



HELPING OUR MEMBERS WORK TOGETHER  
TO KEEP THE LIGHTS ON... TODAY AND IN THE FUTURE

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January 21, 2014

The Honorable Kimberly D. Bose  
Secretary  
Federal Energy Regulatory Commission  
888 First Street NE  
Washington, DC 20426

RE: *Southwest Power Pool, Inc.*, Docket No. ER14-\_\_\_\_\_  
Submission of Interconnection Agreement

Dear Secretary Bose:

Pursuant to section 205 of the Federal Power Act, 16 U.S.C. § 824d, Southwest Power Pool, Inc. (“SPP”) encloses for filing an executed interconnection agreement between Oklahoma Gas and Electric Company (“OG&E”) and Prairie Wind Transmission, LLC (“Prairie Wind”) with SPP as signatory (“Interconnection Agreement”).<sup>1</sup> SPP requests that the Federal Energy Regulatory Commission (“Commission”) accept the proposed Interconnection Agreement with an effective date of the date the Commission accepts the Interconnection Agreement. In support, SPP states the following:

**I. Background**

SPP is a Commission-approved Regional Transmission Organization (“RTO”). SPP is an Arkansas non-profit corporation with its principal place of business in Little Rock, Arkansas. SPP currently has 75 Members in nine states and serves more than 6 million households in a 370,000 square mile area. Its Members include 14 investor-owned utilities, 11 municipal systems, 13 generation and transmission cooperatives, 4 state agencies, 11 independent power producers, 12 power marketers, and 10 independent transmission companies. As an RTO, SPP is a transmission provider administering transmission service over portions of Arkansas, Kansas, Louisiana, Missouri, Nebraska, New Mexico, Oklahoma and Texas. SPP is responsible for providing independent transmission services over the transmission facilities its members have placed under the SPP Open Access Transmission Tariff (“Tariff”).

OG&E is a public utility engaged in generating, transmitting and selling electric energy in the State of Oklahoma.

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<sup>1</sup> OG&E and Prairie Wind may be referred to individually as “Party” or collectively as “the Parties.” The Interconnection Agreement is designated as Original Service Agreement No. 2638.

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Prairie Wind is a public utility transmitting electric energy in the State of Kansas.

The Interconnection Agreement submitted herein allows the Parties to interconnect their respective transmission systems at certain Points of Interconnection described in the Interconnection Agreement. The Points of Interconnection, as well as the transmission systems of the Parties, are under the functional control of SPP. Therefore, consistent with the Commission's policy that the RTO with the planning authority over transmission facilities under its Tariff (i.e., SPP) should be a signatory to interconnection agreements, SPP is a signatory to the Interconnection Agreement.<sup>2</sup>

## **II. Description of the Interconnection Agreement**

There is no *pro forma* form for a transmission interconnection agreement in the Tariff; however, many of the provisions in the Interconnection Agreement are similar in scope and application to other utility-to-utility transmission interconnection agreements previously accepted by the Commission.<sup>3</sup> Below is a brief summary of the Articles of the Interconnection Agreement.

Article I provides a list of definitions for terms used throughout the Interconnection Agreement.<sup>4</sup>

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<sup>2</sup> See *Am. Elec. Power Serv. Corp.*, 110 FERC ¶ 61, 276, at P 8, *order on reh'g*, 112 FERC ¶ 61,128, at PP 10-14 (2005).

<sup>3</sup> See, e.g., *Sw. Power Pool, Inc.*, Letter Order, Docket No. ER13-295-000 (Nov. 30, 2012); *Sw. Power Pool, Inc.*, Letter Order, Docket No. ER12-1610-000 (May 29, 2012); *Sw. Power Pool, Inc.*, Letter Order, Docket No. ER12-1671-000 (May 23, 2012); *Sw. Power Pool, Inc.*, Letter Order, Docket No. ER11-4378-000 (Oct. 21, 2011); *Sw. Power Pool, Inc.*, Letter Order, Docket No. ER10-3207-000 (Nov. 23, 2010); *Sw. Power Pool, Inc.*, Letter Order, Docket No. ER10-2451-000 (Oct. 20, 2010); *Sw. Power Pool, Inc.*, Letter Order, Docket No. ER10-1067-000 (June 1, 2010); *Sw. Power Pool, Inc.*, Letter Order, Docket No. ER10-215-000 (Dec. 23, 2009); *Sw. Power Pool, Inc.*, Letter Order, Docket No. ER09-1081-000 (June 16, 2009); *Sw. Power Pool, Inc.*, Letter Order, Docket No. ER08-1546-000 (Nov. 7, 2008); *Sw. Power Pool, Inc.*, Letter Order, Docket No. ER08-496-000 (Mar. 19, 2008); *Sw. Power Pool, Inc.*, Letter Order, Docket No. ER07-200-000 (Jan. 8, 2007); *Sw. Power Pool, Inc.*, Letter Order, Docket No. ER06-1060-000 (July 26, 2006); *Sw. Power Pool, Inc.*, Letter Order, Docket No. ER06-766-000 (May 15, 2006); *Sw. Power Pool, Inc.*, Letter Order, Docket No. ER06-447-000 (Feb. 16, 2006).

<sup>4</sup> See Interconnection Agreement at Article I. All capitalized words not defined in this letter shall have the meaning as set forth in Article 1 of the Interconnection Agreement.

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Article II provides that OG&E and Prairie Wind shall interconnect their respective transmission facilities under the terms and conditions set forth in the Interconnection Agreement, with such interconnections set forth in Exhibit A of the Interconnection Agreement.<sup>5</sup> The Parties may at any time and from time to time provide for additional interconnections and for Modifications to existing interconnections between their respective systems by mutual agreement in writing. When any such additional interconnections or modified interconnections are agreed to, a new sheet will be added to Exhibit A of the Interconnection Agreement.

Article III specifies that each Party agrees to provide at its own expense the facilities and equipment which are necessary on its own system to effect the interconnections provided for under the Interconnection Agreement as specified in Exhibit A of the Interconnection Agreement.<sup>6</sup>

Article IV contains provisions relating to operations and maintenance.<sup>7</sup>

Article V contains provisions relating to service conditions.<sup>8</sup>

Article VI provides that each Party shall make Modifications to its Interconnection Facilities as necessary to comply with Good Utility Practice. Modifications shall be subject to the approval process set forth in Attachment O of the Tariff, as may be applicable. Article VI also states that in the event a Party plans to make a Modification to its Interconnection Facilities that reasonably may be expected to impact the other Party's transmission system, the initiating Party shall provide the other Party and SPP with at least ninety (90) days advance notice of the Modification. Article VI also discusses the cost responsibility in regard to a Modification.<sup>9</sup>

Article VII specifies that each Party shall construct its Interconnection Facilities in accordance with Good Utility Practice, the requirements of the North American Electric Reliability Corporation and SPP, and to standards at least equal to those provided by the National Electrical Safety Code of the Institute of Electrical and Electronics Engineers.<sup>10</sup>

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<sup>5</sup> See *id.* at Article II.

<sup>6</sup> See *id.* at Article III.

<sup>7</sup> See *id.* at Article IV.

<sup>8</sup> See *id.* at Article V.

<sup>9</sup> See *id.* at Article VI.

<sup>10</sup> See *id.* at Article VII.

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Article VIII contains provisions relating to reliability standards.<sup>11</sup>

Article IX contains provisions relating to emergencies.<sup>12</sup>

Article X contains provisions relating to metering requirements.<sup>13</sup> The ownership of the metering facilities for each of the interconnections under the Interconnection Agreement shall be shown in Exhibit A to the Interconnection Agreement.

Article XI provides information on the communication facilities.<sup>14</sup>

Article XII specifies that each Party shall furnish to the other Party the system data necessary to construct, operate and maintain the Interconnection Facilities and Modifications, and to support the other Party's system reliability, subject to terms and conditions of confidentiality established by the Parties.<sup>15</sup>

Article XIII sets forth the process for establishing an Operating Committee.<sup>16</sup>

Article XIV provides details on billings and payment provisions.<sup>17</sup>

Article XV provides terms in regards to force majeure events.<sup>18</sup>

Article XVI contains the provisions on breach, cure and default.<sup>19</sup>

Article XVII provides the term of the Interconnection Agreement.<sup>20</sup> The Interconnection Agreement shall become effective upon such date as the Interconnection

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<sup>11</sup> See *id.* at Article VIII.

<sup>12</sup> See *id.* at Article IX.

<sup>13</sup> See *id.* at Article X.

<sup>14</sup> See *id.* at Article XI.

<sup>15</sup> See *id.* at Article XII.

<sup>16</sup> See *id.* at Article XIII.

<sup>17</sup> See *id.* at Article XIV.

<sup>18</sup> See *id.* at Article XV.

<sup>19</sup> See *id.* at Article XVI.

<sup>20</sup> See *id.* at Article XVII.

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Agreement is accepted by the Commission, and shall continue in effect thereafter for an initial period ending December 31, 2031, and shall continue in effect thereafter until terminated pursuant to Section 17.2 of the Interconnection Agreement.

Article XVIII contains general contract provisions for waivers.<sup>21</sup>

Article XIX specifies that the Interconnection Agreement and all obligations thereunder are expressly conditioned upon the granting of such approval and authorization by any regulatory body whose approval or authorization may be required by Applicable Laws and Regulations.<sup>22</sup>

Article XX states that each Party shall use commercially reasonable efforts to furnish and install, complete, test, and make ready for operation the facilities identified in Exhibit A within a mutually agreed upon timeframe.<sup>23</sup>

Article XXI specifies rights of installation, access and removal.<sup>24</sup>

Article XXII contains provisions for liability and indemnification.<sup>25</sup>

Article XXIII contains contract provisions for assignment.<sup>26</sup>

Article XXIV specifies terms in regard to either Party utilizing the services of subcontractors as it deems appropriate.<sup>27</sup>

Article XXV contains provisions for dispute resolution.<sup>28</sup>

Article XXVI provides general contract provisions for notices and communications.<sup>29</sup>

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<sup>21</sup> See *id.* at Article XVIII.

