11.75 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. Parties may, at any time, request a progress report from other Parties. If, at any time, Interconnection Customer determines that the completion of Transmission Owner’s Interconnection Facilities and Network Upgrades will not be required until after the specified In-Service Date, Interconnection Customer will provide written notice to Transmission Provider and Transmission Owner of such later date upon which the completion of Transmission Owner’s Interconnection Facilities and Network Upgrades 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 the Transmission System, and shall work diligently and in good faith to make any necessary design changes.

5.9 **Limited Operation.** If any of Transmission Owner’s Interconnection Facilities or Network Upgrades are not reasonably expected to be completed prior to the Commercial Operation Date of the 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 Generating Facility and Interconnection Customer's Interconnection Facilities may operate prior to the completion of Transmission Owner’s Interconnection Facilities or Network Upgrades consistent with Applicable Laws and Regulations, Applicable Reliability Standards, Good Utility Practice, and this GIA ("Limited Operation"). In accordance with Article 11.6 of the GIA, the Interconnection Customer may also choose to proceed with Limited Operation consistent with the interconnection capacity that is available. Transmission Owner shall permit Interconnection Customer to operate the Generating Facility and Interconnection Customer's Interconnection Facilities under Limited Operation in accordance with the results of such studies performed by Transmission Provider.

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 Owner 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 Owner shall review such specifications to ensure that the ICIF are compatible with the technical specifications, operational control, and safety requirements of Transmission Owner 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 Owner’s Review. Transmission Owner’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 Generating Facility, or the ICIF. Interconnection Customer shall make such changes to the ICIF as may reasonably be required by Transmission Owner, in accordance with Good Utility Practice, to ensure that the ICIF are compatible with the technical specifications, operational control, and safety requirements of Transmission Owner.

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 Owner "as-built" drawings, information and documents for the ICIF, such as: a one-line diagram, a site plan showing the 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 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 Generating Facility. The Interconnection Customer shall provide Transmission Owner specifications for the excitation system, automatic voltage regulator, Generating Facility control and protection settings, transformer tap settings, and communications, if applicable.

5.10.4 Updated Information Submission by Interconnection Customer. The updated information submission by the Interconnection Customer, including manufacturer information, shall occur no later than one hundred eighty (180) Calendar Days prior to the Initial Synchronization Date. Interconnection Customer shall submit a completed copy of the Generating Facility data requirements contained in Appendix 1 to the GIP. It shall also include any additional information provided to Transmission Provider for the Interconnection Feasibility and Interconnection Facilities Studies. Information in this submission shall be the most current 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, the Interconnection Customer will work with a consultant mutually agreed to by the Parties to develop and supply a standard model and associated information.

If the Interconnection Customer's data is materially different from what was originally provided to Transmission Provider pursuant to the Interconnection Study agreements between Transmission Provider and Interconnection Customer, then Transmission Provider will conduct appropriate studies to determine the impact on the Transmission System based on the actual data submitted pursuant to
this Article 5.10.4. The Interconnection Customer shall not begin Trial Operation until such studies are completed.

5.10.5 Information Supplementation. Prior to the Commercial Operation Date, or as soon as possible thereafter, the Parties shall supplement their information submissions described above in this Article 5 with any and all “as-built” 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 Generating Facility as required by Good Utility Practice such as an open circuit “step voltage” test on the Generating Facility to verify proper operation of the Generating Facility’s automatic voltage regulator.

Unless otherwise agreed, the test conditions shall include: (1) Generating Facility at synchronous speed; (2) automatic voltage regulator on and in voltage control mode; and (3) a five percent (5 percent) change in 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 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 Generating Facility’s terminal or field voltage are acceptable if information necessary to translate these alternate quantities to actual Generating Facility terminal or field voltages is provided. Generating Facility testing shall be conducted and results provided to the Transmission Provider for each individual generating unit in a station.

Subsequent to the Commercial Operation Date, the Interconnection Customer shall provide Transmission Owner and Transmission Provider any information changes due to equipment replacement, repair, or adjustment. Transmission Owner shall provide the Interconnection Customer and Transmission Provider any information changes due to equipment replacement, repair or adjustment in the directly connected substation or any adjacent Transmission Owner-owned substation that may affect the 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.

5.11 Transmission Owner’s Interconnection Facilities Construction. Transmission Owner’s Interconnection Facilities and Network Upgrades 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 Owner shall deliver to Interconnection Customer the following “as-built” drawings, information and documents for Transmission Owner’s Interconnection Facilities and Network Upgrades [include appropriate drawings and relay diagrams].
Transmission Owner will obtain control of Transmission Owner’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 any 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 Generating Facility with the Transmission System; (ii) operate and maintain the 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 GIA. 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 Owner's Interconnection Facilities and/or Network Upgrades is to be installed on property owned by persons other than Interconnection Customer or Transmission Owner, 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 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 Owner to construct, and Transmission Owner 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.**
5.16.1 Interconnection Customer, upon written notice to Transmission Provider and Transmission Owner, may suspend, for a period not to exceed 18 months, work by Transmission Owner associated with the construction and installation of Transmission Owner’s Interconnection Facilities and/or Network Upgrades required under this GIA under the following terms and conditions,

i. Construction of Network Upgrades that are required to provide Interconnection Service to other Generating Facilities and for which Interconnection Customer shares cost responsibility cannot be suspended pursuant to this Article 5.16.

ii. If the suspension period begins later than or extends beyond six months following the Effective Date of the GIA, the Interconnection Customer shall provide to the Transmission Provider security in the form described under Article 11.75 in an amount equal to the greater of:

a. the Interconnection Customer’s allocated share of Network Upgrade(s) as calculated pursuant to Section 4.2.5 of the GIP and as identified in Appendix A of this GIA unless previously provided under Section 8.27 of the GIP; or

b. $5,000,000 if the Generating Facility is greater than or equal to 100 MW; or

c. $2,500,000 if the Generating Facility is greater than or equal to 50 MW and less than 100 MW; or

d. $1,000,000 if the Generating Facility is less than 50 MW; or

e. $500,000 if the Generating Facility is less than or equal to 2 MW.

iii. In the event that this GIA is terminated under this Article 5.16, the Transmission Provider shall retain the security provided pursuant to Article 5.16.1.ii in the amount required to meet Interconnection Customer’s obligations pursuant to this GIA. Any difference between the security provided and Interconnection Customer’s obligations shall be settled pursuant to Article 12.

iv. In the event Interconnection Customer suspends work by Transmission Owner required under this GIA pursuant to this Article 5.16 and has not requested Transmission Owner to resume the work required under this GIA on or before the expiration of 18 months from the date of suspension, this GIA shall be deemed terminated unless Article 16 applies.

v. In the event Interconnection Customer suspends work by Transmission Owner required under this GIA pursuant to this Article 5.16 and has not complied requirements of Article 5.16.1.ii on or before the later of the expiration of 6 months following the effective date of the GIA or the date the suspension is requested, this GIA shall be deemed terminated by the Interconnection Customer.

vi. In the event Interconnection Customer suspends work by Transmission Owner required under this GIA pursuant to this Article 5.16, the Transmission System
shall be left in a safe and reliable condition in accordance with Good Utility Practice and Transmission Owner’s safety and reliability criteria. Interconnection Customer shall be responsible for all reasonable and necessary costs which Transmission Owner and Transmission Provider (i) have incurred pursuant to this GIA prior to the suspension and (ii) incur 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 Owner cannot reasonably avoid; provided, however, that prior to canceling or suspending any such material, equipment or labor contract, Transmission Owner shall obtain Interconnection Customer's authorization to do so. Transmission Owner and Transmission Provider shall invoice Interconnection Customer for such costs pursuant to Article 12 and shall use due diligence to minimize its costs.

vii. In the event Interconnection Customer provides written notice to resume work for those facilities for which work has been suspended pursuant to this Article 5.16.1, the Interconnection Customer shall receive a refund, including interest, of any payments provided in accordance with Article 5.16.1.ii in excess of the sum of Interconnection Customer’s allocated share of Network Upgrade(s) costs and any costs incurred under Article 5.16.1.vi within 30 days of the date of such notice.

5.16.2 Exemptions. The Interconnection Customer shall be exempt from the payments described under Article 5.16.1.ii.b, 5.16.1.ii.c and 5.16.1.ii.d if the following occurs or Suspension is requested for the following reasons:

i. Construction of a Network Upgrade or the Generating Facility is prevented by order of a Governmental Authority; or

ii. Transmission Provider determines through an Interconnection Study that the Suspension does not qualify as a modification that has an impact on the cost or timing of any Interconnection Request with an equal or later Queue priority date (Material Modification); or

iii. Transmission Owner or Transmission Provider determines that a Force Majeure event prevents construction of a Network Upgrade.

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 Owner for the installation of Transmission Owner'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 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 Owner for Transmission Owner'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 Owner'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 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 Owner's request, Interconnection Customer shall provide Transmission Owner with a report from an independent engineer confirming its representation in clause (iii), above. Transmission Owner represents and covenants that the cost of Transmission Owner'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 Owner.** Notwithstanding Article 5.17.1, Interconnection Customer shall protect, indemnify and hold harmless Transmission Owner from the cost consequences of any current tax liability imposed against Transmission Owner as the result of payments or property transfers made by Interconnection Customer to Transmission Owner under this GIA for Interconnection Facilities, as well as any interest and penalties, other than interest and penalties attributable to any delay caused by Transmission Owner.

Transmission Owner shall not include a gross-up for the cost consequences of any current tax liability in the amounts it charges Interconnection Customer under this GIA unless (i) Transmission Owner has determined, in good faith, that the payments or property transfers made by Interconnection Customer to Transmission Owner should be reported as income subject to taxation or (ii) any Governmental Authority directs Transmission Owner to report payments or property as income subject to taxation; provided, however, that Transmission Owner may require Interconnection Customer to provide security for Interconnection Facilities, in a form reasonably acceptable to Transmission Owner (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. Transmission Customer shall reimburse Transmission Owner 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 Owner 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 Owner 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 Owner, in addition to the amount paid for the Interconnection Facilities, and Network Upgrades, an amount equal to (1) the current taxes imposed on Transmission Owner ("Current Taxes") on the excess of (a) the gross income realized by Transmission Owner as a result of payments or property transfers made by Interconnection Customer to Transmission Owner under this GIA (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 Owner 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 Owner’s composite federal and state tax rates at the time the payments or property transfers are received and Transmission Owner 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 Owner’s anticipated tax depreciation deductions as a result of such payments or property transfers by Transmission Owner’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: (Current Tax Rate x (Gross Income Amount – Present Value of Tax Depreciation))/(1-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 Owner 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 Owner under this GIA 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 Owner and Interconnection Customer shall cooperate in good faith with respect to the submission of such request.

Transmission Owner 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 Owner 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 Owner’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 GIA terminates and Transmission Owner 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 Owner, 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 Owner’s receipt of payments or property constitutes income that is subject to taxation, Transmission Owner 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 Owner may appeal, protest, seek abatement of, or otherwise oppose such determination. Upon Interconnection Customer's written request and sole expense, Transmission Owner 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 Owner 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 Owner 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 Owner on a periodic basis, as invoiced by Transmission Owner, Transmission Owner’s documented reasonable costs of prosecuting such appeal, protest, abatement or other contest. At any time during the contest, Transmission Owner may agree to a settlement either with Interconnection Customer's consent or after obtaining written advice from nationally-recognized tax counsel, selected by Transmission Owner, 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 cost 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 Owner 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 Owner which holds that any amount paid or the value of any property transferred by Interconnection Customer to Transmission Owner under the terms of this GIA 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 Owner in good faith that any amount paid or the value of any property transferred by Interconnection Customer to Transmission Owner under the terms of this GIA is not taxable to Transmission Owner, (c) any abatement, appeal, protest, or other contest results in a determination that any payments or transfers made by Interconnection Customer to Transmission Owner are not subject to federal income tax, or (d) if Transmission Owner 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 Owner pursuant to this GIA, Transmission Owner 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 amount paid by Interconnection Customer to Transmission Owner for such taxes which Transmission Owner 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 Owner refunds such payment to Interconnection Customer, and

(iii) with respect to any such taxes paid by Transmission Owner, any refund or credit Transmission Owner 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 Owner for such overpayment of taxes (including any reduction in interest otherwise payable by Transmission Owner to any Governmental Authority resulting from an offset or credit); provided, however, that Transmission Owner will remit such amount promptly to Interconnection Customer only after and to the extent that Transmission Owner has received a tax refund, credit or offset from any Governmental Authority for any applicable
overpayment of income tax related to Transmission Owner’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 Owner may appeal, protest, seek abatement of, or otherwise contest any tax (other than federal or state income tax) asserted or assessed against Transmission Owner for which Interconnection Customer may be required to reimburse Transmission Owner under the terms of this GIA. Interconnection Customer shall pay to Transmission Owner on a periodic basis, as invoiced by Transmission Owner, Transmission Owner’s documented reasonable costs of prosecuting such appeal, protest, abatement, or other contest. Interconnection Customer and Transmission Owner 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 Owner 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 Owner.

5.18 Tax Status. All Parties shall cooperate with each other to maintain their tax status. Nothing in this GIA is intended to adversely affect any Party’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. Each Party may undertake modifications to its facilities. If a Party plans to undertake a modification that reasonably may be expected to affect another Party’s facilities, that Party shall provide to the other Parties sufficient information regarding such modification so that the other Parties 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 Generating Facility. The Party desiring to perform such work shall provide the relevant drawings, plans, and specifications to the other Parties 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 Generating Facility modifications that do not require Interconnection Customer to submit an Interconnection Request, Transmission
Owner 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 Owner’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 GIA 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 Owner makes to Transmission Owner’s Interconnection Facilities or the Transmission System to facilitate the interconnection of a third party to Transmission Owner’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.

5.20 Delays. If a Network Upgrade(s) identified in Appendix A is delayed during the construction process and the Commercial Operation Date for the Generating Facility identified in Appendix B is no longer feasible, the Commercial Operation Date in Appendix B may be modified to no later than six (6) months following the in-service date for the last Network Upgrade identified in Appendix A.

Article 6. Testing and Inspection

6.1 Pre-Commercial Operation Date Testing and Modifications. Prior to the Commercial Operation Date, Transmission Owner shall test Transmission Owner’s Interconnection Facilities and Network Upgrades and Interconnection Customer shall test the 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 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 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 Parties in advance of its performance of tests of its Interconnection Facilities. The other Parties have 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 another Parties’ 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 Parties’ System Protection Facilities and other protective equipment; and (iii) review another Parties’ maintenance records relative to the Interconnection Facilities, the System Protection Facilities and other protective equipment. Any Party may exercise these rights from time to time as it deems necessary upon reasonable notice to the other Parties. The exercise or non-exercise by another 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 any 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 GIA.

### Article 7. Metering

7.1 **General.** Each Party shall comply with the Applicable Reliability Council requirements. Unless otherwise agreed by the Parties, Transmission Owner shall install Metering Equipment at the Point of Interconnection prior to any operation of the Generating Facility and shall own, operate, test and maintain such Metering Equipment. Power flows to and from the Generating Facility shall be measured at or, at Transmission Owner’s option, compensated to, the Point of Interconnection. Transmission Owner shall provide metering quantities, in analog and/or digital form, to Interconnection Customer and Transmission Provider on a same-time basis using communication as provided in Article 8. 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 Owner’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 GIA, except as provided in Article 7.4 below. The check meters shall be subject at all reasonable times to inspection and examination by Transmission Owner 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 Owner shall install, calibrate, and test revenue quality Metering Equipment in accordance with applicable ANSI standards.