<sup>22</sup> See *id.* at Article XIX.

<sup>23</sup> See *id.* at Article XX.

<sup>24</sup> See *id.* at Article XXI.

<sup>25</sup> See *id.* at Article XXII.

<sup>26</sup> See *id.* at Article XXIII.

<sup>27</sup> See *id.* at Article XXIV.

<sup>28</sup> See *id.* at Article XXV.

<sup>29</sup> See *id.* at Article XXVI.

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Article XXVII contains miscellaneous general contract provisions including governing law, amendment modification, and severability.<sup>30</sup>

Exhibit A provides details of Interconnection No. 1.<sup>31</sup>

### **III. Effective Date**

At the request of the Parties, SPP respectfully requests that the Commission accept the Interconnection Agreement with an effective date of the date of the Commission's order accepting the Interconnection Agreement.

### **IV. Additional Information**

#### **A. Information Required by Section 35.13 of the Commission's Regulations, 18 C.F.R. § 35.13:<sup>32</sup>**

##### **(1) Documents Submitted with this Filing:**

In addition to this transmittal letter, SPP submits a clean version of the Interconnection Agreement.

##### **(2) Effective Date:**

As noted above, SPP respectfully requests that the Commission accept the Interconnection Agreement with an effective date of the date of the Commission's order accepting the Interconnection Agreement.

##### **(3) Requisite Agreements:**

SPP and the Parties have all executed the Interconnection Agreement. No other agreements are necessary.

##### **(4) Specifically Assignable Facilities Installed or Modified:**

There are none.

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<sup>30</sup> See *id.* at Article XXVII.

<sup>31</sup> See *id.* at Exhibit A.

<sup>32</sup> Because the Interconnection Agreement does not involve any change in rates, the use of the abbreviated filing procedures as set forth in 18 C.F.R § 35.13(a)(2)(iii) is appropriate.

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**(5) Service:**

SPP is serving a copy of this filing on the representatives for OG&E and Prairie Wind listed in the Interconnection Agreement.

**B. Communications:**

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

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

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

**V. Conclusion**

For all the foregoing reasons, SPP respectfully requests that the Commission accept the Interconnection Agreement with an effective date of the date of the Commission's order accepting the Interconnection Agreement.

Respectfully submitted,

/s/ Tessie Kentner  
Tessie Kentner

**Attorney for Southwest Power  
Pool, Inc.**

**Southwest Power Pool, Inc.  
Original Service Agreement No. 2638**

**INTERCONNECTION AGREEMENT  
BETWEEN  
OKLAHOMA GAS AND ELECTRIC COMPANY  
AND  
PRAIRIE WIND TRANSMISSION, LLC  
AND SOUTHWEST POWER POOL, INC.**

This Interconnection Agreement (hereinafter the “Agreement”) made and entered into this 1st day of November, 2014, by and between OKLAHOMA GAS AND ELECTRIC COMPANY, an Oklahoma corporation (hereinafter referred to as “OG&E”), and Prairie Wind Transmission, LLC, a Kansas limited liability company, (hereinafter called “PWT” or “Company”), (OG&E and the Company are each individually referred to as a “Party” and collectively referred to as the “Parties” herein), and SOUTHWEST POWER POOL, INC. (hereinafter referred to as “SPP” or “Transmission Provider”).

WITNESSETH, that,

WHEREAS, OG&E is a public utility engaged in generating, transmitting, and selling electric energy in the State of Oklahoma and is in the process of constructing facilities that will interconnect with the facilities of Company, and

WHEREAS, Company is a public utility transmitting electric energy in Kansas and is in the process of constructing facilities that will interconnect with the facilities of OG&E, and

WHEREAS, SPP is a Regional Transmission Organization (“RTO”) pursuant to orders of the Federal Energy Regulatory Commission (“FERC”) and, as such, is responsible for, among other items, directional authority and day-to-day operational control over appropriate transmission facilities within its footprint, and

WHEREAS, it will be advantageous to OG&E and the Company to have their respective transmission systems interconnected so that each will realize the mutual benefits of such interconnecting of facilities, and to establish additional points of interconnection in the future whenever mutually beneficial, and

WHEREAS, in order to take advantage of the benefits which OG&E and Company can achieve by interconnection of the transmission systems of the Parties, the Parties are willing to enter into this Agreement, it being understood that the Parties will preserve their identity and integrity and perform their respective responsibilities to their customers, and

WHEREAS, the transmission systems of the Parties are interconnected at various locations herein defined as “Points of Interconnection.” The Points of Interconnection are operated in synchronism, and are under the functional control of the SPP.

NOW THEREFORE, the Parties covenant and agree as follows:

ARTICLE I  
DEFINITIONS

- 1.1 “Applicable Laws and Regulation” shall mean all applicable federal, state and local laws, ordinances, rules and regulations, and all duly promulgated orders and other duly authorized actions of any Governmental Authority having jurisdiction over any Party, its facilities and/or the services it provides. This term shall include rules, directives, operational criteria, and other regulatory promulgations of SPP when acting within its authority as a Regional Transmission Organization.
- 1.2 “Dispatching Office” of the Company and OG&E shall mean the location designated by each entity to receive and send out operational and metering information.
- 1.3 “ERO” shall mean an Electric Reliability Organization.
- 1.4 “Emergency” shall mean a condition or situation (i) that in the reasonable judgment of the Party making the claim is imminently likely to endanger, or is contributing to the endangerment of, life or property, or public health and safety; or (ii) that, in the case of a Party, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, OG&E transmission system, the Company transmission system, or the electric systems of others to which the Parties are directly connected.
- 1.5 “Good Utility Practice” shall mean any of the applicable practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment by a Party 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, giving due regard to the requirements of governmental agencies having jurisdiction. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather includes all acceptable practices, methods, or acts generally accepted in the region as they may be applicable to the Parties as transmission system operators.
- 1.6 “Governmental Authority” means any federal, state, local or other governmental, regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, administrative law judge,

tribunal, arbitrating body, or other governmental, or regulatory authority having jurisdiction over any Party.

1.7 “Interconnection Facilities” shall mean the facilities of the Company and OG&E that are interconnected pursuant to this Agreement, as shown in Exhibit A.

1.8 “Modification” shall mean any material, new construction, additions, design changes or modifications made to, or the abandonment, retirement, relocation or rearrangement of the Interconnection Facilities.

1.9 “NERC” shall mean the North American Electric Reliability Corporation.

1.10 “Point(s) of Interconnection” shall mean the location(s) where the facilities of the Company and the facilities of OG&E are interconnected as identified in Exhibit A.

1.11 “RE” shall mean the SPP Regional Entity, an independent and functionally separate division of SPP, that was created to fulfill the duties specified in the FERC-approved Regional Entity Delegation Agreement between SPP and NERC, promote and work to improve bulk power system (BPS) reliability, and is responsible for overseeing the development of regional reliability standards; monitoring and enforcing registered entities' compliance with reliability standards; assessing and evaluating the reliability of the BPS; and providing technical expertise and assistance to the owners, operators and users of the BPS, in particular to the registered entities located within SPP RE's footprint.

1.12 “SPP” shall mean Southwest Power Pool, Inc. or its successor RTO.

1.13 “SPP Tariff” shall mean the Southwest Power Pool, Inc, Open Access Transmission Tariff, as filed with FERC, as such may be amended or superseded from time to time.

1.14 “System Protection Facilities” shall mean the equipment required to protect the transmission system of a Party, the systems of others connected to such transmission system, and generators connected to such transmission system, from faults or other electrical disturbances.

## ARTICLE II INTERCONNECTION OF FACILITIES

2.1 It is understood and agreed that the Parties have established or shall establish interconnections between their systems at the locations and under the terms and conditions set forth in this Agreement, with such interconnections set forth in Exhibit A of this Agreement, attached hereto and made a part hereof.

2.2 The Parties may at any time and from time to time provide for additional interconnections and for Modifications to existing interconnections between their

systems by mutual agreement in writing. When any such additional interconnections or modified interconnections are agreed to, a new sheet will be added to Exhibit A to this Agreement setting forth the specific details of that interconnection, and any specific provisions which apply to that interconnection, including but not limited to the assignment of loss revenue. In the event of a conflict between any provision in the body of this Agreement and the provisions set forth in Exhibit A with respect to a specific interconnection, the provisions in Exhibit A shall control.

- 2.3 If the Company agrees to interconnect with a third party at any interconnection location for which OG&E acts as the balancing authority, Company will notify OG&E of that interconnection and a new sheet will be added to Exhibit A of this Agreement, attached hereto and made a part hereof, setting forth the specific details of that interconnection and providing, among other things, for OG&E to receive all meter data regarding that interconnection that OG&E reasonably requires to fulfill its balancing authority and area load calculation.

### ARTICLE III FACILITIES TO BE PROVIDED

- 3.1 Each Party agrees to provide at its own expense the facilities and equipment on its own system which are necessary to effect the interconnections provided for under this Agreement as specified in Exhibit A attached hereto and made a part hereof, except as provided herein.