7.4 **Testing of Metering Equipment.** Transmission Owner shall inspect and test all Transmission Owner-owned Metering Equipment upon installation and at least once every two (2) years thereafter. If requested to do so by Interconnection Customer,
Transmission Owner shall, at Interconnection Customer's expense, inspect or test Metering Equipment more frequently than every two (2) years. Transmission Owner 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 Owner’s failure to maintain, then Transmission Owner 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 Owner 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 Owner 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 Generating Facility to the Point of Interconnection.

Article 8. Communications

8.1 Interconnection Customer Obligations. Interconnection Customer shall maintain satisfactory operating communications with Transmission Owner’s Transmission System dispatcher or representative designated by Transmission Owner. Interconnection Customer shall provide standard voice line, dedicated voice line and facsimile communications at its 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 Owner as set forth in Appendix D, Security Arrangements Details. The data circuit(s) shall extend from the Generating Facility to the location(s) specified by Transmission Owner. 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 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 Owner at Interconnection Customer's expense, to gather accumulated and instantaneous data to be telemetered to the location(s) designated by Transmission Owner 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 Owner.
Instantaneous bi-directional analog real power and reactive power flow information must be telemetered directly to the location(s) specified by Transmission Owner.

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 (i) site-specific meteorological data including: temperature, wind speed, wind direction, relative humidity and atmospheric pressure and (ii) site specific geographic data including location (latitude and longitude) of the Variable Energy Resource and location (latitude and longitude) and height of the facility that will contain the equipment necessary to provide the meteorological data for such resource. 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, geographical and forced outage data must be commensurate with the power production forecasting employed by the Transmission Provider. Such requirements for meteorological, geographical 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 Parties all information that may reasonably be required by the other Parties 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 and Transmission Owner in writing of the Control Area in which the Generating Facility will be located. If Interconnection Customer elects to locate the Generating Facility in a Control Area other than the Control Area in which the 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 GIA, 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 Generating Facility in the other Control Area.

9.3 **Transmission Provider and Transmission Owner Obligations.** Transmission Provider and Transmission Owner shall cause the Transmission System and Transmission Owner’s Interconnection Facilities to be operated, maintained and controlled in a safe and reliable manner and in accordance with this GIA. Transmission Provider or Transmission Owner may provide operating instructions to Interconnection Customer consistent with this GIA and Transmission Owner’s operating protocols and procedures as they may change from time to time. Transmission Provider and Transmission Owner 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 Generating Facility and the Interconnection Customer's Interconnection Facilities in a safe and reliable manner and in accordance with this GIA. Interconnection Customer shall operate the 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 GIA. Appendix C, Interconnection Details, will be modified to reflect changes to the requirements as they may change from time to time. Any Party may request that another Party provide copies of the requirements set forth in Appendix C, Interconnection Details, of this GIA.

9.5 **Start-Up and Synchronization.** Consistent with the Parties' mutually acceptable procedures, the Interconnection Customer is responsible for the proper synchronization of the Generating Facility to the Transmission System.

9.6 **Reactive Power.**

9.6.1 **Power Factor Design Criteria.** Interconnection Customer shall design the 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 Transmission Provider or Transmission Owner has established different requirements that apply to all generators in the Control Area on a comparable basis. A wind generator plant shall maintain a
power factor within the range of .95 leading to .95 lagging, measured at the Point of Interconnection as defined in the GIA, if the Transmission Provider’s System Impact Study shows that such a requirement is necessary to ensure safety or reliability.

9.6.2 Voltage Schedules. Once Interconnection Customer has synchronized the Generating Facility with the Transmission System, Transmission Provider and/or Transmission Owner shall require Interconnection Customer to operate the Generating Facility to produce or absorb reactive power within the design limitations of the Generating Facility set forth in Article 9.6.1 (Power Factor Design Criteria). Transmission Owner’s voltage schedules shall treat all sources of reactive power in the Control Area in an equitable and not unduly discriminatory manner. Transmission Owner 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 Generating Facility to maintain the specified output voltage or power factor at the Point of Interconnection within the design limitations of the 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 Transmission Owner.

9.6.2.1 Governors and Regulators. Whenever the Generating Facility is operated in parallel with the Transmission System and the speed governors (if installed on the generating unit pursuant to Good Utility Practice) and voltage regulators are capable of operation, Interconnection Customer shall operate the Generating Facility with its speed governors and voltage regulators in automatic operation. If the Generating Facility's speed governors and voltage regulators are not capable of such automatic operation, the Interconnection Customer shall immediately notify Transmission Owner’s system operator, or its designated representative, and ensure that such Generating Facility's reactive power production or absorption (measured in Mvars) are within the design capability of the Generating Facility's generating unit(s) and steady state stability limits. Interconnection Customer shall not cause its Generating Facility to disconnect automatically or instantaneously from the Transmission System or trip any generating unit comprising the Generating Facility for an under or over frequency condition in accordance with Good Utility Practice and Applicable Reliability Standards.

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 Generating Facility when Transmission Owner requests Interconnection Customer to operate its Generating Facility outside the range specified in Article 9.6.1. Payments shall be pursuant to Article 11.86 or such other agreement to which the Parties have otherwise agreed; provided
however, to the extent the Tariff contains a provision providing for such compensation, that Tariff provision shall control.

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 all 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 Parties 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 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 another 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 Parties, 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 and/or Transmission Owner may require Interconnection Customer to interrupt or reduce deliveries of electricity if such delivery of electricity could adversely affect Transmission Provider’s and/or Transmission Owner’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 or Transmission Owner 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 or Transmission Owner shall notify Interconnection Customer in advance regarding the timing of such scheduling and further notify Interconnection Customer of the expected duration. Transmission Provider or Transmission Owner 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 Owner;

9.7.2.5 The Parties shall cooperate and coordinate with each other to the extent necessary in order to restore the 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 Generating Facility as required by the Applicable Reliability Council to ensure "ride through" capability of the Transmission System. 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 Generating Facility or Interconnection Customer's Interconnection Facilities. Transmission Owner shall install at Interconnection Customer's expense any System Protection Facilities that may be required on Transmission Owner’s Interconnection Facilities or the Transmission System as a result of the interconnection of the Generating Facility and the 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
Generating Facility to any short circuit occurring on the Transmission System not otherwise isolated by Transmission Owner’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 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 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 Generating Facility and Interconnection Customer's other equipment if conditions on the Transmission System could adversely affect the Generating Facility.

9.7.6 Power Quality. No 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 Parties 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 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 Owner’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 Owner, 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 Owner, 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 Generating Facility or the 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 Owner Obligations.** Transmission Owner shall maintain the Transmission System and Transmission Owner’s Interconnection Facilities in a safe and reliable manner and in accordance with this GIA.

10.2 **Interconnection Customer Obligations.** Interconnection Customer shall maintain the Generating Facility and Interconnection Customer's Interconnection Facilities in a safe and reliable manner and in accordance with this GIA.

10.3 **Coordination.** The Parties shall confer regularly to coordinate the planning, scheduling and performance of preventive and corrective maintenance on the Generating Facility and the Interconnection Facilities.

10.4 **Secondary Systems.** Each Party shall cooperate with the others 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 another Party. Each Party shall provide advance notice to the other Parties 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 Owner’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’s Interconnection Facilities described in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades, at its sole expense.

11.2 **Generating Facility.** Interconnection Customer shall install the Generating Facilities described in Appendix C within three (3) years of the Commercial Operation Date(s) specified in Appendix B.

11.32 **Transmission Owner’s Interconnection Facilities.** Transmission Owner shall design, procure, construct, install, own and/or control the Transmission Owner’s Interconnection Facilities described in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades, at the sole expense of the Interconnection Customer.

11.43 **Network Upgrades and Distribution Upgrades.** All Network Upgrades and Distribution Upgrades described in Appendix A shall be constructed in accordance with the process set forth in Section VI of Attachment O. 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 that are associated with that Transmission Owner’s system. The Distribution Upgrades and Network Upgrades described in Appendix A shall be solely funded by Interconnection Customer unless Transmission Owner elects to fund the capital for the Distribution Upgrades or Network Upgrades.

11.4.1 **Agreement to Fund Shared Network Upgrades.** Interconnection Customer agrees to fund Shared Network Upgrades, as determined by Transmission Provider. Where applicable, payments to fund Shared Network Upgrade(s) that are made to Transmission Provider by Interconnection Customer will be disbursed by Transmission Provider to the appropriate entities that are constructing the Shared Network Upgrades in accordance with Attachment O of the Tariff. In the event that Interconnection Customer fails to meet its obligation to fund Shared Network Upgrades, Transmission Owner and Transmission Provider shall not be responsible for the Interconnection Customer’s funding obligation.

11.4.2 **Contingencies Affecting Network Upgrades, System Protection Facilities and Distribution Upgrades.** Network Upgrades, System Protection Facilities and Distribution Upgrades that are required to accommodate the Generating Facility may be modified because (a) a higher queued Interconnection Request withdrew or was deemed to have withdrawn, (b) the GIA associated with a higher queued Interconnection Request was terminated, (c) changes occur in equipment design standards or reliability criteria giving rise to the need for restudy, or (d) in accordance with Article 11.6.2, a lower queued interconnection customer has elected to move its queue priority ahead of the Interconnection Customer. The higher queued Interconnection Requests that could impact the Network Upgrades, System Protection Facilities and Distribution Upgrades required to accommodate the Generating Facility, and possible
modifications that may result from the above listed events affecting the higher queued Interconnection Requests, to the extent such modifications are reasonably known and can be determined, and estimates of the costs associated with such required Network Upgrades, System Protection Facilities and Distribution Upgrades, shall be provided in Appendix A.

11.4.3 Agreement to Restudy. The Interconnection Customer agrees to allow the Transmission Provider to perform a restudy in accordance with Sections 8.8 and 8.13 of the GIP if the Transmission Provider determines a restudy is required because one or more of the contingencies in Article 11.4.2 occurred. If a restudy is required, the Transmission Provider shall provide notice to Interconnection Customer. The Parties agree to amend Appendix A to this GIA in accordance with Article 30.10 to reflect the results of the restudy.

11.54 Transmission Credits.

11.54.1 Credits for Amounts Advanced for Network Upgrades. Interconnection Customer shall be entitled to credits in accordance with Attachment Z2 of the Tariff for any 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.

11.54.2 Special Provisions for Affected Systems. Unless Transmission Provider provides, under the GIA, 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.

11.54.3 Notwithstanding any other provision of this GIA, 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 transmission credits for transmission service that is not associated with the Generating Facility.

11.6 Initial Payment.

Interconnection Customer shall make an initial payment ("Initial Payment") equal to the greater of a) twenty (20) percent of the total cost of Network Upgrades, Shared Network Upgrades, Transmission Owner Interconnection Facilities and/or Distribution Upgrades listed in Appendix A or b) $4,000/MW of the size of the Generating Facility. Any remaining milestone deposits provided in Section 8.2 and Section 8.9 of the GIP will be
applied to this requirement. The Initial Payment shall be provided to Transmission
Owner or Transmission Provider as required in Appendix B by Interconnection Customer
pursuant to this Article 11.6 within the later of a) thirty (30) days of the execution of the
GIA by all Parties, or b) thirty (30) days of acceptance by FERC if the GIA is filed
unexecuted and the payment is being protested by Interconnection Customer, or c) thirty
(30) days of the filing if the GIA is filed unexecuted and the Initial Payment is not being
protested by Interconnection Customer. The Interconnection Customer may agree to
make this Initial Payment non-refundable in accordance with Article 11.6.2. If this GIA
is terminated, then the Initial Payment shall be refunded to the Interconnection Customer
less:

a. any costs that have been incurred for the construction of the facilities
   specified in Appendix A;

b. any funds necessary for the construction of those Shared Network
   Upgrades, or Network Upgrades, that would be assigned to another
   interconnection customer where such upgrade costs would not have been
   assigned but for the termination of the GIA; and

c. any costs that have been incurred for the construction of those Shared
   Network Upgrades, or Network Upgrades, that are no longer required due
to the termination of the GIA that were paid for by another interconnection
customer.

11.6.1 If the Interconnection Customer has stated its intent to use the existing
interconnection capacity of the Transmission System in order to achieve
its Commercial Operation Date, the Interconnection Customer will
provide the greater of a) one hundred (100) percent of the total cost of
Network Upgrades, Shared Network Upgrades, Transmission Owner
Interconnection Facilities and/or Distribution Upgrades listed in Appendix
A or b) $4,000/MW of the size of the Generating Facility. The milestone
deposits provided in Section 8.2 and Section 8.9 of the GIP will be applied
to this requirement. The initial payment shall be provided to Transmission
Owner or Transmission Provider as required in Appendix B by Interconnection Customer pursuant to this Article 11.6 within the later of a) thirty (30) days of the execution of the GIA by all Parties, or b) thirty (30) days of acceptance by FERC if the GIA is filed unexecuted and the payment is being protested by Interconnection Customer, or c) thirty (30) days of the filing if the GIA is filed unexecuted and the initial payment is not being protested by Interconnection Customer. This payment is not refundable upon termination of the GIA unless the higher queued interconnection customer chooses to retain its current scope of Network Upgrades by agreeing to make its initial payment non-refundable in accordance with this GIA. These funds will be applied to the Network Upgrades assigned to the Interconnection Customer.

11.6.2 If another interconnection customer has notified the Transmission
Provider in writing of its intent to use the existing interconnection capacity
of the Transmission System in accordance with its GIA, the Interconnection Customer shall be subject to a restudy in accordance with Article 11.4.2(d) to determine the new scope of Network Upgrades unless the Interconnection Customer notifies the Transmission Provider within 30 Calendar Days of the notice from Transmission Provider of its intent to retain the Network Upgrades listed in Appendix A and agrees to make its Initial Payment in Article 11.6 non-refundable and authorizes engineering, procurement, and construction of those Network Upgrades in accordance with Article 5.5 and Article 5.6. Upon receipt of this authorization, the applicable dates in Appendix B shall be revised by the Parties. The Interconnection Customer continues to be subject to restudy conditions in Article 11.4.2(a-c).

11.75 Provision of Security. At least thirty (30) Calendar Days prior to the commencement of the procurement, installation, or construction of a discrete portion of Interconnection Facilities, Network Upgrades, or Distribution Upgrades as defined in Appendix A of this GIA, 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 Interconnection Facilities, Network Upgrades, or Distribution Upgrades as defined in Appendix A of this GIA and shall be reduced on a dollar-for-dollar basis for payments made to Transmission Provider or Transmission Owner for these purposes. If Interconnection Customer requests suspension pursuant to Article 5.16, Interconnection Customer may be required to provide Transmission Provider security in the form described above for its allocated share of Network Upgrade(s) costs as calculated pursuant to Section 4.2.5 of the GIP and defined in Appendix A of this GIA.

In addition:

11.75.1 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.

11.75.2 The letter of credit must be issued by a financial institution reasonably acceptable to Transmission Provider and must specify a reasonable expiration date.

11.75.3 The surety bond must be issued by an insurer reasonably acceptable to Transmission Provider and must specify a reasonable expiration date.

11.86 Interconnection Customer Compensation. If Transmission Provider or Transmission Owner 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 GIA, 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 the Tariff. Interconnection Customer shall serve Transmission Provider 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 GIA, 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.

11.86.1 Interconnection Customer Compensation for Actions During Emergency Condition. Transmission Provider 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 11.86.

12. Article 12. Invoice

The terms of this Article 12 apply to billing between the Parties for construction and operation and maintenance charges. All other billing will be handled according to the Tariff.

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 GIA, 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 completion of the construction of Interconnection Facilities and the Network Upgrades, the Interconnection Customer shall receive an invoice of the final cost due under this GIA, including any applicable cost due to termination, which 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. Interconnection Customer shall receive a refund of 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 GIA.
12.4 Disputes. In the event of a billing dispute between the Parties, Transmission Owner, and Transmission Provider shall continue to provide Interconnection Service under this GIA as long as Interconnection Customer: (i) continues to make all payments not in dispute; and (ii) pays to Transmission Owner 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 Owner 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 C.F.R. § 35.19a(a)(2)(iii).

Article 13. Emergencies

13.1 Definition. “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 the Transmission System, or the electric systems of others to which the Transmission Provider's Transmission System is directly connected; or (3) that, in the case of Transmission Owner, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, Transmission Owner’s Interconnection Facilities; or (4) 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 Generator Interconnection Agreement to possess black start capability.

13.2 Obligations. Each Party shall comply with the Emergency Condition procedures of NERC, the Applicable Reliability Council, Transmission Provider, Applicable Laws and Regulations, and any emergency procedures agreed to by the Joint Operating Committee.

13.3 Notice. Transmission Provider or Transmission Owner shall notify Interconnection Customer promptly when it becomes aware of an Emergency Condition that affects Transmission Owner’s Interconnection Facilities or the Transmission System that may reasonably be expected to affect Interconnection Customer's operation of the Generating Facility or Interconnection Customer's Interconnection Facilities. Interconnection Customer shall notify Transmission Provider and Transmission Owner promptly when it becomes aware of an Emergency Condition that affects the Generating Facility or Interconnection Customer's Interconnection Facilities that may reasonably be expected to affect the Transmission System or Transmission Owner’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 Owner’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 Owner, such consent to not be unreasonably withheld, prior to performing any manual switching operations at the Generating Facility or Interconnection Customer's Interconnection Facilities in response to an Emergency Condition either declared by Transmission Provider or Transmission Owner or otherwise regarding the Transmission System.

13.5 **Transmission Provider and Transmission Owner Authority.**

13.5.1 **General.** Transmission Provider and/or Transmission Owner may take whatever actions or inactions with regard to the Transmission System or Transmission Owner’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 Owner’s Interconnection Facilities, (iii) limit or prevent damage, and (iv) expedite restoration of service.

Transmission Provider and Transmission Owner shall use Reasonable Efforts to minimize the effect of such actions or inactions on the Generating Facility or Interconnection Customer's Interconnection Facilities. Transmission Provider and/or Transmission Owner may, on the basis of technical considerations, require the 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 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 Generating Facility and Interconnection Customer's Interconnection Facilities. Interconnection Customer shall comply with all of Transmission Provider's and Transmission Owner’s operating instructions concerning Generating Facility real power and reactive power output within the manufacturer's design limitations of the 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 and/or Transmission Owner may reduce Interconnection Service or disconnect the 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 and/or Transmission Owner can schedule the reduction or disconnection in advance, Transmission Provider and/or Transmission Owner shall notify Interconnection Customer of the reasons, timing and expected duration of the reduction or disconnection. Transmission Provider and/or Transmission Owner shall coordinate with Interconnection Customer using Good Utility Practice to schedule the reduction or disconnection during periods of least
impact to Interconnection Customer, Transmission Provider and/or Transmission Owner. 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 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 GIA and the GIP, Interconnection Customer may take actions or inactions with regard to the 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 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 Owner’s Interconnection Facilities. Transmission Provider and/or Transmission Owner shall use Reasonable Efforts to assist Interconnection Customer in such actions.

13.7 **Limited Liability.** Except as otherwise provided in Article 11.68.1 of this GIA, no Party shall be liable to the other Parties 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 GIA 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 GIA 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 2005, or the Public Utility Regulatory Policies Act of 1978 as amended by the 2005 Energy Policy Act.

14.2 **Governing Law.**

14.2.1 The validity, interpretation and performance of this GIA 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 GIA 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 GIA, any notice, demand or request required or permitted to be given by any Party to another and any instrument required or permitted to be tendered or delivered by any Party in writing to another 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.

Any Party may change the notice information in this GIA 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 any Party to another 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 Parties 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 No 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 Parties 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 GIA or the result of an act or omission of another 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 GIA 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 GIA, 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 GIA.

Article 18. Indemnity, Consequential Damages and Insurance

18.1 Indemnity. The Parties shall at all times indemnify, defend, and hold the other Parties 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 Parties’ action or inactions of its obligations under this GIA 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 any Party be liable to any other Party under any provision of this GIA 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 any Party may be liable to another Party under another agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

18.3 **Insurance.** Interconnection Customer and Transmission Owner shall at their own expense, maintain in force throughout the period of this GIA, and until released by all other Parties, 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. The minimum limits for the Employers' Liability insurance shall be One Million Dollars ($1,000,000) each accident
bodily injury by accident, One Million Dollars ($1,000,000) each employee
bodily injury by disease, and One Million Dollars ($1,000,000) policy limit bodily
injury by disease.

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 (if applicable), independent contractors coverage, coverage
for pollution (if exposure is present) and punitive or exemplary damages, with
minimum limits of One Million Dollars ($1,000,000) each occurrence/Two
Million Dollars ($2,000,000) general aggregate and Two Million Dollars
($2,000,000) products and completed operations 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 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)
each occurrence/Twenty Million Dollars ($20,000,000) general 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 GIA 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 GIA, which coverage may be in the form of tail coverage or extended reporting period coverage if agreed to by all Parties.

18.3.8 The requirements contained herein as to the types and limits of all insurance to be maintained by the Interconnection Customer and Transmission Owner are not intended to and shall not in any manner, limit or qualify the liabilities and obligations assumed by the Parties under this Agreement.

18.3.9 Within ten (10) days following execution of this GIA, 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, Interconnection Customer and Transmission Owner shall provide certification of all insurance required in this GIA, executed by each insurer or by an authorized representative of each insurer to the Other Party Group.

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 GIA.

Article 19. Assignment

19.1 Assignment. This GIA may be assigned by any Party only with the written consent of the other Parties; provided that any Party may assign this GIA without the consent of the other Parties 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 GIA; and provided further that Interconnection Customer shall have the right to assign this GIA, without the consent of Transmission Provider or Transmission Owner, for collateral security purposes to aid in providing financing for the Generating Facility, provided that Interconnection Customer will promptly notify Transmission Provider and Transmission Owner of any such assignment. Any financing arrangement entered into by the 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 and Transmission Owner 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 11.75 and 18.3. Any attempted assignment that violates this article is void and ineffective. Any assignment under this GIA 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 GIA 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 GIA; provided that if Interconnection Customer (or any third party, but only if such third party is not acting at the direction of Transmission Owner) seeks and obtains such a final determination with respect to any provision of the Negotiated Option (Article 5.1.3), 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 any of the Parties to another prior to the execution of this GIA.

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 any Party, a 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 GIA, and for a period of three (3) years after the expiration or termination of this GIA, 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 GIA; or (6) is required, in accordance with Article 22.1.7 of the GIA, 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 GIA. 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.** No 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 GIA, 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 another other Party. The disclosure by any Party to another Party of Confidential Information shall not be deemed a waiver by the disclosing 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, no Party makes any warranties or representations as to its accuracy or completeness. In addition, by supplying Confidential Information, no Party obligates itself to provide any particular information or Confidential Information to another 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 another Party under this GIA or its regulatory requirements.
22.1.7 Order of Disclosure. If a court or a Governmental Authority or entity with the right, power, and apparent authority to do so requests or requires a 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 Parties with prompt notice of such request(s) or requirement(s) so that the other Parties may seek an appropriate protective order or waive compliance with the terms of this GIA. 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 GIA for any reason, each Party shall, within ten (10) Calendar Days of receipt of a written request from another 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. In the instance where Transmission Owner is a Federal Power Agency, as specified in the opening paragraph of this Agreement, then this Section 22.1.9 shall not apply to Transmission Owner. The Parties agree that monetary damages would be inadequate to compensate a Party for another Party's Breach of its obligations under this Article 22. Each Party accordingly agrees that the other Parties 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 C.F.R. 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 GIA, 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 C.F.R. 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 another Party to this GIA
prior to the release of the Confidential Information to FERC or its staff. The Party shall notify the other Parties to the GIA when it is notified by FERC or its staff that a request to release Confidential Information has been received by FERC, at which time any of the Parties may respond before such information would be made public, pursuant to 18 C.F.R. § 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 GIA ("Confidential Information") shall not be disclosed by another 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 GIA 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.

22.1.12 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).

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 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.

Article 25. Information Access and Audit Rights

25.1 Information Access. Each Party (the "disclosing Party") shall make available to the other Parties information that is in the possession of the disclosing Party and is necessary in order for the other Parties to: (i) verify the costs incurred by the disclosing Party for which the other Parties are responsible under this GIA; and (ii) carry out its obligations and responsibilities under this GIA. 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 GIA.

25.2 Reporting of Non-Force Majeure Events. Each Party (the "notifying Party") shall notify the other Parties when the notifying Party becomes aware of its inability to comply with the provisions of this GIA 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 Parties receiving such notification to allege a cause for anticipatory breach of this GIA.

25.3 Audit Rights. Subject to the requirements of confidentiality under Article 22 of this GIA, each Party shall have the right, during normal business hours, and upon prior reasonable notice to another Party, to audit at its own expense that other Party's accounts and records pertaining to either Party's performance or either Party's satisfaction of obligations under this GIA. 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 GIA. 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 Owner’s Interconnection Facilities, and Network Upgrades shall be subject to audit for a period of twenty-four months following Transmission Owner’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 any Party's performance or satisfaction of all obligations under this GIA 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 GIA shall prevent a Party from utilizing the services of any subcontractor as it deems appropriate to perform its obligations under this GIA; provided, however, that each Party shall require its subcontractors to comply with all applicable terms and conditions of this GIA in providing such services and each Party shall remain primarily liable to the other Parties 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 GIA. The hiring Party shall be fully responsible to the other Parties 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 Owner 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 GIA. Any applicable obligation imposed by this GIA 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 any Party has a dispute, or asserts a claim, that arises out of or in connection with this GIA or its performance, the Parties agree to resolve such dispute using the dispute resolution procedures of the Tariff.

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 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 GIA 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 GIA.

28.1.2 Authority. Such Party has the right, power and authority to enter into this GIA, to become a Party hereto and to perform its obligations hereunder. This GIA 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 GIA 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 GIA 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 GIA, and it will provide to any Governmental Authority notice of any actions under this GIA that are required by Applicable Laws and Regulations.

Article 29. Joint Operating Committee

29.1 Joint Operating Committee. At least six (6) months prior to the expected Initial Synchronization Date, Interconnection Customer, Transmission Owner and Transmission Provider shall each appoint one representative and one alternate to the Joint Operating Committee. Each Party shall notify the other Parties 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 any 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 GIA. All Parties 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 Owner’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 Generating Facility and other facilities that impact the normal operation of the interconnection of the 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 GIA 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 GIA and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this GIA shall prevail and be deemed the final intent of the Parties.

30.3 Rules of Interpretation. This GIA, 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 GIA, 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 GIA), 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 GIA or such Appendix to this GIA, or such Section to the GIP or such Appendix to the GIP, as the case may be; (6) "hereunder", "hereof", "herein", "hereto" and words of similar import shall be deemed references to this GIA 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 GIA, including all Appendices and Schedules attached hereto, constitutes the entire agreement among the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, among the Parties with respect to the subject matter of this GIA. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, a Party's compliance with its obligations under this GIA.

30.5 **No Third Party Beneficiaries.** This GIA 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 GIA to insist, on any occasion, upon strict performance of any provision of this GIA will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

Any waiver at any time by a Party of its rights with respect to this GIA 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 GIA. Termination or Default of this GIA 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 GIA shall, if requested, be provided in writing.

30.7 **Headings.** The descriptive headings of the various Articles of this GIA have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this GIA.

30.8 **Multiple Counterparts.** This GIA may be executed in three 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 GIA by a written instrument duly executed by each of the Parties.

30.10 **Modification by the Parties.** The Parties may by mutual agreement amend the Appendices to this GIA by a written instrument duly executed by the Parties.
amendment shall become effective and a part of this GIA 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 GIA 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 GIA 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 another Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this GIA 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 GIA shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership among the Parties or to impose any partnership obligation or partnership liability upon any Party. No 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, another Party.
IN WITNESS WHEREOF, the Parties have executed this GIA in triplicate originals, each of which shall constitute and be an original effective Agreement among the Parties.

SOUTHWEST POWER POOL, INC.

By: __________________________
Title: __________________________
Date: __________________________

[Insert name of Transmission Owner]

By: __________________________
Title: __________________________
Date: __________________________

[Insert name of Interconnection Customer]

By: __________________________
Title: __________________________
Date: __________________________
APPENDIX A TO GIA

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]:

   (b) [insert Shared Network Upgrades]:

   (c) [insert Previous Network Upgrades]:

3. Distribution Upgrades:

4. Interconnection Service:
   
   Interconnection Customer has requested the following (from Appendix 1 of the GIP):
   
   ____ Energy Resource Interconnection Service
   ____ Network Resource Interconnection Service

5. Construction Option Selected by Customer

6. Permits, Licenses, and Authorizations

7. Description of the Point of Change of Ownership

8. Description of the Point of Interconnection

9. Higher-Queued Interconnection Customers
APPENDIX B TO GIA

Milestones
APPENDIX C TO GIA

Interconnection Details

1. Description of Generating Facility:

Wind Generating Facility Output Reduction

To protect the reliability of the Transmission System, a Generating Facility that is a wind plant shall be capable of reducing its generation output in increments of no more than fifty (50) MW in five (5) minute intervals. The requirements may be met by using: (a) SCADA control of circuit breakers protecting wind farm collector distribution circuits, (b) automatic control of wind turbine power output, or (c) a combination of (a) and (b).
APPENDIX D TO GIA

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 GIA

Commercial Operation Date

[Date]

Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936

[Transmission Owner Address]

Re: __________ 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 Generating Facility, effective as of [Date plus one day].

Thank you.

[Signature]

[Interconnection Customer Representative]
APPENDIX F TO GIA

ADDRESSES FOR DELIVERY OF NOTICES AND BILLINGS

Notices:

Transmission Provider:

____________________________, __________________________
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936

Transmission Owner:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

Billings and Payments: [Specify addresses for construction invoices, O&M invoices and settlement of ancillary services]

Transmission Provider:

____________________________, __________________________
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936

Transmission Owner:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

Alternative Forms of Delivery of Notices (telephone, facsimile or email):

Transmission Provider:

____________________________, __________________________
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936
Phone: _______________________
Facsimile: 501-482-2022

Transmission Owner:
[To be supplied.]