### ARTICLE IV OPERATIONS AND MAINTENANCE

4.1 Parties' Obligations. Each Party shall operate and maintain its respective transmission systems and Interconnection Facilities in accordance with Applicable Laws and Regulations and Good Utility Practice and the requirements, criteria, standards, protocols, rules and directives of NERC, SPP and RE and subject to the applicable procedures and requirements of the SPP Tariff. Nothing in this Agreement shall be interpreted to require the Parties to act in a manner inconsistent with the direction of SPP concerning the operation of its facilities to maintain reliability.

4.2 Switching, and Tagging Rules. The Parties shall abide by their respective switching, and tagging rules, and shall coordinate with each other, for obtaining clearances for work or for switching operations at the Interconnection Facilities.

4.3 Preventive and Corrective Maintenance Outages. In accordance with Good Utility Practice and in order to facilitate maintenance or reliability of the OG&E transmission system and the Company transmission system, the Parties shall confer regularly to coordinate the planning and scheduling of preventive and corrective

maintenance of, and Modifications to, the Interconnection Facilities that might reasonably be expected to affect the operation of the other Party's transmission system. Absent an Emergency or a contrary directive from SPP, the Parties shall coordinate their respective schedules for any such activities and will, to the extent practicable and appropriate under the circumstances, give reasonable consideration to, among other things, the impact of the schedule on the other Parties' operations; provided, however, that no Party shall be obligated to schedule such activities to coincide with another Party's scheduled outages, except to the extent required by SPP.

#### 4.4 Inspections and Testing.

- 4.4.1 Inspections. The Parties shall perform routine inspection and testing of their equipment on their respective Interconnection Facilities in accordance with Good Utility Practice and the applicable requirements of NERC, SPP and RE as may be necessary to ensure the continued interconnection of the OG&E transmission system and Company transmission system in a safe and reliable manner.
- 4.4.2 Right to Observe Testing. The Parties shall have the right to observe the testing of the testing Party's Interconnection Facilities, the performance of which may reasonably be expected to affect the reliability of the observing Party's transmission system. The testing Party shall notify the other Party in advance of such testing unless, in the testing Party's reasonable judgment, the testing must be performed immediately, in which case the testing Party shall provide notice as soon as practicable. The observing Party may have a representative attend and be present during any such testing.
- 4.4.3 Observation of Deficiencies. If any Party observes any condition it believes may be inconsistent with Good Utility Practice with respect to a Party's Interconnection Facilities that might reasonably be expected to adversely affect the observing Party's transmission system, the observing Party shall notify the other Party. Notwithstanding the foregoing, no Party shall be relieved from liability for adversely affecting another Party's transmission system due to the observing Party's failure to give such notice.

4.5 Planned Outage. The Parties agree to cooperate in scheduling planned outages as needed for operation, maintenance and construction. In the event of a planned outage of any Party's transmission system that may adversely affect the other Party with respect to its transmission system, the Party that is subject to the outage will use efforts consistent with Good Utility Practice, and NERC, SPP and RE requirements to restore the transmission system to service in accordance with its schedule for the work that necessitated the planned outage. The Parties systems shall be continuously operated in parallel except in cases of interruption of such parallel operation due to mutually agreed upon maintenance or due to causes beyond the control of any Party or as otherwise

required by Good Utility Practice or Emergency. If synchronous operation of the systems through a particular line or lines becomes interrupted either manually or automatically because of reasons beyond the control of a Party, or because of scheduled maintenance that has been agreed upon by the Parties, the Parties shall cooperate so as to remove the cause of such interruption as soon as practical and restore such line or lines to normal operating condition.

4.6 Relay Settings. Each Party shall modify necessary relay settings at its substations as required to implement this Agreement.

4.7 Reactive Power, Synchronization, and Voltage Schedules. Each Party shall attempt to maintain continuous synchronism through the Interconnection Facilities. Each Party shall endeavor to maintain compatible voltage schedules and minimize reactive power flows on the interconnection facilities. No Party shall be obligated to deliver or receive reactive power for the benefit of the other Party under this Agreement.

4.8 Operating Expenses. Each Party shall be responsible for all expenses associated with operating its own property, equipment, facilities, and appurtenances on its side of the Point of Interconnection, and for expenses associated with operating its Interconnection Facilities, except as provided herein.

4.9 System Protection. Each Party shall install, maintain, and operate System Protection Facilities, as appropriate, on its side of the Point of Interconnection.

4.9.1 Protection Requirements. Each Party shall install, operate and maintain devices on the facilities it owns or hereafter may own so as to reasonably minimize the likelihood of a disturbance, originating in the system of one Party, from affecting or impairing the system of the other Party, or other systems to which the Party is interconnected.

4.9.2 Parties' Right to Inspect. Each Party shall have the right, but shall have no obligation or responsibility to: (i) observe the other Party's tests and/or inspection of any System Protection Facilities and other protective equipment; (ii) review the settings of the other Party's System Protection Facilities and other protective equipment; and (iii) review maintenance records relative to the Interconnection Facilities and/or System Protection Facilities and other protective equipment. A Party may exercise the foregoing rights from time to time as it deems necessary upon reasonable notice. However, the exercise or non-exercise by a Party of any of the foregoing rights of observation, review or inspection shall not be construed as an endorsement or confirmation of any aspect, feature, element, or condition of the Interconnection Facilities, 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 obtained by the inspecting Party through the exercise of any of its rights under this Section 4.9.2 shall be deemed to be confidential information.

4.10 Continuity of Service. Each Party shall exercise due diligence, reasonable care and foresight to ensure continuity of interconnected operations, but shall not be considered in Default by reason of maintenance outages of its facilities, or any other cause beyond its control; provided, that each Party shall use due diligence to limit such interruptions, curtailments and outages, and that any outage or curtailments involving mutual facilities shall not constitute a Breach of this Agreement on the part of any Party, and neither Party shall be liable to the other Party, except as provided herein, for damages as a result thereof.

4.11 Curtailment. OG&E may partially or fully curtail receipt of energy deliveries from the other Parties at the Interconnection Point(s) if OG&E determines that curtailment is necessary (i) to protect, construct, install, inspect, maintain, repair, replace or remove any portion of the Interconnection Facilities or transmission facilities which it owns, or (ii) to comply with the system reliability requirements of NERC, the applicable NERC Regional Entity, Reliability Coordinator, or the Balancing Authority. The Parties agree that curtailments:

- a. Shall continue only for so long as reasonably necessary by the actions or events that necessitated the curtailment, and
- b. Shall be scheduled in advance with the other Party, except during the existence of emergency conditions or curtailment due to persistent or repeated violations of this Agreement, and the Parties shall cooperate and coordinate scheduled curtailments to minimize impacts on their respective systems, and
- c. Shall cooperate and coordinate with each other to the extent necessary to restore Interconnection operations in the case of emergency curtailments.

4.12 Coordinated Transmission Planning. The Parties agree that they will participate in joint discussions concerning the planning for transmission additions, expansions or upgrades related to this Agreement when requested by any one of the Parties. The Parties acknowledge that any future coordination discussions may or may not result in an agreement on a particular project.

4.13 Capability of Interconnection Facilities. Any conductors, circuit breakers, isolation switches, meters, relay protection or any other electrical device used in the Interconnection Facilities and in series with the facilities of the Parties shall have seasonal normal and emergency ratings no less than the ratings of the existing facilities at the time of construction of the Interconnection Facilities.

4.14 Study Costs. From time to time, a Party may determine that additional studies of the Interconnection Facilities are necessary. The Party determining that additional studies of the Interconnection Facilities are necessary shall bear the cost of such studies unless the Parties agree that such additional studies would be to their mutual benefit. In such case, the Parties shall share the costs of such additional studies equally.

4.15 SPP Rights. SPP may, without prior notice to or approval of the Parties, direct the operation of the Parties' high voltage transmission system through orders communicated to either of the Parties operating or control center personnel, including the Interconnection Facilities pursuant to the SPP Tariff, protocols, rules, guidelines and policies.

## ARTICLE V SERVICE CONDITIONS

5.1 Normally Operated Closed. The systems of the Parties shall be normally operated with the interconnections closed between the systems. Nothing contained herein shall restrict or limit either Party in effecting other interconnections or interconnection agreements with other systems.

5.2 Notice to Open Switch. Each Party will advise the other Party promptly of any necessity for opening a switch or switches to relieve a situation of overload, undue burden, or service impairment as specified above.

5.3 Notice of Adverse Conditions. Each Party will advise the other Party of any conditions on its system, which appear to be approaching overload or undue burden on its line, facilities or equipment, or appear to be prejudicial to service to its customers when such conditions may reasonably be expected to impact the other Party's transmission system. Each Party agrees to assist in studies of methods to correct such conditions.

5.4 Each Party shall exercise commercially reasonable efforts, consistent with Good Utility Practice and applicable SPP requirements, to restore normal interconnected operations once the overload, undue burden, situation or conditions discussed above is or are resolved or overcome.

## ARTICLE VI MODIFICATIONS

6.1 Generally. Each Party shall make such Modifications to its Interconnection Facilities as are necessary to comply with Good Utility Practice. Modifications shall be subject to the approval process set forth in Attachment O of the SPP Tariff as may be applicable.