Interconnection Customer:
[To be supplied.]

**Operational Communications:** [Identify contacts for operations]

Transmission Provider:

__________________  ______________________
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936
Phone: ______________________
Facsimile: 501-482-2022

Transmission Owner:
[To be supplied.]

Interconnection Customer:
[To be supplied.]
APPENDIX G TO GIA

REQUIREMENTS OF GENERATORS RELYING ON NEWER TECHNOLOGIES

Appendix G sets forth requirements and provisions specific to a wind generating plant. All other requirements of this GIA 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 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 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 Transmission System 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 Transmission System 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)

A wind generating plant 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 GIA, 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 7 TO GIP

INTERCONNECTION PROCEDURES FOR A WIND GENERATING PLANT

Appendix 7 sets forth procedures specific to a wind generating plant. All other requirements of this GIP 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 3.3 of this GIP, 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 GIP.

Before returning either the Preliminary Interconnection System Impact Study Agreement or the Definitive Interconnection System Impact Study Agreement, 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.
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INTERIM GENERATOR INTERCONNECTION AGREEMENT

THIS INTERIM GENERATOR INTERCONNECTION AGREEMENT ("Agreement" or "Interim GIA") is made and entered into this ___ day of ___________ , by and among ___________________, a ____________ organized and existing under the laws of the State/Commonwealth of _________ ("Interconnection Customer" with a Generating Facility), Southwest Power Pool, Inc., a corporation organized and existing under the laws of the State of Arkansas ("Transmission Provider") and ___________________, a ____________ organized and existing under the laws of the State/Commonwealth of ___________ ("Transmission Owner"). Interconnection Customer, Transmission Provider and Transmission Owner each may be referred to as a "Party" or collectively as the "Parties."

Recitals

WHEREAS, Transmission Provider functionally controls the operation of the Transmission System; and,

WHEREAS, Interconnection Customer intends to own, lease and/or control and operate the Generating Facility identified as a Generating Facility in Appendix C to this Agreement; and,

WHEREAS, Transmission Owner owns facilities to which the Generating Facility is to be interconnected and may be constructing facilities to allow the interconnection; and,

WHEREAS, Transmission Provider has posted on its website a Definitive Interconnection System Impact Study that included the Interconnection Customer’s Generating Facility and has conducted an additional analysis to determine the availability of Interim Interconnection Service at the time of the Interconnection Customer’s requested In-Service Date and Commercial Operation Date with the Transmission System topology and in-service generation expected to be in place at that time; and,

WHEREAS, Interconnection Customer, in accordance with Section 11A.2.1 of the Generator Interconnection Procedures ("GIP"), has provided Transmission Provider with reasonable evidence of Site Control or additional security and with reasonable evidence that one or more of the milestones listed in Section 11A.2.1 has been achieved; and

WHEREAS, Interconnection Customer, Transmission Provider and Transmission Owner have agreed to enter into this Agreement for the purpose of interconnecting the Generating Facility with the Transmission System on an interim basis prior to the completion of the generator interconnection study process set forth in the GIP and execution of a Generator Interconnection Agreement;
NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein, it is agreed:

When used in this Interim GIA, 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 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 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.

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

Breaching Party shall mean a Party that is in Breach of the Interim 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 is studied together, instead of serially, for the purpose of conducting Interconnection Studies.

**Commercial Operation** shall mean the status of a 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 commences Commercial Operation as agreed to by the Parties pursuant to Appendix E to the Interim 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.

**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 Reliability Council.

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

**Definitive Interconnection System Impact Study** shall mean an engineering study that evaluates the impact of the proposed interconnection on the safety and reliability of 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 a Preliminary Interconnection System Impact Study or that may be caused by the withdrawal or addition of an Interconnection Request, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Generator Interconnection Procedures.

**Definitive Interconnection System Impact Study Agreement** shall mean the form of agreement contained in Appendix 3A of the Generator Interconnection Procedures for conducting the Definitive Interconnection System Impact Study.

**Definitive Interconnection System Impact Study Queue** shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for a Definitive Interconnection System Impact Study.
Dispute Resolution shall mean the procedure in Section 12 of the Tariff 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 Owner’s facilities and equipment that are not included in the Transmission System. The voltage levels at which Distribution Systems operate differ among areas.

Distribution Upgrades shall mean the additions, modifications, and upgrades to the 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 Interim 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 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 or the electric systems of others to which the Transmission System is directly connected; or (3) that, in the case of Transmission Owner, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to Transmission Owner’s Interconnection Facilities; or (4) 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 Interim Generator Interconnection Agreement to possess black start capability.

Energy Resource Interim Interconnection Service shall mean an Interim Interconnection Service that allows the Interconnection Customer to connect its Generating Facility to the Transmission System to be eligible to deliver the Generating Facility's electric output using the existing firm or nonfirm capacity of the 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 Owner 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.

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 of electricity identified in the Interconnection Request, but shall not include the Interconnection Customer's Interconnection Facilities.

Generating Facility Capacity shall mean the net capacity of the Generating Facility and the aggregate net capacity of the Generating Facility where it includes multiple energy production devices.

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

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

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, Transmission Owner 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.

**Higher Queued Projects** shall mean those projects specifically identified as “Higher Queued Projects” in Appendix A.

**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 Owner's Interconnection Facilities to obtain back feed power.

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

**Interconnection Customer’s Interconnection Facilities** shall mean all facilities and equipment, as identified in Appendix A of the Interim 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 System. Interconnection Customer’s Interconnection Facilities are sole use facilities.

**Interconnection Facilities** shall mean the Transmission Owner'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 System. Interconnection Facilities are sole use facilities and shall not include Distribution Upgrades, Stand Alone Network Upgrades or Network Upgrades.

**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 Owner's Interconnection Facilities and Network Upgrades as identified in the Definitive Interconnection System Impact Study), the cost of those facilities, and the time required to interconnect the Generating Facility with the Transmission System. The scope of the study is defined in Section 8 of the Generator Interconnection Procedures.

**Interconnection Facilities Study Agreement** shall mean the form of agreement contained in Appendix 4 of the Generator Interconnection Procedures for conducting the Interconnection Facilities Study.

**Interconnection Facilities Study Queue** shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for an 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 System, the scope of which is described in Section 6 of the Generator Interconnection Procedures.

**Interconnection Feasibility Study Agreement** shall mean the form of agreement contained in Appendix 2 of the Generator Interconnection Procedures for conducting the Interconnection Feasibility Study.

**Interconnection Feasibility Study Queue** shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for an Interconnection Feasibility Study.

**Interconnection Queue Position** shall mean the order of a valid Interconnection Request within the Interconnection Facilities Study Queue, relative to all other pending valid Interconnection Requests within the Interconnection Facilities Study Queue, which is established based upon the requirements in Section 4.1.3 of the Generator Interconnection Procedures.

**Interconnection Request** shall mean an Interconnection Customer's request, in the form of Appendix 1 to the 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 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 Generator Interconnection Agreement and, if applicable, the Tariff.

**Interconnection Study** shall mean any of the following studies: the Interconnection Feasibility Study, the Preliminary Interconnection System Impact Study, the Definitive Interconnection System Impact Study, the Interim Availability Interconnection System Impact Study, and the Interconnection Facilities Study described in the Generator Interconnection Procedures.

**Interconnection Study Agreement** shall mean any of the following agreements: the Interconnection Feasibility Study Agreement, the Preliminary Interconnection System Impact Study Agreement, the Definitive Interconnection System Impact Study Agreement, the Interim Availability Interconnection System Impact Study Agreement, and the Interconnection Facilities Study Agreement described in the Generator Interconnection Procedures.

**Interim Availability Interconnection System Impact Study** shall mean an engineering study that evaluates the impact of the proposed interconnection on the safety and reliability of the Transmission System and, if applicable, an Affected System for the purpose of providing Interim Interconnection Service. The study shall identify and detail the system impacts that
would result if the Generating Facility were interconnected without project modifications or system modifications on an interim basis.

**Interim Availability Interconnection System Impact Study Agreement** shall mean the form of agreement contained in Appendix 5 of the Generator Interconnection Procedures for conducting the Interim Availability Interconnection System Impact Study.

**Interim Generator Interconnection Agreement (Interim GIA)** shall mean the form of interconnection agreement applicable to an Interconnection Request pertaining to a Generating Facility to allow interconnection to the Transmission System prior to the completion of the Interconnection Study process.

**Interim 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 Interim Generator Interconnection Agreement and, if applicable, the Tariff.

**IRS** shall mean the Internal Revenue Service.

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

**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 another Party's performance, or non-performance of its obligations under the Interim 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 those modifications that have a material impact on the cost or timing of any Interconnection Request with a later Queue priority date.

**Metering Equipment** shall mean all metering equipment installed or to be installed at the Generating Facility pursuant to the Interim 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 Corporation 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 Interim Interconnection Service** shall mean an Interim Interconnection Service that allows the Interconnection Customer to integrate its Generating Facility with the Transmission System in a manner comparable to that in which the Transmission Owner integrates its generating facilities to serve Native Load Customers as a Network Resource. Network Resource Interim Interconnection Service in and of itself does not convey transmission service.

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

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

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

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

**Point of Interconnection** shall mean the point, as set forth in Appendix A to the Interim Generator Interconnection Agreement, where the Interconnection Facilities connect to the Transmission System.

**Preliminary Interconnection System Impact Study** shall mean an engineering study that evaluates the impact of the proposed interconnection on the safety and reliability of 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 an Interconnection Feasibility Study or that may be caused by an Interconnection Request, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Generator Interconnection Procedures.

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

**Preliminary Interconnection System Impact Study Queue** shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for a Preliminary Interconnection System Impact Study.

**Previous Network Upgrade** shall mean a Network Upgrade that is needed for the interconnection of one or more Interconnection Customers’ Generating Facilities, but is not the
cost responsibility of the Interconnection Customer, subject to restudy, and which is identified in Appendix A of the Generator Interconnection Agreement.

**Queue** shall mean the Interconnection Feasibility Study Queue, the Preliminary Interconnection System Impact Study Queue, or the Definitive Interconnection System Impact Study Queue, or the Interconnection Facilities Study Queue, as applicable.

**Queue Position** shall mean the order of a valid Interconnection Request within the Interconnection Feasibility Study Queue, relative to all other pending valid Interconnection Requests within the Interconnection Feasibility Study Queue, the order of a valid Interconnection Request within the Preliminary Interconnection System Impact Study Queue, relative to all other pending valid Interconnection Requests within the Preliminary Interconnection System Impact Study Queue, or the order of a valid Interconnection Request within the Definitive Interconnection System Impact Study Queue, relative to all other pending valid Interconnection Requests within the Definitive Interconnection System Impact Study Queue, as applicable, that is established based upon the date and time of receipt of the valid Interconnection Request and the date and time of receipt of other information specified under Section 4.1 of this GIP, as applicable, by the Transmission Provider.

**Reasonable Efforts** shall mean, with respect to an action required to be attempted or taken by a Party under the Interim 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.

**Scoping Meeting** shall mean the meeting between representatives of the Interconnection Customer, Transmission Owner 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.

**Shared Network Upgrade** shall mean a Network Upgrade listed in Appendix A of the Generator Interconnection Agreement that is needed for the interconnection of multiple Interconnection Customers’ Generating Facilities and which is the shared funding responsibility of such Interconnection Customers that may also benefit other Interconnection Customer(s) that are later identified as beneficiaries.

**Site Control** shall mean documentation reasonably demonstrating: (1) ownership of, a leasehold interest in, or a right to develop a site of sufficient size for the purpose of constructing the Generating Facility; (2) an option to purchase or acquire a leasehold site of sufficient size 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 of sufficient size for such purpose.

**Small Generating Facility** shall mean a Generating Facility that has an aggregate net Generating Facility Capacity of no more than 2 MW.
**Stand Alone Network Upgrades** shall mean Network Upgrades that an Interconnection Customer may construct without affecting day-to-day operations of the Transmission System during their construction. The Transmission Provider, Transmission Owner and the Interconnection Customer must agree as to what constitutes Stand Alone Network Upgrades and identify them in Appendix A to the Interim Generator Interconnection Agreement.

**System Protection Facilities** shall mean the equipment, including necessary protection signal communications equipment, required to protect (1) the 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 System or on other delivery systems or other generating systems to which the 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 Interim 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 Owner's Interconnection Facilities** shall mean all facilities and equipment owned, controlled or operated by the Transmission Owner from the Point of Change of Ownership to the Point of Interconnection as identified in Appendix A to the Interim Generator Interconnection Agreement, including any modifications, additions or upgrades to such facilities and equipment. Transmission Owner's Interconnection Facilities are sole use facilities and shall not include Distribution Upgrades Stand Alone Network Upgrades or Network Upgrades.

**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.

**Article 2. Effective Date, Term, and Termination**

2.1 **Effective Date.** This Interim GIA 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 Interim GIA with FERC upon execution in accordance with Article 3.1, if required.

2.2 **Term of Agreement.** This Interim GIA shall remain in effect from its Effective Date until the earliest occurrence of one of the termination events described in Article 2.3.1.

2.3 **Termination Procedures.**

2.3.1 **Termination Events.**

2.3.1.1 This Interim GIA may be terminated by Interconnection Customer after giving Transmission Provider and Transmission Owner ninety (90) Calendar Days advance written notice, or by Transmission Provider notifying FERC after the Generating Facility permanently ceases Commercial Operation.

2.3.1.2 This Interim GIA shall terminate upon occurrence of one or more of the following events:

(a) The Effective Date of a GIA regarding the Generating Facility that is the subject of this Interim GIA that has been accepted by FERC and/or reported in Transmission Provider’s Electric Quarterly Report;

(b) The date of a FERC order rejecting an unexecuted GIA regarding the Generating Facility that is the subject of this Interim GIA;

(c) The date the Interconnection Customer’s Interconnection Request is deemed withdrawn pursuant to the GIP;

(d) The Interconnection Customer’s failure to pay part or all of the required security pursuant to Article 11; or

(e) The Transmission Provider’s determination in accordance with Article 4.2.2, that Interim Interconnection Service to Interconnection Customer and the amount of power that Interconnection Customer is permitted to inject into the Transmission System from its Generating Facility pursuant to this Interim GIA is reduced to zero.

2.3.2 **Default.** Any Party may terminate this Interim GIA 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 Interim GIA, which notice has been accepted for filing by FERC.
2.3.4 Upon termination of this Interim GIA for any reason, Interim Interconnection Service under this Interim GIA shall cease and the provisions of Section 11A.5 of the GIP shall apply.

2.4 Termination Costs.

2.4.1 If this Interim GIA is terminated pursuant to Article 2.3.1.2(a), the cost responsibilities of Interconnection Customer and Transmission Owner pursuant to this Interim GIA will be included in the GIA regarding the Generating Facility that is the subject of this Interim GIA to the extent not satisfied during the term of this Interim GIA.