6.2 Notice. In the event a Party plans to undertake Modifications to its Interconnection Facilities that reasonably may be expected to impact the other Party's transmission system, the initiating Party shall provide the other Party and SPP with at least ninety (90) days' advance notice of the desired Modifications. The nature of and the schedule of work for performing such Modifications shall be subject to review and acceptance by the other Party and SPP, which review and acceptance shall not be

untimely nor unreasonably withheld or delayed, to ensure that such Modifications will (i) not adversely affect a Party's transmission system, or other facilities, and (ii) are consistent with Good Utility Practice. Subject to all applicable requirements imposed by SPP, FERC, NERC, and RE, the suitability and the responsibility for the safe and adequate design, operation and maintenance of the initiating Party's facilities shall be and remain the sole obligation of the initiating Party. If the other Party does not respond within one hundred twenty (120) days after receipt of the notice, then the other Party will be deemed to have approved the proposed Modifications.

6.3 Cost Responsibility. When the actions of a Party necessitate Modifications to the other Party's Interconnection Facilities that are not required by SPP, FERC, NERC, or are not otherwise needed to satisfy RE requirements, such Modifications to the other Party's Interconnection Facilities shall be made at the sole cost and expense of the Party initiating the changes, unless otherwise agreed to in writing by the Parties. The initiating Party's responsibility for such Modification costs is limited to those costs that are incremental to costs already planned to be incurred by the other Party.

## ARTICLE VII CONSTRUCTION STANDARDS

7.1 Construction Standards. Each Party shall construct its Interconnection Facilities used in connection with the interchange of electric energy hereunder in accordance with Good Utility Practice, the requirements of NERC and SPP, and with standards at least equal to those provided by the National Electrical Safety Code of the Institute of Electrical and Electronics Engineers.

## ARTICLE VIII RELIABILITY STANDARDS

8.1 Reliability Standards. The Parties agree to adhere to the reliability standards, including coordination requirements and mitigation procedures, promulgated by the NERC and SPP, provided that any such reliability standard has been approved by the FERC. The Parties shall use commercially reasonable efforts to comply with reliability standards, or modifications thereto, that are adopted by SPP or NERC, but not yet approved by FERC. Each Party is responsible for their own NERC compliance responsibilities and agrees to jointly develop mitigation procedures if necessary.

## ARTICLE IX EMERGENCIES

9.1 Generally. The Parties agree to adopt, implement and maintain emergency procedures which comply with NERC standards and SPP emergency procedures.

9.2 Notice. In compliance with, and pursuant to, Section 26.3 herein, any Party shall provide the other Party with verbal notification that is prompt under the circumstances of an Emergency that may reasonably be expected to affect the other Party's operation of their respective transmission systems, to the extent the notifying Party is aware of the Emergency. Such notification shall describe, as known, the Emergency, the extent of any damage or deficiency, 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.

9.3 Immediate Action. In the event of an Emergency, the Party becoming aware of the Emergency may, in accordance with Good Utility Practice and using its reasonable judgment, take such action with respect to its own facilities as is reasonable and necessary to prevent, avoid, or mitigate injury, danger and/or loss of life or property. The Parties shall, consistent with Good Utility Practice, take whatever actions or inactions the Parties deem necessary during an Emergency, including, without limitation, to request and comply with directives of SPP, in order to: (i) preserve public health and safety; (ii) preserve the reliability of the Parties' transmission systems; (iii) limit or prevent damage; and (iv) expedite restoration of service.

9.4 Restoration of Operations. Each Party shall exercise commercially reasonable efforts to restore normal interconnected operations under this Agreement upon resolution of the Emergency.

## ARTICLE X METERING

10.1 Ownership. The ownership of the metering facilities for each of the interconnections listed in Section 2.1 shall be as shown on the sheet in Exhibit A attached hereto that pertains to that interconnection.

10.2 Telemetry of Meter Data. Metering facilities for the interconnections listed in Exhibit A shall provide for the measurement of energy and for the transducing of the measured energy, using industry acceptable telemetry practices, into electrical quantities which can be readily transmitted by practical and acceptable communication channels to the Dispatching Office of the Company and to the Dispatching Office of OG&E.

10.3 Meter Maintenance. Said metering facilities required for the purposes of this Agreement shall be provided and maintained in accordance with Good Utility Practice by the owner, at the owner's cost and expense.

10.4 Check Meters. Each Party shall have the right to install, at its own cost and expense, suitable metering equipment at any Point of Interconnection provided for herein for the purpose of backing up and/or checking the meters installed by the other Party.

10.5 Point of Measurement. The amounts of energy supplied and received hereunder shall be determined from measurements taken at or adjusted to the Points of Interconnection.

10.6 Testing of Meters. The aforesaid metering equipment shall be tested by the owner at least annually and its accuracy of registration maintained in accordance with Good Utility Practices, at the owner's cost and expense. On request of either Party concerned, a special test shall be made. If any special meter test discloses the questioned meter to be registered correctly or within one half percent (0.5%) thereof, then the Party who requested such special meter test shall bear the expense thereof. Otherwise, the expense of such test shall be borne by the owner of such meter. Representatives of the other Party shall be afforded opportunity to be present at all routine or special tests and upon occasions when any readings for purposes of settlements hereunder are taken.

10.7 Provision of Meter Data. Each Party shall furnish the other Party, upon request and within reasonable time frames, with appropriate data from meter registrations and other sources in such detail and with such segregations as may be needed for operating records, or for settlements hereunder or for other reasonable purposes, including but not limited to fulfillment of balancing authority responsibilities.

10.8 Additional Requirements. Specific provisions concerning metering and metering facilities for a specific interconnection may be set forth on the sheets in Exhibits A attached hereto pertaining to that specific interconnection. In the event of a conflict between this Article X and the metering-related provisions set forth in an exhibit, the provisions in the exhibit shall control.

## ARTICLE XI COMMUNICATION FACILITIES

11.1 Communication Facilities. Communication facilities for voice, telemetry or supervisory control necessary for the effective operation of this Agreement, shall be installed, maintained, and operated by the Parties and the capital costs and operating and maintenance costs of such facilities shall be shared as specified in Exhibit A.

## ARTICLE XII FURNISHING OF INFORMATION

12.1 Furnishing of Information. It is recognized by the Parties that the successful operation of this Agreement depends upon the cooperation by the Parties in the operation of their systems. As a part of such cooperation, subject to applicable confidentiality agreements, each Party agrees that it will furnish to the other Party such data concerning its system as may be necessary to construct, operate, and maintain the Interconnection Facilities and the Modifications and to support the other Party's system reliability.

ARTICLE XIII  
OPERATING COMMITTEE

13.1 Establishing the Operating Committee. Each Party shall appoint one representative, and one alternate representative, to act for it solely in the operating arrangements for the interchange or delivery of energy under or pursuant to this Agreement, said two representatives being hereinafter referred to collectively as the Operating Committee. Each Party shall evidence such appointment by written notice to the other Party, and by similar notice either Party may at any time change its representative on the Operating Committee.

13.2 Authority. The two representatives, or one or both of the alternate representatives when acting as a representative, on the Operating Committee shall be of equal authority, and all decisions made or directions given by the Operating Committee must be unanimous. If the Operating Committee cannot reach a unanimous decision, the dispute shall be resolved pursuant to Article XXV titled "Dispute Resolution" herein.

ARTICLE XIV  
BILLINGS AND PAYMENTS

14.1 All bills for amounts owed by one Party to the other hereunder, not otherwise billed by SPP, shall be due on the 15<sup>th</sup> day after the close of the billing period to which such bills are applicable or on the 30<sup>th</sup> day following receipt of bill, whichever shall be the later. The standard period for the purpose of settlements hereunder shall be a calendar month.

ARTICLE XV  
FORCE MAJEURE

15.1 Force Majeure Events. Neither Party will be liable for any act or event beyond the reasonable control of the Party claiming force majeure, and occurring or arising without the fault of negligence of such Party, which materially prevents, delays, or impairs the performance of such Party's obligations under this Agreement, including storm, flood, lightning, earthquake, fire, explosion, failure or imminent failure of equipment or facilities, civil unrest, strike, boycott, or other labor disturbance, sabotage, terrorism, war, national emergency, or the operation of any Applicable Law that is not an adjudication against such party for violation of Applicable Law. The Party claiming force majeure is obligated to use commercially reasonable efforts to remedy the cause thereof as diligently and expeditiously as possible.

15.2 Limitations. The provisions of this Article 15 will not excuse a Party from the prompt and full performance of any payment obligation under this Agreement. Additionally, neither Party will be required by this Agreement to settle any strike, walkout, lockout, or other labor dispute on terms which, in the sole judgment of the Party

involved in the dispute, are contrary to its interest, it being understood that the settlement of strikes, walkouts, lockouts, or other labor disputes will be at the sole discretion of the Party having the difficulty.

15.3 Notice. A Party claiming force majeure will notify the other Party in writing or by telephone as soon as reasonably possible after the force majeure event but in event within seven (7) days of the determination that a force majeure event has occurred. Telephone notices will be confirmed in writing as soon as reasonably possible, and all written notices will describe the force majeure event, including the time and date that it occurred, the plan for mitigating or terminating its effects, and when it is reasonably expected to cease.

#### ARTICLE XVI BREACH, CURE AND DEFAULT

16.1 Events of Breach. The occurrence of any one of the following shall constitute an Event of Breach by a Party (the “Breaching Party”):

- (a) 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;
- (b) If a Party: (i) by decree of a court of competent jurisdiction, is adjudicated bankrupt or insolvent; (ii) 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; (iii) makes a general assignment for the benefit of its creditors; or (iv) consents to the appointment of a receiver, trustee or liquidator;
- (c) Assignment of this Agreement in a manner inconsistent with the terms of this Agreement;
- (d) Failure of any Party to provide such access rights, or a Party’s attempt to revoke or terminate such access rights, as provided under this Agreement;
- (e) Failure of any Party to provide information or data to another 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;
- (f) Failure of any Party to act in accordance with the terms and requirements resulting from dispute resolution; or
- (g) Failure of any Party to remain legally authorized to own and operate electric transmission facilities in the State of Oklahoma.