2.4.2 If this Interim GIA is terminated pursuant to Article 2.3 for any reason except as specified in 2.3.1.2(a), Interconnection Customer and Transmission Owner shall pay all costs incurred (including any cancellation costs relating to orders or contracts for Interconnection Facilities and equipment), and charges assessed by any other Party, as of the date of such Party's receipt of such notice of termination, that are the responsibility of the Terminating Party under this Interim GIA. In the event of termination by any Party, all Parties shall use Commercially Reasonable Efforts to mitigate the costs, damages and charges arising as a consequence of termination. Upon termination of this Interim GIA, unless otherwise ordered or approved by FERC:

2.4.2.1 With respect to any portion of Transmission Owner's Interconnection Facilities that have not yet been constructed or installed, Transmission Owner 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 Owner 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 Owner for any or all such costs of materials or equipment not taken by Interconnection Customer, Transmission Owner shall promptly refund such amounts to Interconnection Customer, less any costs, including penalties incurred by Transmission Owner to cancel any pending orders of or return such materials, equipment, or contracts.

If this Interim GIA is terminated pursuant to Article 2.3 for any reason except as specified in Article 2.3.1.2(a) Interconnection Customer shall be responsible for all costs incurred in association with the 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 Owner
has incurred expenses and has not been reimbursed by Interconnection Customer and shall forfeit the security paid pursuant to Article 11.5 of this Interim GIA up to the total of the costs and expenses listed in this paragraph.

2.4.2.2 Transmission Owner 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 Owner shall be responsible for all costs associated with procuring such materials, equipment, or facilities.

2.4.2.3 With respect to any portion of the Interconnection Facilities, and any other facilities already installed or constructed pursuant to the terms of this Interim GIA, 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 or Limitation of Output. If this Interim GIA is terminated pursuant to Article 2.3 and disconnection or limitation in generation output is required, then the Parties will take all appropriate steps to either disconnect the Generating Facility from the Transmission System or limit the amount of generation output that can be injected into the transmission system pursuant to Section 4.2.2, whichever is applicable. All costs required to effectuate such disconnection or limitation shall be borne by Interconnection Customer, unless such termination resulted from another Party's Default of this Interim GIA, which in such event the defaulting Party shall be responsible for such disconnection costs.

2.6 Survival. Except as provided in this Article 2.6, this Interim GIA 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 Interim GIA; to permit payments for any credits under this Interim GIA; to permit the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this Interim GIA was in effect; and to permit each Party to have access to the lands of another Party pursuant to this Interim GIA 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 Interim GIA (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 Interim GIA, 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 Interim Interconnection Product Options. Interconnection Customer has selected the following (checked) type of Interim Interconnection Service:

4.1.1 Energy Resource Interim Interconnection Service.

4.1.1.1 The Product. Energy Resource Interim Interconnection Service allows Interconnection Customer to connect the Generating Facility to the Transmission System and be eligible to deliver the 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 Interim Interconnection Service for the term of this Interim GIA, unless otherwise specified in Appendix A, Transmission Owner shall construct the facilities listed in Appendix A to this Interim GIA.

4.1.1.2 Transmission Delivery Service Implications. Under Energy Resource Interim Interconnection Service, Interconnection Customer will be eligible to inject power from the Generating Facility into and deliver power across the Transmission System on an "as available" basis. The Interconnection Customer's ability to inject its Generating Facility output beyond the Point of Interconnection, therefore, will depend on the existing capacity of the 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 Interim Interconnection Service.

4.1.2.1 The Product. Transmission Provider must conduct the necessary studies and construct the Network Upgrades needed to integrate the Generating Facility in a manner comparable to that in which Transmission Owner integrates its generating facilities to serve Native Load Customers as all Network Resources. To the extent Interconnection Customer wants to receive Network Resource Interim Interconnection Service for the term of this Interim GIA, Transmission Owner shall construct the facilities identified in Appendix A to this Interim GIA.

4.1.2.2 Transmission Delivery Service Implications. Network Resource Interim Interconnection Service allows Interconnection Customer's Generating Facility to be designated by any Network Customer under the Tariff on the Transmission System as a Network Resource, up to the Generating Facility's full output, on the same basis as existing Network Resources interconnected to the Transmission System, and to be studied as a Network Resource on the assumption that such a designation will occur. Although Network Resource Interim 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 Generating Facility in the same manner as it accesses Network Resources. A Generating Facility receiving Network Resource Interim Interconnection Service may also be used to provide Ancillary Services after technical studies and/or periodic analyses are performed with respect to the 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 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 Interim Interconnection Service does not necessarily provide Interconnection Customer with the capability to physically deliver the output of its Generating Facility to any particular load on the Transmission System without incurring congestion costs. In the event of transmission constraints on the Transmission System, Interconnection Customer's Generating Facility shall be subject to the applicable congestion management procedures in Transmission Provider's Transmission System in the same manner as Network Resources.

The Network Resource Interim Interconnection Service studies are done in accordance with the process set out in Attachment Z1 of the Tariff. To the extent a Network Customer does designate the 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 Interim Interconnection Service, any future transmission service request for delivery from the Generating Facility within the 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 Generating Facility be undertaken, regardless of whether or not such Generating Facility is ever designated by a Network Customer as a Network Resource and regardless of changes in ownership of the 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 Generating Facility outside the 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 Interim Interconnection Service for the Generating Facility at the Point of Interconnection as specified below.

4.2.1 The provision of Interim Interconnection Service and pre-commercial operation testing pursuant to this Interim GIA are contingent upon the Interconnection Facilities, Network Upgrades, Distribution Upgrades, and other necessary facilities listed in the applicable section of Appendix A to this Interim GIA being completed and in service. In no event shall pre-commercial operation testing or Interim Interconnection Service be permitted until the Interconnection Facilities, Network Upgrades, Distribution Upgrades and any other necessary facilities listed in applicable section of Appendix A to this Interim GIA are complete and in service.

4.2.1.1 Pre-Commercial Operation Testing. Interconnection Customer shall be able to sync its Generating Facility and its Interconnection Customer’s Interconnection Facilities to the Transmission System for the purpose of testing pursuant to Article 6.1, once the applicable facilities described in Appendix A are complete and in service.

4.2.1.2 Interim Interconnection Service. Interconnection Customer shall be able to sync its Generating Facility and its Interconnection Customer’s Interconnection Facilities to the Transmission System for the purpose of receiving Interim Interconnection Service and operating its Generating Facility up to the maximum amount for this Interim GIA, as specified in Appendix A on an “as available” basis once the applicable facilities in Appendix A are in service.

4.2.2 Interim Interconnection Service and the amount of power that Interconnection Customer is permitted to inject into the Transmission System from its Generating Facility pursuant to this Interim GIA may be reduced in whole or in part in the event that:

(a) one or more Interconnection Customer(s) with a Higher Queued Project (as specified in Appendix A): (i) has executed or subsequently executes an Interim GIA or a GIA that has been accepted by the FERC and/or reported in Transmission Provider’s Electric Quarterly Report, or has an unexecuted Interim GIA or GIA filed with and accepted by the FERC for that Higher Queued Project and (ii) begins Commercial
Operation of the Higher Queued Project during the term of this Interim GIA; and

(b) Transmission Provider at its sole discretion determines that Interim Interconnection Service and/or Interconnection Service cannot be provided simultaneously under this Interim GIA and to such other Interconnection Customer(s) under its Interim GIA(s) or final GIA(s) in an amount commensurate with the maximum amount specified in the respective agreements without additional Interconnection Facilities, Network Upgrades, or Distribution Upgrades.

4.2.3 Any such reduction pursuant to Article 4.2.2 will be based on the Queue Position priority of the Interconnection Customer’s Interconnection Request relative to the Queue Position priority of the Higher Queued Projects.

4.3 Performance Standards. Each Party shall perform all of its obligations under this Interim GIA 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 Interim GIA for its compliance therewith. If such Party is a Transmission Provider or Transmission Owner, then that Party shall amend the Interim GIA and submit the amendment to FERC for approval.

4.4 No Transmission Delivery Service. The execution of this Interim GIA 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 Interim GIA are set forth in Article 9.6 and Article 13.5.1. Interconnection Customer shall be paid for such services in accordance with Article 11.68.

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 Option To Build as described under Article 5.1.2 or the Negotiated Option described under Article 5.1.3 if the Interconnection Customer and the Transmission Owner cannot reach agreement under the Standard Option described under Article 5.1.1, for completion of Transmission Owner's Interconnection Facilities and Network Upgrades as set forth in Appendix A, Interconnection Facilities and Network Upgrades, and such dates and selected option, as applicable, shall be set forth in Appendix B, Milestones.

5.1.1 Standard Option. Transmission Owner shall design, procure, and construct Transmission Owner’s Interconnection Facilities and Network Upgrades, using
Reasonable Efforts to complete Transmission Owner’s Interconnection Facilities and Network Upgrades by the dates set forth in Appendix B, Milestones. Transmission Owner 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 Owner reasonably expects that it will not be able to complete Transmission Owner’s Interconnection Facilities, and Network Upgrades by the specified dates, Transmission Owner shall promptly provide written notice to Interconnection Customer and shall undertake Reasonable Efforts to meet the earliest dates thereafter.

5.1.2 **Option to Build.** If the dates designated by Interconnection Customer are not acceptable to Transmission Owner, Transmission Owner shall so notify Interconnection Customer within thirty (30) Calendar Days, and unless the Parties agree otherwise, Interconnection Customer shall have the option to assume responsibility for the design, procurement and construction of Transmission Owner’s Interconnection Facilities and Stand Alone Network Upgrades on the dates specified in Article 5.1.1. Transmission Owner 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.

5.1.3 **Negotiated Option.** If Interconnection Customer elects not to exercise its option under Article 5.1.2, Option to Build, Interconnection Customer shall so notify Transmission Provider and Transmission Owner within thirty (30) Calendar Days, and 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 a portion of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades by Interconnection Customer) pursuant to which Transmission Owner is responsible for the design, procurement and construction of Transmission Owner’s Interconnection Facilities and Network Upgrades. If the Parties are unable to reach agreement on such terms and conditions, Transmission Owner shall assume responsibility for the design, procurement and construction of Transmission Owner’s Interconnection Facilities and Network Upgrades pursuant to Article 5.1.1, Standard Option.

5.2 **General Conditions Applicable to Option to Build.** If Interconnection Customer assumes responsibility for the design, procurement and construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades,

(1) Interconnection Customer shall engineer, procure equipment, and construct Transmission Owner'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 Owner;
(2) Interconnection Customer's engineering, procurement and construction of Transmission Owner'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 Owner's Interconnection Facilities and Stand Alone Network Upgrades;

(3) Transmission Owner shall review and approve the engineering design, equipment acceptance tests, and the construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades;

(4) Prior to commencement of construction, Interconnection Customer shall provide to Transmission Provider and Transmission Owner 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 and Transmission Owner;

(5) At any time during construction, Transmission Owner shall have the right to gain unrestricted access to Transmission Owner'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 Owner’s Interconnection Facilities and Stand Alone Network Upgrades not meet the standards and specifications provided by Transmission Owner, Interconnection Customer shall be obligated to remedy deficiencies in that portion of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades;

(7) Interconnection Customer shall indemnify Transmission Provider and Transmission Owner for claims arising from Interconnection Customer's construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades under the terms and procedures applicable to Article 18.1 Indemnity;

(8) The Interconnection Customer shall transfer control of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades to Transmission Provider;

(9) Unless Parties otherwise agree, Interconnection Customer shall transfer ownership of Transmission Owner's Interconnection Facilities and Stand-Alone Network Upgrades to Transmission Owner not later than the Commercial Operation Date;

(10) Transmission Owner shall approve and accept for operation and maintenance Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades to the extent engineered, procured, and constructed in accordance with this Article 5.2; and
Interconnection Customer shall deliver to Transmission Owner "as-built" drawings, information, and any other documents that are reasonably required by Transmission Owner to assure that the Interconnection Facilities and Stand-Alone Network Upgrades are built to the standards and specifications required by Transmission Provider.

5.3 **Liquidated Damages.** The actual damages to Interconnection Customer, in the event Transmission Owner’s Interconnection Facilities or Network Upgrades are not completed by the dates designated by Interconnection Customer and accepted by Transmission Owner pursuant to subparagraph 5.1.3, 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 Owner to Interconnection Customer in the event that Transmission Owner does not complete any portion of Transmission Owner’s Interconnection Facilities or Network Upgrades by the applicable dates, shall be an amount equal to ½ of 1 percent per day of the actual cost of Transmission Owner’s Interconnection Facilities and Network Upgrades, in the aggregate, for which Transmission Owner 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 Owner’s Interconnection Facilities and Network Upgrades for which Transmission Owner has assumed responsibility to design, procure, and construct. The foregoing payments will be made by Transmission Owner 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 GIA. Liquidated damages, when the Parties agree to them, are the exclusive remedy for the Transmission Owner’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 Owner’s Interconnection Facilities or Network Upgrades to take the delivery of power for the Generating Facility's Trial Operation or to export power from the Generating Facility on the specified dates, unless Interconnection Customer would have been able to commence use of Transmission Owner’s Interconnection Facilities or Network Upgrades to take the delivery of power for Generating Facility's Trial Operation or to export power from the Generating Facility, but for Transmission Owner’s delay; (2) Transmission Owner’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 Interim GIA or GIA with Transmission Owner or any cause beyond Transmission Owner’s reasonable control or reasonable ability to cure; (3) the Interconnection Customer has assumed responsibility for the design, procurement and construction of Transmission Owner’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 Generating Facility. If the Generating Facility's Power System Stabilizers are removed from service or not capable of automatic operation, Interconnection Customer shall immediately notify Transmission Owner’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 Owner’s Interconnection Facilities or Network Upgrades is to be borne by Transmission Owner, then Transmission Owner shall commence design of Transmission Owner’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 Interim Availability Interconnection System Impact Study;

5.5.2 Transmission Owner has received written authorization to proceed with design and procurement from Interconnection Customer by the date specified in Appendix B, Milestones;

5.5.3 Interconnection Customer has provided security to Transmission Provider in accordance with Article 11.75 by the dates specified in Appendix B, Milestones; and

5.5.4 The Parties have executed this Interim GIA.

5.6 **Construction Commencement.** Transmission Owner shall commence construction of Transmission Owner’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 Owner’s Interconnection Facilities and Network Upgrades;

5.6.3 Transmission Owner 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 11.75.
5.7 **Work Progress.** The Parties will keep each other advised periodically as to the progress of their respective design, procurement and construction efforts. Parties may, at any time, request a progress report from other Parties. If, at any time, Interconnection Customer determines that the completion of Transmission Owner’s Interconnection Facilities and Network Upgrades will not be required until after the specified In-Service Date, Interconnection Customer will provide written notice to Transmission Provider and Transmission Owner of such later date upon which the completion of Transmission Owner’s Interconnection Facilities and Network Upgrades 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 the Transmission System, and shall work diligently and in good faith to make any necessary design changes.

5.9 **Reserved.**

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 Owner 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 Owner shall review such specifications to ensure that the ICIF are compatible with the technical specifications, operational control, and safety requirements of Transmission Owner 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 Owner’s Review.** Transmission Owner’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 Generating Facility, or the ICIF. Interconnection Customer shall make such changes to the ICIF as may reasonably be required by Transmission Owner, in accordance with Good Utility Practice, to ensure that the ICIF are compatible with the technical specifications, operational control, and safety requirements of Transmission Owner.

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
Owner "as-built" drawings, information and documents for the ICIF, such as: a one-line diagram, a site plan showing the 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 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 Generating Facility. The Interconnection Customer shall provide Transmission Owner specifications for the excitation system, automatic voltage regulator, Generating Facility control and protection settings, transformer tap settings, and communications, if applicable.

5.10.4 Updated Information Submission by Interconnection Customer. The updated information submission by the Interconnection Customer, including manufacturer information, shall occur no later than one hundred eighty (180) Calendar Days prior to the Initial Synchronization Date. Interconnection Customer shall submit a completed copy of the Generating Facility data requirements contained in Appendix 1 to the GIP. It shall also include any additional information provided to Transmission Provider for the Interconnection Feasibility and Interconnection Facilities Studies. Information in this submission shall be the most current 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, the Interconnection Customer will work with a consultant mutually agreed to by the Parties to develop and supply a standard model and associated information.

If the Interconnection Customer's data is materially different from what was originally provided to Transmission Provider pursuant to the Interconnection Study Agreements between Transmission Provider and Interconnection Customer, then Transmission Provider will conduct appropriate studies to determine the impact on the Transmission System based on the actual data submitted pursuant to this Article 5.10.4. The Interconnection Customer shall not begin Trial Operation until such studies are completed.

5.10.5 Information Supplementation. Prior to the Commercial Operation Date, or as soon as possible thereafter, the Parties shall supplement their information submissions described above in this Article 5 with any and all “as-built” 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 Generating Facility as required by Good Utility Practice such as an open circuit “step voltage” test on the Generating Facility to verify proper operation of the Generating Facility's automatic voltage regulator.

Unless otherwise agreed, the test conditions shall include: (1) Generating Facility at synchronous speed; (2) automatic voltage regulator on and in voltage control mode; and (3) a five percent (5 percent) change in 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 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 Generating Facility’s terminal or field voltage are acceptable if information necessary to translate these alternate quantities to actual Generating Facility terminal or field voltages is provided. Generating Facility testing shall be conducted and results provided to the Transmission Provider for each individual generating unit in a station.

Subsequent to the Commercial Operation Date, the Interconnection Customer shall provide Transmission Owner and Transmission Provider any information changes due to equipment replacement, repair, or adjustment. Transmission Owner shall provide the Interconnection Customer and Transmission Provider any information changes due to equipment replacement, repair or adjustment in the directly connected substation or any adjacent Transmission Owner-owned substation that may affect the 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.

5.11 Transmission Owner’s Interconnection Facilities Construction. Transmission Owner’s Interconnection Facilities and Network Upgrades 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 Owner shall deliver to Interconnection Customer the following "as-built" drawings, information and documents for Transmission Owner’s Interconnection Facilities and Network Upgrades [include appropriate drawings and relay diagrams].

Transmission Owner will obtain control of Transmission Owner’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 any 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 Generating Facility with the Transmission System; (ii) operate and maintain the 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 Interim GIA pursuant to Article 2.5. 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 Owner's Interconnection Facilities and/or Network Upgrades is to be installed on property owned by persons other than Interconnection Customer or Transmission Owner, 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 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 Owner to construct, and Transmission Owner 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 **Reserved.**

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 Owner for the installation of Transmission Owner'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 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 Owner for Transmission Owner'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 Owner'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 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 Owner's request, Interconnection Customer shall provide Transmission Owner with a report from an independent engineer confirming its representation in clause (iii), above. Transmission Owner represents and covenants that the cost of Transmission Owner'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 Owner. Notwithstanding Article 5.17.1, Interconnection Customer shall protect, indemnify and hold harmless Transmission Owner from the cost consequences of any current tax liability imposed against Transmission Owner as the result of payments or property transfers made by Interconnection Customer to Transmission Owner under this Interim GIA for Interconnection Facilities, as well as any interest and penalties, other than interest and penalties attributable to any delay caused by Transmission Owner.

Transmission Owner shall not include a gross-up for the cost consequences of any current tax liability in the amounts it charges Interconnection Customer under this Interim GIA unless (i) Transmission Owner has determined, in good faith, that the payments or property transfers made by Interconnection Customer to Transmission Owner should be reported as income subject to taxation or (ii) any Governmental Authority directs Transmission Owner to report payments or property as income subject to taxation; provided, however, that Transmission Owner may require Interconnection Customer to provide security for Interconnection Facilities, in a form reasonably acceptable to Transmission Owner (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 Owner 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 Owner 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 Owner 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 Owner, in addition to the amount paid for the Interconnection Facilities, and Network Upgrades, an amount equal to (1) the current taxes imposed on Transmission Owner ("Current Taxes") on the excess of (a) the gross income realized by Transmission Owner as a result of payments or property transfers made by Interconnection Customer to Transmission Owner under this Interim GIA (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 Owner 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 Owner’s composite federal and state tax rates at the time the payments or property transfers are received and Transmission Owner 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 Owner’s anticipated tax depreciation deductions as a result of such payments or property transfers by Transmission Owner’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: (Current Tax Rate x (Gross Income Amount – Present Value of Tax Depreciation))/(1-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 Owner 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 Owner under this Interim GIA 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 Owner and Interconnection Customer shall cooperate in good faith with respect to the submission of such request.

Transmission Owner 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 Owner 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 Owner’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 Interim GIA terminates and Transmission Owner 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 Owner, 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 Owner’s receipt of payments or property constitutes income that is subject to taxation, Transmission Owner 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 Owner may appeal, protest, seek abatement of, or otherwise oppose such determination. Upon Interconnection Customer's written request and sole expense, Transmission Owner 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 Owner 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 Owner 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 Owner on a periodic basis, as invoiced by Transmission Owner, Transmission Owner’s documented reasonable costs of prosecuting such appeal, protest, abatement or other contest. At any time during the contest, Transmission Owner may agree to a settlement either with Interconnection Customer's consent or after obtaining written advice from nationally-recognized tax counsel, selected by Transmission Owner, 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 cost 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 Owner 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 Owner which holds that any amount paid or the value of any property transferred by Interconnection Customer to Transmission Owner under the terms of this Interim GIA 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 Owner in good faith that any amount paid or the value of any property transferred by Interconnection Customer to Transmission Owner under the terms of this Interim GIA is not taxable to Transmission Owner, (c) any abatement, appeal, protest, or other contest results in a determination that any payments or transfers made by Interconnection Customer to Transmission Owner are not subject to federal income tax, or (d) if Transmission Owner 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 Owner pursuant to this Interim GIA, Transmission Owner 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 amount paid by Interconnection Customer to Transmission Owner for such taxes which Transmission Owner 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 Owner refunds such payment to Interconnection Customer, and

(iii) with respect to any such taxes paid by Transmission Owner, any refund or credit Transmission Owner 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 Owner for such overpayment of taxes (including any reduction in interest otherwise payable by Transmission Owner to any Governmental Authority resulting from an offset or credit); provided, however, that Transmission Owner will remit such amount promptly to Interconnection Customer only after and to the extent that Transmission Owner has received a tax refund, credit or offset from any Governmental Authority for any applicable overpayment of income tax related to Transmission Owner’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 Owner may appeal, protest, seek abatement of, or otherwise contest any tax (other than federal or state income tax) asserted or assessed against Transmission Owner for which Interconnection Customer may be required to reimburse Transmission Owner under the terms of this Interim GIA. Interconnection Customer shall pay to Transmission Owner on a periodic basis, as invoiced by Transmission Owner, Transmission Owner’s documented reasonable costs of prosecuting such appeal, protest, abatement, or other contest. Interconnection Customer and Transmission Owner 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 Owner 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 Owner.

5.18 Tax Status. All Parties shall cooperate with each other to maintain their tax status. Nothing in this Interim GIA is intended to adversely affect any Party’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. Each Party may undertake modifications to its facilities. If a Party plans to undertake a modification that reasonably may be expected to affect another Party's facilities, that Party shall provide to the other Parties sufficient information regarding such modification so that the other Parties 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 Generating Facility. The Party desiring to perform such work shall provide the relevant drawings, plans, and specifications to the other Parties 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 Generating Facility modifications that do not require Interconnection Customer to submit an Interconnection Request, Transmission Owner 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 Owner’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 Interim GIA 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 Owner makes to Transmission Owner’s Interconnection Facilities or the Transmission System to facilitate the interconnection of a third party to Transmission Owner’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.

5.20 Delays. If a Network Upgrade(s) identified in Appendix A is delayed during the construction process and the Commercial Operation Date for the Generating Facility identified in Appendix B is no longer feasible, the Commercial Operation Date in Appendix B may be modified to no later than six (6) months following the in-service date for the last Network Upgrade identified in Appendix A.

Article 6. Testing and Inspection

6.1 Pre-Commercial Operation Date Testing and Modifications. Prior to the Commercial Operation Date, Transmission Owner shall test Transmission Owner’s Interconnection Facilities and Network Upgrades and Interconnection Customer shall test the 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 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 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 Parties in advance of its performance of tests of its Interconnection Facilities. The other Parties have 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 another Parties’ 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 Parties’ System Protection Facilities and other protective equipment; and (iii) review another Parties’ maintenance records relative to the Interconnection Facilities, the System Protection Facilities and other protective equipment. Any Party may exercise these rights from time to time as it deems necessary upon reasonable notice to the other Parties. The exercise or non-exercise by another 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 any 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 Interim GIA.

**Article 7. Metering**

7.1 **General.** Each Party shall comply with the Applicable Reliability Council requirements. Unless otherwise agreed by the Parties, Transmission Owner shall install Metering Equipment at the Point of Interconnection prior to any operation of the Generating Facility and shall own, operate, test and maintain such Metering Equipment. Power flows to and from the Generating Facility shall be measured at or, at Transmission Owner’s option, compensated to, the Point of Interconnection. Transmission Owner shall provide metering quantities, in analog and/or digital form, to Interconnection Customer and Transmission Provider on a same-time basis using communication as provided in Article 8. 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 Owner’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 Interim GIA, except as provided in Article 7.4 below. The check meters shall be subject at all reasonable times to inspection and examination by Transmission Owner 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 Owner shall install, calibrate, and test revenue quality Metering Equipment in accordance with applicable ANSI standards.

7.4 **Testing of Metering Equipment.** Transmission Owner shall inspect and test all Transmission Owner-owned Metering Equipment upon installation and at least once
every two (2) years thereafter. If requested to do so by Interconnection Customer, Transmission Owner shall, at Interconnection Customer’s expense, inspect or test Metering Equipment more frequently than every two (2) years. Transmission Owner 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 Owner’s failure to maintain, then Transmission Owner 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 Owner 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 Owner 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 Generating Facility to the Point of Interconnection.

Article 8. Communications

8.1 Interconnection Customer Obligations. Interconnection Customer shall maintain satisfactory operating communications with Transmission Owner’s Transmission System dispatcher or representative designated by Transmission Owner. Interconnection Customer shall provide standard voice line, dedicated voice line and facsimile communications at its 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 Owner as set forth in Appendix D, Security Arrangements Details. The data circuit(s) shall extend from the Generating Facility to the location(s) specified by Transmission Owner. 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 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 Owner at Interconnection Customer's expense, to gather accumulated and instantaneous data to be telemetered to the location(s) designated by Transmission Owner.
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 Owner. Instantaneous bi-directional analog real power and reactive power flow information must be telemetered directly to the location(s) specified by Transmission Owner.

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.

Article 9. Operations

9.1 General. Each Party shall comply with the Applicable Reliability Council requirements. Each Party shall provide to the other Parties all information that may reasonably be required by the other Parties 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 and Transmission Owner in writing of the Control Area in which the Generating Facility will be located. If Interconnection Customer elects to locate the Generating Facility in a Control Area other than the Control Area in which the 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 Interim GIA, 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 Generating Facility in the other Control Area.

9.3 Transmission Provider and Transmission Owner Obligations. Transmission Provider and Transmission Owner shall cause the Transmission System and Transmission Owner’s Interconnection Facilities to be operated, maintained and controlled in a safe and reliable manner and in accordance with this Interim GIA. Transmission Provider or Transmission Owner may provide operating instructions to Interconnection Customer consistent with this Interim GIA and Transmission Owner’s operating protocols and procedures as they may change from time to time. Transmission Provider and Transmission Owner 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 Generating Facility and the Interconnection Customer's Interconnection Facilities in a safe and reliable manner and in accordance with this Interim GIA. Interconnection Customer shall operate the 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 Interim GIA. Appendix C, Interconnection Details, will be modified to reflect changes to the requirements as they may change from time to time. Any Party may request that another Party provide copies of the requirements set forth in Appendix C, Interconnection Details, of this Interim GIA.

9.5 Start-Up and Synchronization. Consistent with the Parties' mutually acceptable procedures, the Interconnection Customer is responsible for the proper synchronization of the Generating Facility to the Transmission System.

9.6 Reactive Power.

9.6.1 Power Factor Design Criteria. Interconnection Customer shall design the 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 Transmission Provider or Transmission Owner has established different requirements that apply to all generators in the Control Area on a comparable basis. A wind generator plant 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 Interim GIA, if the Transmission Provider's Interconnection Study shows that such a requirement is necessary to ensure safety or reliability.

9.6.2 Voltage Schedules. Once Interconnection Customer has synchronized the Generating Facility with the Transmission System, Transmission Provider and/or Transmission Owner shall require Interconnection Customer to operate the Generating Facility to produce or absorb reactive power within the design limitations of the Generating Facility set forth in Article 9.6.1 (Power Factor Design Criteria). Transmission Owner’s voltage schedules shall treat all sources of reactive power in the Control Area in an equitable and not unduly discriminatory manner. Transmission Owner 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 Generating Facility to maintain the specified output voltage or power factor at the Point of Interconnection within the design limitations of the 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 Transmission Owner.

9.6.2.1 Governors and Regulators. Whenever the Generating Facility is operated in parallel with the Transmission System and the speed governors (if installed on the generating unit pursuant to Good Utility Practice) and voltage regulators are capable of operation, Interconnection Customer shall operate the Generating Facility with its speed governors and voltage regulators in automatic operation. If the Generating Facility's speed
governors and voltage regulators are not capable of such automatic operation, the Interconnection Customer shall immediately notify Transmission Owner’s system operator, or its designated representative, and ensure that such Generating Facility’s reactive power production or absorption (measured in Mvars) are within the design capability of the Generating Facility’s generating unit(s) and steady state stability limits. Interconnection Customer shall not cause its Generating Facility to disconnect automatically or instantaneously from the Transmission System or trip any generating unit comprising the Generating Facility for an under or over frequency condition in accordance with Good Utility Practice and Applicable Reliability Standards.

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 Generating Facility when Transmission Owner requests Interconnection Customer to operate its Generating Facility outside the range specified in Article 9.6.1. Payments shall be pursuant to Article 11.68 or such other agreement to which the Parties have otherwise agreed; provided however, to the extent the Tariff contains a provision providing for such compensation, that Tariff provision shall control.

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 all 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 Parties 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 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 another 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 Parties, 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. In addition to any reduction in Interconnection Service required pursuant to Article 4.2.2, if required by Good Utility Practice to do so, Transmission Provider and/or Transmission Owner may require Interconnection Customer to interrupt or reduce deliveries of electricity if such delivery of electricity could adversely affect Transmission Provider's and/or Transmission Owner’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 or Transmission Owner 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 or Transmission Owner shall notify Interconnection Customer in advance regarding the timing of such scheduling and further notify Interconnection Customer of the expected duration. Transmission Provider or Transmission Owner 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 Owner; and

9.7.2.5 The Parties shall cooperate and coordinate with each other to the extent necessary in order to restore the 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 Generating Facility as required by the Applicable Reliability Council to ensure "ride through" capability of the Transmission System. 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 Generating Facility or Interconnection Customer's Interconnection Facilities. Transmission Owner shall install at Interconnection Customer's expense any System Protection Facilities that may be required on Transmission Owner’s Interconnection Facilities or the Transmission System as a result of the interconnection of the Generating Facility and the 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 Generating Facility to any short circuit occurring on the Transmission System not otherwise isolated by Transmission Owner’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 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 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 Generating Facility and Interconnection Customer's other equipment if conditions on the Transmission System could adversely affect the Generating Facility.