16.2 Continued Operation. In the event of an Event of Breach by any Party, the Parties shall continue to operate and maintain, as applicable, such protection and metering equipment, telemetering equipment, supervisory control and data acquisition (“SCADA”) equipment, transformers, communications equipment, building facilities, software, documentation, structural components, and other facilities and appurtenances that are reasonably necessary for the Parties to operate and maintain their respective transmission systems in a safe and reliable manner.

16.3 Cure and Default.

- (a) A Breaching Party automatically will be deemed to be in “Default” of this Agreement upon the occurrence of any one of the Events of Breach described in Section 16.1(b) (ii)-(iv) of the Agreement.
- (b) Upon the occurrence of any Event of Breach other than those described in Section 16.1(b) (ii)-(iv), any Party not in breach (hereinafter a “Non-Breaching Party”), when it becomes aware of any such Event of Breach, shall give written notice of the Event of Breach to the Breaching Party. 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 such thirty-day (30-day) time period, the Breaching Party will commence in good faith all steps as are reasonable and appropriate to cure the breach within such thirty-day (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 such thirty-day (30-day) time period, the Breaching Party will be in “Default” of the Agreement.
- (c) Upon the occurrence of a Default, any Non-Breaching Party may, subject to the limitations contained in Article 17, terminate this Agreement as to the Breaching Party by providing written notice of termination to the Breaching Party and to the other Parties, except that where a Default has been disputed by the Breaching Party, termination of this Agreement on account of such Default may not occur absent a final, binding and non-appealable decision by FERC, an arbitrator, or a court of competent authority having jurisdiction, making a determination of said Default.

ARTICLE XVII  
TERM AND TERMINATION OF INTERCONNECTION SERVICE

17.1 Term. This Agreement shall become effective on the date accepted by FERC, (the “Effective Date”) and shall have an initial term ending December 31, 2031, and shall continue from year to year thereafter unless terminated pursuant to Section 17.2.

17.2 Termination.

17.2.1 By Mutual Consent. This Agreement may be terminated at any time by mutual agreement of the Parties and following the expiration of a one (1) year written notice to SPP.

17.2.2 By Any Party. Following the expiration of one (1) year written notice to SPP, any Party may terminate this Agreement as follows:

- (a) upon the removal of said Party’s transmission system from service following the expiration of a one (1) year written notice to the other Party; or
- (b) as to a Non-Breaching Party, upon a Default by Breaching Party as provided in Section 16.3; or
- (c) on or after December 31, 2031, by either Party following the expiration of a two-year written notice of termination to the other Party.

17.3 FERC Approval. No termination hereunder shall become effective until the terminating Party (or the Parties jointly) tender(s) to FERC any required notification of termination of this Agreement (if any) and obtains such acceptance thereof by the FERC as may be required (if at all).

17.4 Disconnection. Upon termination of this Agreement in accordance with this Article, a Party shall, in coordination with the other Party, physically disconnect its transmission system from the terminated Party’s transmission system.

17.5 Survival of Rights. Termination of this Agreement shall not relieve any Party of any of its liabilities and obligations arising hereunder prior to the date termination becomes effective, and each Party may take whatever judicial or administrative actions as appear necessary or desirable to enforce its rights hereunder. Applicable provisions of this Agreement will continue in effect after expiration, cancellation or termination of this Agreement to the extent necessary to provide for final billings, billing adjustments, and the determination and enforcement of liability and indemnification obligations arising from events or acts that occurred while this Agreement was in effect.

ARTICLE XVIII  
WAIVERS

18.1 Waiver. Except as otherwise provided in this Agreement, a Party's compliance with any obligation, covenant, agreement, or condition herein may be waived by the Party entitled to the benefits thereof only by a written instrument signed by the Party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, covenant, agreement, or condition will not operate as a waiver of, or estoppel with respect to, any subsequent or other failure of any obligation, covenant, agreement, or condition herein.

18.2 Failure to Enforce. Failure of any Party to enforce or insist upon compliance with any of the terms or conditions of this Agreement, or to give notice or declare this Agreement or the rights hereunder terminated, shall not constitute a waiver or relinquishment of any rights set out herein, but the same shall be and remain at all times in full force and effect as to future acts and omissions, unless and only to the extent expressly set forth in a writing signed by the Party granting such waiver or relinquishing any such right(s). Any waiver granted, or relinquishment of any right, by a Party shall not operate as a relinquishment of any other rights or a waiver of any other failure of the Party granted the waiver to comply with any obligation, covenant, agreement, or condition herein.

ARTICLE XIX  
REGULATORY APPROVAL

19.1 Regulatory Approval. This Agreement and all obligations hereunder are expressly conditioned upon the granting of such approval and authorization by any regulatory body, whose approval or authorization may be required by Applicable Laws and Regulation. Each Party shall aid and assist the other in obtaining any such necessary approval and authorization. This Agreement shall become null and void if FERC fails to accept this Agreement or materially changes the substance of this Agreement.

ARTICLE XX  
TIME OF INSTALLATION

20.1 OG&E and Company shall use commercially reasonable efforts to furnish and install, complete, test and make ready for operation the facilities identified in Exhibit A within a mutually agreed upon time frame.

ARTICLE XXI  
RIGHTS OF INSTALLATION, ACCESS AND REMOVAL

21.1 Provision of Required Easements. Each Party shall, pursuant to separate easement agreement for each interconnection, and with reasonable notice requirements grant to the other Party without cost the right to install, maintain, and operate on the premises of the other during the terms of this Agreement all equipment, apparatus and devices which may be reasonably necessary for use in the performance of this Agreement, and, as to OG&E, fulfillment of its balancing authority responsibilities and area load calculations. Pursuant to the separate easement agreement each Party shall furnish the other Party any rights of use, licenses, rights of way and easements with respect to lands owned or controlled by the Party, its agents, or any affiliate that are necessary to enable the other Party to obtain ingress and egress to construct, operate, maintain, repair, test (or witness testing), inspect, replace or remove facilities and equipment.

21.2 Access to Premises. Pursuant to each separate easement agreement, and with reasonable notice requirements each Party shall give all necessary permission to the other to enable its representatives to carry out this Agreement and shall give the other the right by duly authorized representatives and employees, when accompanied by its own authorized representative, to enter the premises of the Party owning same at all reasonable times for the purpose of reading or checking meters, or inspecting, testing, repairing, renewing, or exchanging all of its equipment, apparatus, and devices which may be located on the property of the other, or for the purpose of performing any other work incident to the performance of this Agreement. In the exercise of the rights granted under this Agreement, the Party accessing the premises of the other Party shall not unreasonably disrupt or interfere with the normal operation of the other Party's business and shall adhere to the safety rules and procedures regarding access and operations on the premises established in advance, as the same may be changed from time to time, by the other Party and provided to the accessing Party

21.3 Ownership of Equipment. Any equipment, apparatus, and devices necessary to fulfill either OG&E's obligations, or Company's obligations hereunder placed or erected by either Party on or in the premises of the other Party shall be and remain property of the Party owning and installing such equipment, apparatus, and devices regardless of the mode and manner of its annexation or attachment to real property of the other; and upon the termination of service provided for hereunder and for a period of six (6) months thereafter, OG&E and Company shall have the right, upon reasonable notice, to enter upon the premises of the other during normal working hours to remove such equipment, apparatus, or devices owned by it or in its lawful possession or control. If such facilities are not removed within such six (6) month period, the owner shall forfeit all right to recover same and to be compensated for same.

ARTICLE XXII  
LIABILITY AND INDEMNIFICATION

22.1 Limitations of Liability. Neither Party shall be liable for money damages or other compensation to the other Party or to SPP or Users (as defined in the SPP Tariff) for actions or omissions in performing its obligations under this Agreement, except to the extent such act or omission is found to result from its gross negligence or intentional wrongdoing. Neither Party nor SPP nor Users may seek to enforce any claims against the directors, members, shareholders, officers, employees or agents of either Party or its Affiliates by reason of their status as directors, members, shareholders, officers, employees or agents of a Party or its Affiliates. Neither Party shall be liable for damages arising out of its actions or omissions in performing its obligations under this Agreement, including, but not limited to any act or omission that results in an interruption, deficiency or imperfection of service, occurring as a result of Force Majeure, or resulting from electric system design or practices which are in accordance with Good Utility Practice. Neither Party shall be liable for acts or omissions done in compliance or good faith attempts to comply with directives of the Transmission Provider. In no event shall a Party be liable for any incidental, consequential, punitive, special, exemplary or indirect damages, loss of revenues or profits, arising out of, or connected in any way with its performance or non-performance under this Agreement.

22.2 Indemnification. Subject to the limitations contained in this Article XXII, each Party (the "Indemnifying Party") shall at all times indemnify, defend and save the other Party, and its officers, directors, employees, agents, consultants and contractors (the "Indemnified 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, demands, suits, recoveries, costs and expenses, court costs, attorney's fees, and all other obligations by or to third parties, arising out of or resulting from the Indemnifying Party's negligent acts or omissions related to the performance of obligations under this Agreement, except in cases of gross negligence or intentional wrongdoing by the Indemnified Parties.

22.3 SPP Limitation of Liability. No Party shall be liable for the failure of any other Party or SPP to perform its obligations hereunder. Nothing in this Agreement shall be construed to create or give rise to any liability on the part of SPP and the Parties expressly waive any claims that may arise against SPP under this Agreement. By executing this Agreement, SPP does not agree to the provisions that do not affect or involve SPP transmission service or SPP's role as a FERC-approved RTO. SPP's only purpose and involvement in executing this Agreement is with regard to any sections which may affect or involve SPP transmission service or SPP's role as a FERC-approved RTO.