9.7.6 Power Quality. No 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 Parties 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 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 Owner’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 Owner, 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 Owner, 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 Generating Facility or the 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 Owner Obligations.** Transmission Owner shall maintain the Transmission System and Transmission Owner’s Interconnection Facilities in a safe and reliable manner and in accordance with this Interim GIA.

10.2 **Interconnection Customer Obligations.** Interconnection Customer shall maintain the Generating Facility and Interconnection Customer's Interconnection Facilities in a safe and reliable manner and in accordance with this Interim GIA.
10.3 **Coordination.** The Parties shall confer regularly to coordinate the planning, scheduling and performance of preventive and corrective maintenance on the Generating Facility and the Interconnection Facilities.

10.4 **Secondary Systems.** Each Party shall cooperate with the others 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 another Party. Each Party shall provide advance notice to the other Parties 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 Owner’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’s Interconnection Facilities described in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades, at its sole expense.

11.2 **Reserved.**

11.32 **Transmission Owner’s Interconnection Facilities.** Transmission Owner shall design, procure, construct, install, own and/or control the Transmission Owner’s Interconnection Facilities described in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades, at the sole expense of the Interconnection Customer.

11.43 **Network Upgrades and Distribution Upgrades.** All Network Upgrades and Distribution Upgrades described in Appendix A shall be constructed in accordance with the process set forth in Section VI of Attachment O. 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 that are associated with that Transmission Owner’s system. The Distribution Upgrades and Network Upgrades described in Appendix A shall be solely funded by Interconnection Customer unless Transmission Owner elects to fund the capital for the Distribution Upgrades or Network Upgrades.

11.54 **Transmission Credits.**
11.54.1 Credits for Amounts Advanced for Network Upgrades. Interconnection Customer shall be entitled to credits in accordance with Attachment Z2 of the Tariff for any 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.

11.54.2 Special Provisions for Affected Systems. Unless Transmission Provider provides, under the Interim GIA, 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.

11.54.3 Notwithstanding any other provision of this Interim GIA, 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 transmission credits for transmission service that is not associated with the Generating Facility.

11.6 Initial Payment.

Interconnection Customer shall make an initial payment (“Initial Payment”) equal to the greater of a) twenty (20) percent of the total cost of Network Upgrades, Shared Network Upgrades, Transmission Owner Interconnection Facilities and/or Distribution Upgrades listed in Appendix A or b) $4,000/MW of the size of the Generating Facility. Any remaining milestone deposits provided in Section 8.2 and Section 8.9 of the GIP will be applied to this requirement. The Initial Payment shall be provided to Transmission Owner or Transmission Provider as required in Appendix B by Interconnection Customer pursuant to this Article 11.6 within the later of a) thirty (30) days of the execution of the GIA by all Parties, or b) thirty (30) days of acceptance by FERC if the GIA is filed unexecuted and the payment is being protested by Interconnection Customer, or c) thirty (30) days of the filing if the GIA is filed unexecuted and the Initial Payment is not being protested by Interconnection Customer. The Interconnection Customer may agree to make this Initial Payment non-refundable in accordance with Article 11.6.2. If this GIA is terminated, then the Initial Payment shall be refunded to the Interconnection Customer less:

a. any costs that have been incurred for the construction of the facilities specified in Appendix A;

b. any funds that have been committed for the construction of those Shared Network Upgrades, or Network Upgrades, assigned to another
interconnection customer where such upgrade costs would not have been assigned but for the termination of the GIA; or

c. any costs that has been incurred for the construction of those Shared Network Upgrades, or Network Upgrades, that were paid for by another interconnection customer that are now unnecessary due to the termination of the GIA.

11.6.1 If the Interconnection Customer has stated its intent to use the existing interconnection capacity of the Transmission System in order to achieve its Commercial Operation Date, the Interconnection Customer will provide the greater of a) one hundred (100) percent of the total cost of Network Upgrades, Shared Network Upgrades, Transmission Owner Interconnection Facilities and/or Distribution Upgrades listed in Appendix A or b) $4,000/MW of the size of the Generating Facility. The milestone deposits provided in Section 8.2 and Section 8.9 of the GIP may suffice for this requirement. The initial payment shall be provided to Transmission Owner or Transmission Provider as required in Appendix B by Interconnection Customer pursuant to this Article 11.6 within the later of a) thirty (30) days of the execution of the GIA by all Parties, or b) thirty (30) days of acceptance by FERC if the GIA is filed unexecuted and the payment is being protested by Interconnection Customer, or c) thirty (30) days of the filing if the GIA is filed unexecuted and the initial payment is not being protested by Interconnection Customer. This payment is not refundable upon termination of the GIA unless the higher queued interconnection customer chooses to retain its Network Upgrades by agreeing to make its Article 11.6 payment non-refundable in accordance with Article 11.6.2. These funds will be used first to pay for additional Network Upgrades cost assigned to other interconnection customers due to the Interconnection Customer stating its intent to use existing interconnection capacity. Any remaining funds will be applied to the Network Upgrades assigned to the Interconnection Customer.

11.6.2 If another interconnection customer has notified the Transmission Provider in writing of its intent to use the existing interconnection capacity of the Transmission System in accordance to Article 11.6.1 of its GIA, the Interconnection Customer shall be subject to a restudy in accordance with Article 11.4.2(d) to determine the new scope of Network Upgrades unless the Interconnection Customer notifies the Transmission Provider within 30 Calendar Days of the notice from Transmission Provider of its intent to retain the Network Upgrades listed in Appendix A agrees to make its Initial Payment in Article 11.6 non-refundable and authorizes engineering, procurement, and construction of those Network Upgrades in accordance with Article 5.5 and Article 5.6. Upon receipt of this authorization, the applicable dates in Appendix B shall be revised by the Parties. The Interconnection Customer continues to be subject to restudy conditions in Article 11.4.2(a-c).
11.75 Provision of Security.

11.75.1 Initial Security. Within fifteen (15) Business Days of the date that Interconnection Customer delivers to Transmission Provider an executed Interim GIA, 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 in the amount set forth in Appendix A to this Interim GIA. This amount represents either (a) the sum of the estimated costs for which Interconnection Customer will be responsible for the construction, procurement, and installation of the applicable portion of Transmission Owner's Interconnection Facilities, Network Upgrades, or Distribution Upgrades for which it will share cost responsibility as determined in the study designated in Appendix A.4. and 100 percent of the costs of Interconnection Facilities, Network Upgrades, or Distribution Upgrades for which Interconnection Customer has sole cost responsibility or (b) if the estimated costs above have not been established at the time Interconnection Customer requests Interim Interconnection Service, the initial security amount will be established by the Transmission Provider based on one or more completed studies for comparable interconnection requests.

11.75.2 Security Adjustment. In the event that the results of any subsequently posted study (e.g., Definitive Interconnection System Impact Study, Interconnection Facilities Study, or any other study required pursuant to the GIP in connection with Interconnection Service under this Interim GIA) indicates that Interconnection Customer’s cost responsibility for Interconnection Facilities, Network Upgrades, or Distribution Upgrades required to interconnect its Generating Facility is less than or greater than the amount set forth in Appendix A, the amount of security required under this Interim GIA shall be adjusted to reflect the Interconnection Customer’s revised amount of cost responsibility determined in such posted study. Transmission Provider shall notify Interconnection Customer of the revised security amount when it posts the study. If the security amount increases, Interconnection Customer shall provide the additional amount of security within fifteen (15) Business Days of receipt of such notification. If the security amount decreases, Transmission Provider and Interconnection Customer shall take the appropriate action to reduce the amount of security held by Transmission Provider within fifteen (15) Business Days of Interconnection Customer’s receipt of such notification. If Interconnection Customer fails to provide additional security as prescribed in this Article 11.5.2, this Interim GIA will be terminated in accordance with Article 2.3. In addition:

11.75.2.1 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.
11.75.2.2 The letter of credit must be issued by a financial institution reasonably acceptable to Transmission Provider and must specify a reasonable expiration date.

11.75.2.3 The surety bond must be issued by an insurer reasonably acceptable to Transmission Provider and must specify a reasonable expiration date.

11.68 Interconnection Customer Compensation. If Transmission Provider or Transmission Owner 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 Interim GIA, 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 the Tariff. Interconnection Customer shall serve Transmission Provider 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 Interim GIA, 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.

11.86.1 Interconnection Customer Compensation for Actions During Emergency Condition. Transmission Provider 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 11.68.

Article 12. Invoice

The terms of this Article 12 apply to billing between the Parties for construction and operation and maintenance charges. All other billing will be handled according to the Tariff.

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 Interim GIA, 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 completion of the construction of Interconnection Facilities and the Network Upgrades to be constructed pursuant to this Interim GIA, the Interconnection Customer shall receive an invoice of the final cost due under this Interim GIA, including any applicable cost due to termination, which 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. Interconnection Customer shall receive a refund of 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 Interim GIA.

12.4 Disputes. In the event of a billing dispute between the Parties, Transmission Owner, and Transmission Provider shall continue to provide Interconnection Service under this Interim GIA as long as Interconnection Customer: (i) continues to make all payments not in dispute; and (ii) pays to Transmission Owner 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 Owner 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 C.F.R. § 35.19a(a)(2)(iii).

Article 13. Emergencies

13.1 Definition. “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 the Transmission System, or the electric systems of others to which the Transmission Provider’s Transmission System is directly connected; or (3) that, in the case of Transmission Owner, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, Transmission Owner’s Interconnection Facilities; or (4) 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 Interim Generator Interconnection Agreement, to possess black start capability.

13.2 Obligations. Each Party shall comply with the Emergency Condition procedures of NERC, the Applicable Reliability Council, Transmission Provider, Applicable Laws and Regulations, and any emergency procedures agreed to by the Joint Operating Committee.
13.3 **Notice.** Transmission Provider or Transmission Owner shall notify Interconnection Customer promptly when it becomes aware of an Emergency Condition that affects Transmission Owner’s Interconnection Facilities or the Transmission System that may reasonably be expected to affect Interconnection Customer's operation of the Generating Facility or Interconnection Customer's Interconnection Facilities.

Interconnection Customer shall notify Transmission Provider and Transmission Owner promptly when it becomes aware of an Emergency Condition that affects the Generating Facility or Interconnection Customer's Interconnection Facilities that may reasonably be expected to affect the Transmission System or Transmission Owner’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 Owner’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 Owner, such consent to not be unreasonably withheld, prior to performing any manual switching operations at the Generating Facility or Interconnection Customer's Interconnection Facilities in response to an Emergency Condition either declared by Transmission Provider or Transmission Owner or otherwise regarding the Transmission System.

13.5 **Transmission Provider and Transmission Owner Authority.**

13.5.1 **General.** Transmission Provider and/or Transmission Owner may take whatever actions or inactions with regard to the Transmission System or Transmission Owner’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 Owner’s Interconnection Facilities, (iii) limit or prevent damage, and (iv) expedite restoration of service.

Transmission Provider and Transmission Owner shall use Reasonable Efforts to minimize the effect of such actions or inactions on the Generating Facility or Interconnection Customer's Interconnection Facilities. Transmission Provider and/or Transmission Owner may, on the basis of technical considerations, require the 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 Generating Facility; implementing a reduction or disconnection pursuant to Article 13.5.2; directing Interconnection Customer to assist with black start (if available) or restoration efforts; or altering the outage schedules of the Generating Facility and Interconnection Customer's Interconnection Facilities. Interconnection Customer shall comply with all of Transmission Provider's and Transmission Owner's operating instructions concerning Generating Facility real power and reactive
power output within the manufacturer's design limitations of the 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 and/or Transmission Owner may reduce Interconnection Service or disconnect the 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, reduction, or disconnection of Transmission Provider pursuant to Transmission Provider's Tariff or Articles 2.5, 4.2.2 and 9.7.2. When Transmission Provider and/or Transmission Owner can schedule the reduction or disconnection in advance, Transmission Provider and/or Transmission Owner shall notify Interconnection Customer of the reasons, timing and expected duration of the reduction or disconnection. Transmission Provider and/or Transmission Owner shall coordinate with Interconnection Customer using Good Utility Practice to schedule the reduction or disconnection during periods of least impact to Interconnection Customer, Transmission Provider and/or Transmission Owner. 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 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 this Interim GIA and the GIP, Interconnection Customer may take actions or inactions with regard to the 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 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 Owner’s Interconnection Facilities. Transmission Provider and/or Transmission Owner shall use Reasonable Efforts to assist Interconnection Customer in such actions.

13.7 Limited Liability. Except as otherwise provided in Article 11.68.1 of this Interim GIA, no Party shall be liable to the other Parties 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 Interim GIA 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 Interim GIA 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 2005, or the Public Utility Regulatory Policies Act of 1978, as amended by the 2005 Energy Policy Act.

14.2 Governing Law.

14.2.1 The validity, interpretation and performance of this Interim GIA 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 Interim GIA 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 Interim GIA, any notice, demand or request required or permitted to be given by any Party to another and any instrument required or permitted to be tendered or delivered by any Party in writing to another 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.

Any Party may change the notice information in this Interim GIA 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 any Party to another 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 Parties 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 No 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 Parties 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 Interim GIA or the result of an act or omission of another 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 Interim GIA 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 Interim GIA, 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 Interim GIA.

Article 18. Indemnity, Consequential Damages and Insurance

18.1 Indemnity. The Parties shall at all times indemnify, defend, and hold the other Parties 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 Parties’ action or inactions of its obligations under this Interim GIA 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 any Party be liable to any other Party under any provision of this Interim GIA 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 any Party may be liable to another Party under another agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

18.3 **Insurance.** Interconnection Customer and Transmission Owner shall at their own expense, maintain in force throughout the period of this Interim GIA, and until released by all other Parties, 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. The minimum limits for the Employers' Liability insurance shall be One Million Dollars ($1,000,000) each accident bodily injury by accident, One Million Dollars ($1,000,000) each employee bodily injury by disease, and One Million Dollars ($1,000,000) policy limit bodily injury by disease.

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 (if applicable), independent contractors coverage, coverage for pollution (if exposure is present) and punitive or exemplary damages, with minimum limits of One Million Dollars ($1,000,000) each occurrence/Two Million Dollars ($2,000,000) general aggregate and Two Million Dollars ($2,000,000) products and completed operations 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 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) each occurrence/Twenty Million Dollars ($20,000,000) general aggregate.
18.3.5 The Commercial General Liability Insurance, Comprehensive Automobile Liability 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 Interim GIA 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 Interim GIA, which coverage may be in the form of tail coverage or extended reporting period coverage if agreed to by all Parties.

18.3.8 The requirements contained herein as to the types and limits of all insurance to be maintained by the Interconnection Customer and Transmission Owner are not intended to and shall not in any manner, limit or qualify the liabilities and obligations assumed by the Parties under this Agreement.

18.3.9 Within ten (10) days following execution of this Interim GIA, 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, Interconnection Customer and Transmission Owner shall provide certification of all insurance required in this Interim GIA, executed by each insurer or by an authorized representative of each insurer to the Other Party Group.

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 Interim GIA.

Article 19 Assignment.

19.1 Assignment. This Interim GIA may be assigned by any Party only with the written consent of the other Parties; provided that any Party may assign this Interim GIA without the consent of the other Parties 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 Interim GIA; and provided further that Interconnection Customer shall have the right to assign this Interim GIA, without the consent of Transmission Provider or Transmission Owner, for collateral security purposes to aid in providing financing for the Generating Facility, provided that Interconnection Customer will promptly notify Transmission Provider and Transmission Owner of any such assignment. Any financing arrangement entered into by the 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 and Transmission Owner 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 11.57 and 18.3. Any assignment under this article not solely for collateral security purposes shall be conditioned on the simultaneous assignment of Interconnection Customer’s Queue Position to assignee and assignee demonstrating the ability to enter into and fulfill the obligations of a final GIA. Any attempted assignment that violates this article is void and ineffective. Any assignment under this Interim GIA 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 Interim GIA 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 Interim GIA; provided that if Interconnection Customer (or any third party, but only if such third party is not acting at the direction of Transmission Owner) seeks and obtains such a final determination with respect to any provision of the Negotiated Option (Article 5.1.3), 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 any of the Parties to another prior to the execution of this Interim GIA.

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 any Party, a 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 Interim GIA, and for a period of three (3) years after the expiration or termination of this Interim GIA, 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 Interim GIA; or (6) is required, in accordance with Article 22.1.7 of the Interim GIA, 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 Interim GIA. 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.** No 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 Interim GIA, 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 another other Party. The disclosure by any Party to another Party of Confidential Information shall not be deemed a waiver by the disclosing 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, no Party makes any warranties or representations as to its accuracy or completeness. In addition, by supplying Confidential Information, no Party obligates itself to provide any particular information or Confidential Information to another 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 another Party under this Interim GIA or its regulatory requirements.

22.1.7 Order of Disclosure. If a court or a Governmental Authority or entity with the right, power, and apparent authority to do so requests or requires a 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 Parties with prompt notice of such request(s) or requirement(s) so that the other Parties may seek an appropriate protective order or waive compliance with the terms of this Interim GIA. 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 Interim GIA for any reason, each Party shall, within ten (10) Calendar Days of receipt of a written request from another 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. In the instance where Transmission Owner is a Federal Power Agency, as specified in the opening paragraph of this Agreement, then this section 22.1.9 shall not apply to Transmission Owner. The Parties agree that monetary damages would be inadequate to compensate a Party for another Party's Breach of its obligations under this Article 22. Each Party accordingly agrees that the other Parties 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 C.F.R. § 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 Interim GIA, 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 C.F.R. § 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 another Party to this Interim GIA prior to the release of the Confidential Information to FERC or its staff. The Party shall notify the other Parties to the Interim GIA when it is notified by FERC or its staff that a request to release Confidential Information has been received by FERC, at which time any of the Parties may respond before such information would be made public, pursuant to 18 C.F.R. § 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 Interim GIA ("Confidential Information") shall not be disclosed by another 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 Interim GIA 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.

22.1.12 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).

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 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.

Article 25. Information Access and Audit Rights

25.1 Information Access. Each Party (the "disclosing Party") shall make available to the other Parties information that is in the possession of the disclosing Party and is necessary
in order for the other Parties to: (i) verify the costs incurred by the disclosing Party for which the other Parties are responsible under this Interim GIA; and (ii) carry out its obligations and responsibilities under this Interim GIA. 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 Interim GIA.

25.2 Reporting of Non-Force Majeure Events. Each Party (the "notifying Party") shall notify the other Parties when the notifying Party becomes aware of its inability to comply with the provisions of this Interim GIA 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 Parties receiving such notification to allege a cause for anticipatory breach of this Interim GIA.

25.3 Audit Rights. Subject to the requirements of confidentiality under Article 22 of this Interim GIA, each Party shall have the right, during normal business hours, and upon prior reasonable notice to another Party, to audit at its own expense that other Party's accounts and records pertaining to either Party's performance or either Party's satisfaction of obligations under this Interim GIA. 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 Interim GIA. 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 Owner’s Interconnection Facilities and Network Upgrades shall be subject to audit for a period of twenty-four months following Transmission Owner’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 any Party's performance or satisfaction of all obligations under this Interim GIA 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 Interim GIA shall prevent a Party from utilizing the services of any subcontractor as it deems appropriate to perform its obligations under this Interim GIA; provided, however, that each Party shall require its subcontractors to comply with all applicable terms and conditions of this Interim GIA in providing such services and each Party shall remain primarily liable to the other Parties 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 Interim GIA. The hiring Party shall be fully responsible to the other Parties 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 Owner 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 Interim GIA. Any applicable obligation imposed by this Interim GIA 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 any Party has a dispute, or asserts a claim, that arises out of or in connection with this Interim GIA or its performance, the Parties agree to resolve such dispute using the dispute resolution procedures of the Tariff.

**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 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 Interim GIA 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 Interim GIA.
28.1.2 **Authority.** Such Party has the right, power and authority to enter into this Interim GIA, to become a Party hereto and to perform its obligations hereunder. This Interim GIA 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 Interim GIA 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 Interim GIA 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 Interim GIA, and it will provide to any Governmental Authority notice of any actions under this Interim GIA that are required by Applicable Laws and Regulations.

**Article 29. Joint Operating Committee**

29.1 **Joint Operating Committee.** At least six (6) months prior to the expected Initial Synchronization Date, Interconnection Customer, Transmission Owner and Transmission Provider shall each appoint one representative and one alternate to the Joint Operating Committee. Each Party shall notify the other Parties 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 any 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 Interim GIA. All Parties 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 Owner’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 Generating Facility and other facilities that impact the normal operation of the interconnection of the 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 Interim GIA 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 Interim GIA and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this Interim GIA shall prevail and be deemed the final intent of the Parties.

30.3 Rules of Interpretation. This Interim GIA, 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 Interim GIA, 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 Interim GIA), 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 Interim GIA or such Appendix to this Interim GIA, or such Section to the GIP or such Appendix to the GIP, as the case may be; (6) "hereunder", "hereof", "herein", "hereto" and words of similar import shall be deemed references to this Interim GIA 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 Interim GIA, including all Appendices and Schedules attached hereto, constitutes the entire agreement among the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, among the Parties with respect to the subject matter of this Interim GIA. There are no other agreements, representations, warranties, or covenants
which constitute any part of the consideration for, or any condition to, a Party's compliance with its obligations under this Interim GIA.

30.5 **No Third Party Beneficiaries.** This Interim GIA 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 Interim GIA to insist, on any occasion, upon strict performance of any provision of this Interim GIA will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

Any waiver at any time by a Party of its rights with respect to this Interim GIA 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 Interim GIA. Termination or Default of this Interim GIA 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 Interim GIA shall, if requested, be provided in writing.

30.7 **Headings.** The descriptive headings of the various Articles of this Interim GIA have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Interim GIA.

30.8 **Multiple Counterparts.** This Interim GIA may be executed in three 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 Interim GIA by a written instrument duly executed by each of the Parties.

30.10 **Modification by the Parties.** The Parties may by mutual agreement amend the Appendices to this Interim GIA by a written instrument duly executed by the Parties. Such amendment shall become effective and a part of this Interim GIA 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 Interim GIA 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 Interim GIA 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 another Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Interim GIA 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 Interim GIA shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership among the Parties or to impose any partnership obligation or partnership liability upon any Party. No 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, another Party.
IN WITNESS WHEREOF, the Parties have executed this Interim GIA in triplicate originals, each of which shall constitute and be an original effective Agreement among the Parties.

SOUTHWEST POWER POOL, INC.

By:  __________________________
Title:  __________________________
Date:  __________________________

[Insert name of Transmission Owner]

By:  __________________________
Title:  __________________________
Date:  __________________________

[Insert name of Interconnection Customer]

By:  __________________________
Title:  __________________________
Date:  __________________________
Appendix A to Interim GIA

Interconnection Facilities, Network Upgrades, Distribution Upgrades, Security, Type and Amount of Interconnection Service, Construction Option, and Higher Queued Project List

1. Interconnection Facilities: [include description, responsible party, and estimated costs]
   A. Interconnection Customer’s Interconnection Facilities
   B. Transmission Owner Interconnection Facilities

2. Network Upgrades: [include description, responsible party, and estimated costs]
   A. Stand Alone Network Upgrades
   B. Network Upgrades For Which Interconnection Customer Is Solely Responsible
   C. Network Upgrades For Which Interconnection Customer Shares Cost Responsibility

3. Distribution Upgrades: [include description, responsible party, and estimated costs]

4. Security, Credits and Taxes:
   A. The amount of initial security to be provided by Interconnection Customer in accordance with Article 11.5.1 is $___________. The required amount of security required pursuant to this Interim GIA may be adjusted pursuant to Article 11.5.2 of this Agreement.
   B. The estimated portion of the Network Upgrades identified in Section 2 of this Appendix A that could be subject to the credits described in Article 11.4 of this Agreement is $____________.
   C. Interconnection Customer’s estimated liability for reimbursement of Transmission Owner for taxes, interest and/or penalties under Article 5.17.3 of this Agreement is $___________.

5. Type and Amount of Interim Interconnection Service:
The type of Interim Interconnection Service to be provided pursuant to this Interim GIA shall be [Energy Resource or Network Resource] Interim Interconnection Service in the amount of ______ MW.

6. Construction Option For Stand Alone Upgrades and Transmission Owner Interconnection Facilities:

The Parties have agreed to the construction options for the Stand Alone Network Upgrades and Transmission Owner Interconnection Facilities as specified below:

A. Stand Alone Network Upgrades:

[List the Stand Alone Network Upgrade and the construction option]

B. Transmission Owner Interconnection Facilities:

[List the Transmission Owner Interconnection Facility and the option]

7. Higher Queued Projects:

[list Higher Queued Projects]

8. Permits, Licenses and Authorizations:

9. Penalty, Redispatch or Market-Related Costs:

10. One-Line Diagram:
Appendix C to Interim GIA

Interconnection Details

This Appendix C is an integral part of this Interim GIA.

1. **Description of Generating Facility:**

2. **Description of Point of Change of Ownership:**

3. **Description of Point of Interconnection:**

4. **Interconnection Guidelines:**
   The unique requirements of each generation interconnection will dictate the establishment of mutually agreeable Interconnection Guidelines that further define the requirements of this Agreement. The Interconnection Guidelines will address, but not be limited to, the following:
Infrastructure and Operational Security Arrangements

Appendix D to Interim GIA

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 Interim GIA

Commercial Operation Date

[Date]

Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR  72223-4936

[Transmission Owner Address]

Re:  ________________________________

Dear _____________________:

On [Date], ________________ has completed Trial Operation of referenced generation facility in the Interim Generation Interconnection Agreement dated ________________. This letter confirms that _______________________ commenced Commercial Operation of the referenced generation facility, effective as of [Date plus one day].

Thank you.

[Signature]

[Interconnection Customer Representative]
Appendix F to Interim GIA

ADDRESSES FOR DELIVERY OF NOTICES AND BILLINGS

Notices:

Transmission Provider:

Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936

Transmission Owner:

[To be Supplied]

Interconnection Customer:

[To be Supplied]

Billings and Payments: [Specify addresses for construction invoices, O&M invoices and settlement of ancillary services]

Transmission Provider:

Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936

Transmission Owner:

[To be Supplied]

Interconnection Customer:

[To be Supplied]
Alternative Forms of Delivery of Notices (telephone, facsimile or email):

Transmission Provider:

______________________________, __________________________
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR  72223-4936
Phone: __________________________
Facsimile: 501-482-2022

Transmission Owner:

[TO BE SUPPLIED]

Interconnection Customer:

[TO BE SUPPLIED]

Operational Communications: [Identify contacts for operations]

Transmission Provider:

______________________________, __________________________
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR  72223-4936
Phone: __________________________
Facsimile: 501-482-2022

Transmission Owner:

[TO BE SUPPLIED]

Interconnection Customer:

[TO BE SUPPLIED]
Appendix G to Interim GIA
REQUIREMENTS OF GENERATORS RELYING ON NEWER TECHNOLOGIES

Appendix G sets forth requirements and provisions specific to a wind generating plant. All other requirements of this Interim GIA 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 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 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 Transmission System 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 Transmission System 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)

   A wind generating plant 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 Interim GIA, 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 12 TO GIP

CONSENT TO ASSIGNMENT OF GIA GEN-____-____ DATED __/__/____

To Whom It May Concern:

Southwest Power Pool, Inc. (“Transmission Provider”) and ____________ (“Transmission Owner”) have been asked to provide written consent to the assignment of that certain Generator Interconnection Agreement GEN-____-____ entered into on __/__/____ among Transmission Provider, ____________ (“Interconnection Customer”) and Transmission Owner (the “GIA”).

Pursuant to Article 19.1 of the GIA, Interconnection Customer desires to assign GIA to ____________ (“Assignee”), and Assignee desires to assume the GIA.

Consistent with Article 19.1 of the GIA, Interconnection Customer represents to Transmission Provider and Transmission Owner that Assignee shall take assignment of the GIA and the related Interconnection Request number and queue position subject to the terms and conditions provided in the GIA, and the terms and conditions governing interconnection procedure and queue position contained in SPP’s Open Access Transmission Tariff (“OATT”), including but not limited to, all performance obligations, responsibilities and liabilities. Upon assignment of the GIA, Interconnection Customer will notify the Transmission Provider and Transmission Owner of the assignment. Further, to the knowledge of the undersigned representative of Interconnection Customer, after due inquiry, no default exists in the performance of Interconnection Customer’s obligations under the GIA.

Transmission Provider and Transmission Owner acknowledge that Interconnection Customer has the right to assign the GIA, either as a general assignment of the GIA or for purposes of obtaining financing, and does hereby expressly consent to such assignment. Interconnection Customer assigns the GIA and Assignee takes assignment subject to the provisions of Article 19.1 of the GIA. In granting consent, neither Transmission Provider nor Transmission Owner makes any other acknowledgments, representations or warranties of any kind.

This Consent to Assignment may be executed in one or more identical counterparts, including an electronic or facsimile copy hereof (and specifically including counterparts executed by the individual parties to indicate acknowledgement and agreement), each of which when executed by any one party and delivered to the Interconnection Customer shall be deemed an original and all of which taken together shall constitute a single instrument.

ACKNOWLEDGED AND AGREED

Southwest Power Pool, Inc.

By: _____________________
Name: ___________________
Title: ____________________
Date: ____________________

_______________________ (Transmission Owner)

By: _____________________
Name: ___________________
Title: ____________________
Date: ____________________
___________________ (Interconnection Customer)

By: _____________________
Name: ___________________
Title: ____________________
Date: ____________________

* The agreement may have been executed under an older version of the pro forma OATT or for interim interconnection service; therefore it may be identified herein as a Large Generator Interconnection Agreement (“LGIA”) or an Interim Generator Interconnection Agreement (“Interim GIA”).