22.4 Effect of SPP Signature. The Parties acknowledge and understand that the signature of the authorized officer of SPP on this Agreement is for the limited purpose of acknowledging that an officer of SPP has read the terms of this Agreement. The Parties and SPP further state that they understand that FERC desires that the Parties keep SPP fully apprised of the matters addressed herein as well as any reliability and planning issues that may arise under this Agreement, and that the signature of the SPP officer shall

not in any way be deemed to imply that SPP is taking responsibility for the actions of any Party, that SPP has any affirmative duties under this Agreement, or that SPP is liable in any way under this Agreement except as specifically provided in the SPP Tariff.

22.5 Survival. The limitation of liability provided for, and the indemnification obligations of each Party under this Article shall continue in full force and effect regardless of whether this Agreement has either expired or been terminated or canceled with respect to matters that arise during the effectiveness of the Agreement.

### ARTICLE XXIII ASSIGNMENT

23.1 Successors and Assigns. This Agreement, and the rights and obligations created thereby, shall bind and inure to the benefit of the successors and permitted assigns of the Parties hereto.

23.2 Consent Required. Subject to paragraph 23.3 below, no Party may assign any rights or obligations hereunder without obtaining the consent of the other Parties, which consent shall not unreasonably be withheld.

23.3 Assignment in Event of Merger or for Financing. Notwithstanding anything to the contrary herein, either Party, without the consent of the other Party or SPP but with reasonable prior written notice, may (i) assign this Agreement to any entity or entities in connection with a merger, consolidation, reorganization or other change in the organizational structure of the assigning Party, provided that the surviving entity(ies) agrees, in writing, to assume the assigning Party's obligations and duties under, and be bound by, the terms of this Agreement, or (ii) transfer, sell, pledge, encumber or assign this Agreement and the accounts, revenues or proceeds hereof in connection with any financing of or for such Party or other financial arrangements involving such Party (including to any trustee or other agent on behalf of one or more entities providing financing to or for, or involving, such Party).

### ARTICLE XXIV SUBCONTRACTOR

24.1 Generally. Nothing in this Agreement shall prevent a Party from utilizing the services of such subcontractors as it deems appropriate to perform its obligations under this Agreement; provided, however, that all Parties shall require their subcontractors to comply with all applicable terms and conditions of this Agreement in providing such services.

24.2 Responsibility of Principal. The creation of any subcontract relationship shall not relieve the hiring Party of any of its obligations under this Agreement. Each Party shall be fully responsible to the other Parties for the acts or omissions of any subcontractor it

hires as if no subcontract had been made. Any applicable obligation imposed by this Agreement upon a Party shall be equally binding upon, and shall be construed as having application to, any subcontractor of such Party.

24.3 No Third Party Beneficiary. No subcontractor is intended to be, nor will it be deemed to be, a third-party beneficiary of this Agreement.

24.4 No Limitation by Insurance. The obligations under this Article will not be limited in any way by any limitation on subcontractor's insurance.

#### ARTICLE XXV DISPUTE RESOLUTION

25.1 Dispute Resolution. In the event any Party has a dispute, or asserts a claim, that arises out of or in connection with this Agreement or its performance, such Party (the "Disputing Party") shall provide the other Parties with written notice of the dispute or claim ("Notice of Dispute"). Such dispute or claim shall be referred to a designated senior representative of each Party for resolution on an informal basis as promptly as practicable after receipt of the Notice of Dispute by the non-disputing Parties. In the event the designated representatives are unable to resolve the claim or dispute through unassisted or assisted negotiations within thirty (30) Calendar Days of the non-disputing Parties' receipt of the Notice of Dispute, such claim or dispute shall be submitted for resolution in accordance with the dispute resolution procedures of the SPP Tariff which is hereby adopted mutatis mutandis.

#### ARTICLE XXVI NOTICES AND COMMUNICATIONS

26.1 Unless otherwise specified herein, all notices, requests, claims, demands and other communications required or permitted to be given under this Agreement must be in writing, and must be given (and will be deemed to have been duly given if so given) 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 respective Parties as follows:

**To: Oklahoma Gas and Electric Company**

**To: Prairie Wind Transmission , LLC**

Philip Crissup  
Vice President, Utility Technical Support  
Oklahoma Gas and Electric Company  
P.O. Box 321 M/C 903  
Oklahoma City, OK 73101

Kelly Harrison  
President  
Prairie Wind Transmission LLC  
818 South Kansas Ave  
P.O. Box 889  
Topeka Ks 66601

**To SPP:**

Tessie Kentner, Attorney  
Southwest Power Pool, Inc.  
201 Worthen Drive  
Little Rock, AR 72223-4936  
Phone: (501) 688-1782  
Email: tkentner@spp.org

Any such notice or communication will be deemed to have been given as of the date received.

26.2 Any Party may change its address or designated representative for notices by notice to the other Parties in the manner provided above.

26.3 Notwithstanding Section 26.1, any notice hereunder concerning an Emergency or other occurrence requiring prompt attention, or as necessary during day-to-day operations, may be made by telephone or in person provided that such notice is confirmed in writing promptly thereafter. Notice in an Emergency, or as necessary during day-to-day operations, shall be provided: (i) if by Company, to the operator on duty at OG&E's transmission control center, (ii) if by OG&E, to the shift supervisor at Company's transmission control center, and (iii) if by SPP, pursuant to SPP's established procedures.

ARTICLE XXVII  
MISCELLANEOUS PROVISIONS

27.1 Governing Law.

- (a) When not in conflict with or preempted by federal law, this Agreement will be governed by and construed in accordance with the laws of the State of Oklahoma without giving effect to the conflict of law principles thereof.
- (b) Except for those matters covered in this Agreement and which are either jurisdictional to FERC or submitted to dispute resolution pursuant to Article XXV, any action arising out of or concerning this Agreement must be brought in State of Oklahoma District Court in Oklahoma County or the United States District Court for the Western District of Oklahoma. Both Parties hereby consent to the jurisdiction by these Courts for the purpose of hearing and determining any action not pre-empted by FERC.

27.2 Relationship of the Parties. Nothing in this Agreement is intended to create a partnership, joint venture, or other joint legal entity making any Party jointly or severally liable for the acts of the other Party. Unless otherwise agreed to in a writing signed by all

Parties, no Party shall have any authority to create or assume in another Party's name or on its behalf any obligation, express or implied or to act or purport to act as any other Party's agent or legally-empowered representative for any purpose whatsoever. Each Party shall be solely liable for the payment of all wages, taxes, and other costs related to the employment of persons by that Party to perform under this Agreement, including all federal, state, and local income, social security, payroll and employment taxes and statutorily-mandated workers' compensation coverage. None of the persons employed by any Party shall be considered employees of the other Party for any purpose; nor shall any Party represent to any person that such persons are or shall become employees of the other Party. Except as expressly provided for herein, no Party shall be liable to any third Party in any way for any engagement, obligation, commitment, contract, representation, or for any negligent act or omission to act of the other Party.

27.3 No Third Party Rights. Nothing in this Agreement, express or implied, is intended to confer on any person, other than the Parties hereto, any benefits, interests, rights, or remedies under or by reason of the Agreement.

27.4 Amendment Modification. Except as otherwise provided, (a) this Agreement may only be modified in writing and signed by all Parties, and (b) no amendment or modification to this Agreement or waiver of a Party's rights hereunder shall be binding unless the same shall be in writing and signed by the Parties. Notwithstanding any provision in this Agreement to the contrary, any Party may unilaterally make application to the FERC under Sections 205 or 206, as applicable, of the Federal Power Act and pursuant to FERC's rules and regulations promulgated thereunder for a change in any rate, term, condition, charge, classification of service, rule or regulation under or related to this Agreement over which the FERC has jurisdiction.

27.5 Severability. If any term, condition, covenant, restriction or other provision of this Agreement is held by a court or regulatory agency of competent jurisdiction or by legislative enactment to be invalid, void or otherwise unenforceable, the remainder of the terms, conditions, covenants restrictions and other provisions of this Agreement shall remain in full force and effect unless such an interpretation would materially alter the rights and privileges of any Party. If any term, condition, covenant, restriction or other provision of this Agreement is held invalid, void or otherwise unenforceable, the Parties shall attempt to negotiate an appropriate and equitable replacement, revision or adjustment to the provision of this Agreement to restore the benefits and obligations conferred under the original Agreement.

27.6 Headings and Captions. Article headings, section headings, and/or other captions are included in this Agreement for reference purposes only and shall not constitute a part of this Agreement or in any way affect the meaning or interpretation of this Agreement. Whenever used herein the singular number shall include the plural, the plural shall include the singular, and the use of any gender shall include all genders.

27.7 Further Assurances. Each Party shall do such other and further acts and things, and shall execute and deliver such instruments and documents, as any other Party

reasonably requests from time to time in furtherance of the purposes of this Agreement, provided that any such acts, things, instruments and documents are commercially reasonable.

27.8 Entire Agreement. This Agreement, including all exhibits, schedules, appendices and other attachments hereto and hereby made a part hereof, sets forth the entire understanding and agreement of the Parties as to the subject matter of this Agreement and merges and supersedes all prior written and oral understandings, offers, agreements, commitments, representations, writings, discussions or other communications of every kind between the Parties, pertaining to the subject matter hereof.

27.9 Rights Cumulative. The rights and remedies set forth in this Agreement are cumulative and non-exclusive.

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

27.11 Transmission Service. No Granting or Representation of Transmission Service. No transmission service is provided as a part of this Agreement. Nothing in this Agreement shall create any right to transmission service nor constitute an express or implied representation of warranty on the part of any Party with respect to the current or future availability of transmission service or create any obligation on the part of any Party to accept deliveries of power and energy from the other Party.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized officers, as of the day and year first hereinbefore written.

**OKLAHOMA GAS AND ELECTRIC COMPANY**

By: /s/ Philip L. Crissup

Philip Crissup  
Vice President, Utility Technical Support

**PRAIRIE WIND TRANSMISSION, LLC**

By: /s/ Kelly B. Harrison

Kelly Harrison  
President, Prairie Wind Transmission

**SOUTHWEST POWER POOL, INC.**

By: /s/ Carl Monroe

Carl Monroe  
Executive Vice President and Chief Operating Officer

## EXHIBIT A

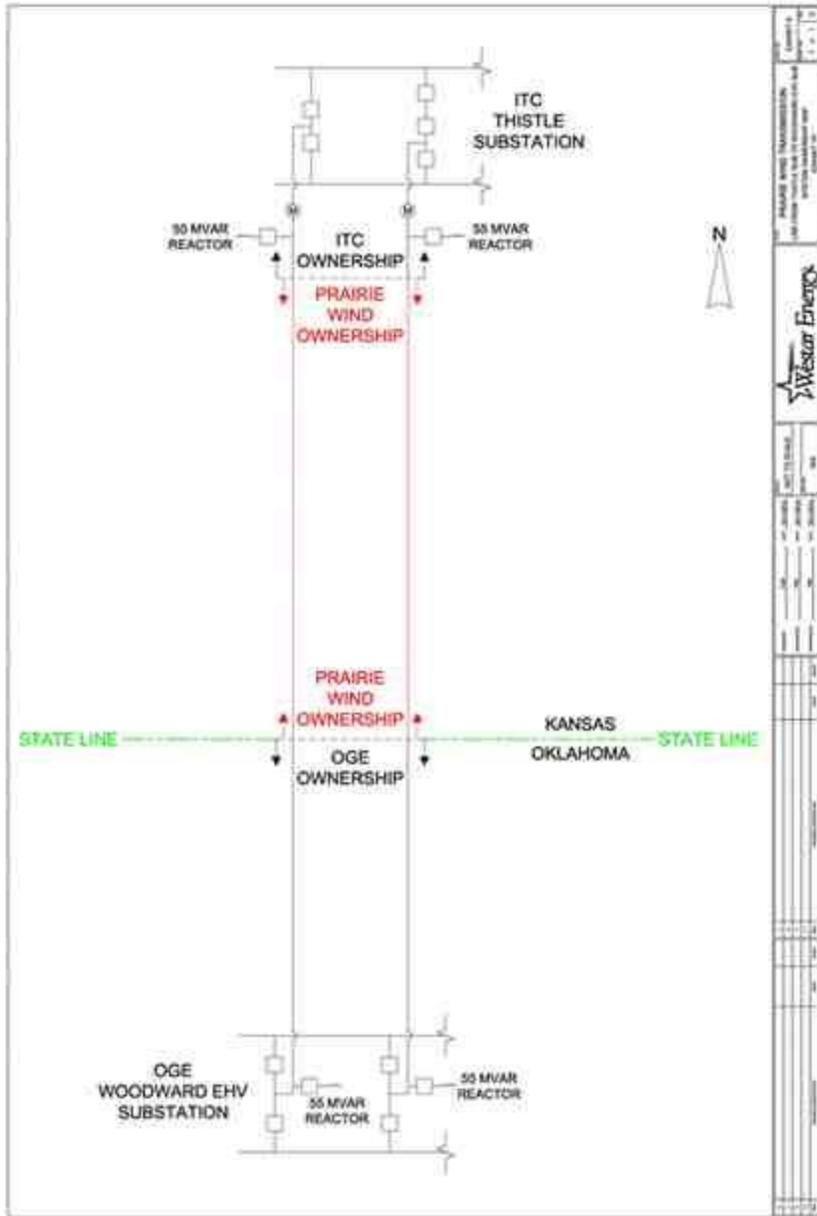
### Interconnection No. 1

#### OG&E Woodland to Company Termination at the Thistle Substation

Interconnection No. 1 (“Woodland to Thistle Double Circuit 345 kV line Interconnects”)  
– The interconnection is between OG&E and the Company through the Double Circuit 345 kV lines with the change in ownership being located at the Kansas/Oklahoma State Line. By virtue of OG&E owning the Woodland Substation including the double circuit 345 kV lines to the Kansas/Oklahoma State line and acting as a balancing authority within SPP, OG&E will include the Woodland terminal and the double circuit 345 kV lines to the Kansas/Oklahoma within its balancing authority boundaries and SPP transmission zone. By virtue of PWT owning the double circuit 345 kV line from Thistle to the Kansas/Oklahoma line, this line will be within the balancing authority and included in the SPP transmission zone as defined in its’ Interconnection Agreement with ITC.

Any and all SPP loss revenue, related to the Woodland to the Kansas/Oklahoma State Line will be assigned to OG&E. Any and all SPP loss revenues related to the Thistle to the Kansas/Oklahoma State Line will be assigned according to PWT Interconnection Agreement with ITC.

The 345 kV interchange meter(s) and required communication facilities, necessary for balancing authority responsibilities and transmission zonal load calculations will be located at the ITC owned Thistle Substation. PWT will be responsible for providing the required metering data including MW, MVAR, MWh, and MVARh through its agreements with ITC. The metering data will be adjusted for losses according to paragraph 2 of this Exhibit.



**Southwest Power Pool, Inc.  
Original Service Agreement No. 2638**

**INTERCONNECTION AGREEMENT  
BETWEEN  
OKLAHOMA GAS AND ELECTRIC COMPANY  
AND  
PRAIRIE WIND TRANSMISSION, LLC  
AND SOUTHWEST POWER POOL, INC.**

This Interconnection Agreement (hereinafter the “Agreement”) made and entered into this 1st day of November, 2014, by and between OKLAHOMA GAS AND ELECTRIC COMPANY, an Oklahoma corporation (hereinafter referred to as “OG&E”), and Prairie Wind Transmission, LLC, a Kansas limited liability company, (hereinafter called “PWT” or “Company”), (OG&E and the Company are each individually referred to as a “Party” and collectively referred to as the “Parties” herein), and SOUTHWEST POWER POOL, INC. (hereinafter referred to as “SPP” or “Transmission Provider”).

WITNESSETH, that,

WHEREAS, OG&E is a public utility engaged in generating, transmitting, and selling electric energy in the State of Oklahoma and is in the process of constructing facilities that will interconnect with the facilities of Company, and

WHEREAS, Company is a public utility transmitting electric energy in Kansas and is in the process of constructing facilities that will interconnect with the facilities of OG&E, and

WHEREAS, SPP is a Regional Transmission Organization (“RTO”) pursuant to orders of the Federal Energy Regulatory Commission (“FERC”) and, as such, is responsible for, among other items, directional authority and day-to-day operational control over appropriate transmission facilities within its footprint, and

WHEREAS, it will be advantageous to OG&E and the Company to have their respective transmission systems interconnected so that each will realize the mutual benefits of such interconnecting of facilities, and to establish additional points of interconnection in the future whenever mutually beneficial, and

WHEREAS, in order to take advantage of the benefits which OG&E and Company can achieve by interconnection of the transmission systems of the Parties, the Parties are willing to enter into this Agreement, it being understood that the Parties will preserve their identity and integrity and perform their respective responsibilities to their customers, and

WHEREAS, the transmission systems of the Parties are interconnected at various locations herein defined as “Points of Interconnection.” The Points of Interconnection are operated in synchronism, and are under the functional control of the SPP.

NOW THEREFORE, the Parties covenant and agree as follows:

ARTICLE I  
DEFINITIONS

- 1.1 “Applicable Laws and Regulation” shall mean all applicable federal, state and local laws, ordinances, rules and regulations, and all duly promulgated orders and other duly authorized actions of any Governmental Authority having jurisdiction over any Party, its facilities and/or the services it provides. This term shall include rules, directives, operational criteria, and other regulatory promulgations of SPP when acting within its authority as a Regional Transmission Organization.
- 1.2 “Dispatching Office” of the Company and OG&E shall mean the location designated by each entity to receive and send out operational and metering information.
- 1.3 “ERO” shall mean an Electric Reliability Organization.
- 1.4 “Emergency” shall mean a condition or situation (i) that in the reasonable judgment of the Party making the claim is imminently likely to endanger, or is contributing to the endangerment of, life or property, or public health and safety; or (ii) that, in the case of a Party, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, OG&E transmission system, the Company transmission system, or the electric systems of others to which the Parties are directly connected.
- 1.5 “Good Utility Practice” shall mean any of the applicable practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment by a Party 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, giving due regard to the requirements of governmental agencies having jurisdiction. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather includes all acceptable practices, methods, or acts generally accepted in the region as they may be applicable to the Parties as transmission system operators.
- 1.6 “Governmental Authority” means any federal, state, local or other governmental, regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, administrative law judge,

tribunal, arbitrating body, or other governmental, or regulatory authority having jurisdiction over any Party.

1.7 “Interconnection Facilities” shall mean the facilities of the Company and OG&E that are interconnected pursuant to this Agreement, as shown in Exhibit A.

1.8 “Modification” shall mean any material, new construction, additions, design changes or modifications made to, or the abandonment, retirement, relocation or rearrangement of the Interconnection Facilities.

1.9 “NERC” shall mean the North American Electric Reliability Corporation.

1.10 “Point(s) of Interconnection” shall mean the location(s) where the facilities of the Company and the facilities of OG&E are interconnected as identified in Exhibit A.

1.11 “RE” shall mean the SPP Regional Entity, an independent and functionally separate division of SPP, that was created to fulfill the duties specified in the FERC-approved Regional Entity Delegation Agreement between SPP and NERC, promote and work to improve bulk power system (BPS) reliability, and is responsible for overseeing the development of regional reliability standards; monitoring and enforcing registered entities' compliance with reliability standards; assessing and evaluating the reliability of the BPS; and providing technical expertise and assistance to the owners, operators and users of the BPS, in particular to the registered entities located within SPP RE's footprint.

1.12 “SPP” shall mean Southwest Power Pool, Inc. or its successor RTO.

1.13 “SPP Tariff” shall mean the Southwest Power Pool, Inc, Open Access Transmission Tariff, as filed with FERC, as such may be amended or superseded from time to time.

1.14 “System Protection Facilities” shall mean the equipment required to protect the transmission system of a Party, the systems of others connected to such transmission system, and generators connected to such transmission system, from faults or other electrical disturbances.

## ARTICLE II INTERCONNECTION OF FACILITIES

2.1 It is understood and agreed that the Parties have established or shall establish interconnections between their systems at the locations and under the terms and conditions set forth in this Agreement, with such interconnections set forth in Exhibit A of this Agreement, attached hereto and made a part hereof.

2.2 The Parties may at any time and from time to time provide for additional interconnections and for Modifications to existing interconnections between their

systems by mutual agreement in writing. When any such additional interconnections or modified interconnections are agreed to, a new sheet will be added to Exhibit A to this Agreement setting forth the specific details of that interconnection, and any specific provisions which apply to that interconnection, including but not limited to the assignment of loss revenue. In the event of a conflict between any provision in the body of this Agreement and the provisions set forth in Exhibit A with respect to a specific interconnection, the provisions in Exhibit A shall control.

- 2.3 If the Company agrees to interconnect with a third party at any interconnection location for which OG&E acts as the balancing authority, Company will notify OG&E of that interconnection and a new sheet will be added to Exhibit A of this Agreement, attached hereto and made a part hereof, setting forth the specific details of that interconnection and providing, among other things, for OG&E to receive all meter data regarding that interconnection that OG&E reasonably requires to fulfill its balancing authority and area load calculation.

### ARTICLE III FACILITIES TO BE PROVIDED

- 3.1 Each Party agrees to provide at its own expense the facilities and equipment on its own system which are necessary to effect the interconnections provided for under this Agreement as specified in Exhibit A attached hereto and made a part hereof, except as provided herein.

### ARTICLE IV OPERATIONS AND MAINTENANCE

4.1 Parties' Obligations. Each Party shall operate and maintain its respective transmission systems and Interconnection Facilities in accordance with Applicable Laws and Regulations and Good Utility Practice and the requirements, criteria, standards, protocols, rules and directives of NERC, SPP and RE and subject to the applicable procedures and requirements of the SPP Tariff. Nothing in this Agreement shall be interpreted to require the Parties to act in a manner inconsistent with the direction of SPP concerning the operation of its facilities to maintain reliability.

4.2 Switching, and Tagging Rules. The Parties shall abide by their respective switching, and tagging rules, and shall coordinate with each other, for obtaining clearances for work or for switching operations at the Interconnection Facilities.

4.3 Preventive and Corrective Maintenance Outages. In accordance with Good Utility Practice and in order to facilitate maintenance or reliability of the OG&E transmission system and the Company transmission system, the Parties shall confer regularly to coordinate the planning and scheduling of preventive and corrective

maintenance of, and Modifications to, the Interconnection Facilities that might reasonably be expected to affect the operation of the other Party's transmission system. Absent an Emergency or a contrary directive from SPP, the Parties shall coordinate their respective schedules for any such activities and will, to the extent practicable and appropriate under the circumstances, give reasonable consideration to, among other things, the impact of the schedule on the other Parties' operations; provided, however, that no Party shall be obligated to schedule such activities to coincide with another Party's scheduled outages, except to the extent required by SPP.

#### 4.4 Inspections and Testing.

- 4.4.1 Inspections. The Parties shall perform routine inspection and testing of their equipment on their respective Interconnection Facilities in accordance with Good Utility Practice and the applicable requirements of NERC, SPP and RE as may be necessary to ensure the continued interconnection of the OG&E transmission system and Company transmission system in a safe and reliable manner.
- 4.4.2 Right to Observe Testing. The Parties shall have the right to observe the testing of the testing Party's Interconnection Facilities, the performance of which may reasonably be expected to affect the reliability of the observing Party's transmission system. The testing Party shall notify the other Party in advance of such testing unless, in the testing Party's reasonable judgment, the testing must be performed immediately, in which case the testing Party shall provide notice as soon as practicable. The observing Party may have a representative attend and be present during any such testing.
- 4.4.3 Observation of Deficiencies. If any Party observes any condition it believes may be inconsistent with Good Utility Practice with respect to a Party's Interconnection Facilities that might reasonably be expected to adversely affect the observing Party's transmission system, the observing Party shall notify the other Party. Notwithstanding the foregoing, no Party shall be relieved from liability for adversely affecting another Party's transmission system due to the observing Party's failure to give such notice.

4.5 Planned Outage. The Parties agree to cooperate in scheduling planned outages as needed for operation, maintenance and construction. In the event of a planned outage of any Party's transmission system that may adversely affect the other Party with respect to its transmission system, the Party that is subject to the outage will use efforts consistent with Good Utility Practice, and NERC, SPP and RE requirements to restore the transmission system to service in accordance with its schedule for the work that necessitated the planned outage. The Parties systems shall be continuously operated in parallel except in cases of interruption of such parallel operation due to mutually agreed upon maintenance or due to causes beyond the control of any Party or as otherwise

required by Good Utility Practice or Emergency. If synchronous operation of the systems through a particular line or lines becomes interrupted either manually or automatically because of reasons beyond the control of a Party, or because of scheduled maintenance that has been agreed upon by the Parties, the Parties shall cooperate so as to remove the cause of such interruption as soon as practical and restore such line or lines to normal operating condition.

4.6 Relay Settings. Each Party shall modify necessary relay settings at its substations as required to implement this Agreement.

4.7 Reactive Power, Synchronization, and Voltage Schedules. Each Party shall attempt to maintain continuous synchronism through the Interconnection Facilities. Each Party shall endeavor to maintain compatible voltage schedules and minimize reactive power flows on the interconnection facilities. No Party shall be obligated to deliver or receive reactive power for the benefit of the other Party under this Agreement.

4.8 Operating Expenses. Each Party shall be responsible for all expenses associated with operating its own property, equipment, facilities, and appurtenances on its side of the Point of Interconnection, and for expenses associated with operating its Interconnection Facilities, except as provided herein.

4.9 System Protection. Each Party shall install, maintain, and operate System Protection Facilities, as appropriate, on its side of the Point of Interconnection.

4.9.1 Protection Requirements. Each Party shall install, operate and maintain devices on the facilities it owns or hereafter may own so as to reasonably minimize the likelihood of a disturbance, originating in the system of one Party, from affecting or impairing the system of the other Party, or other systems to which the Party is interconnected.

4.9.2 Parties' Right to Inspect. Each Party shall have the right, but shall have no obligation or responsibility to: (i) observe the other Party's tests and/or inspection of any System Protection Facilities and other protective equipment; (ii) review the settings of the other Party's System Protection Facilities and other protective equipment; and (iii) review maintenance records relative to the Interconnection Facilities and/or System Protection Facilities and other protective equipment. A Party may exercise the foregoing rights from time to time as it deems necessary upon reasonable notice. However, the exercise or non-exercise by a Party of any of the foregoing rights of observation, review or inspection shall not be construed as an endorsement or confirmation of any aspect, feature, element, or condition of the Interconnection Facilities, 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 obtained by the inspecting Party through the exercise of any of its rights under this Section 4.9.2 shall be deemed to be confidential information.

4.10 Continuity of Service. Each Party shall exercise due diligence, reasonable care and foresight to ensure continuity of interconnected operations, but shall not be considered in Default by reason of maintenance outages of its facilities, or any other cause beyond its control; provided, that each Party shall use due diligence to limit such interruptions, curtailments and outages, and that any outage or curtailments involving mutual facilities shall not constitute a Breach of this Agreement on the part of any Party, and neither Party shall be liable to the other Party, except as provided herein, for damages as a result thereof.

4.11 Curtailment. OG&E may partially or fully curtail receipt of energy deliveries from the other Parties at the Interconnection Point(s) if OG&E determines that curtailment is necessary (i) to protect, construct, install, inspect, maintain, repair, replace or remove any portion of the Interconnection Facilities or transmission facilities which it owns, or (ii) to comply with the system reliability requirements of NERC, the applicable NERC Regional Entity, Reliability Coordinator, or the Balancing Authority. The Parties agree that curtailments:

- a. Shall continue only for so long as reasonably necessary by the actions or events that necessitated the curtailment, and
- b. Shall be scheduled in advance with the other Party, except during the existence of emergency conditions or curtailment due to persistent or repeated violations of this Agreement, and the Parties shall cooperate and coordinate scheduled curtailments to minimize impacts on their respective systems, and
- c. Shall cooperate and coordinate with each other to the extent necessary to restore Interconnection operations in the case of emergency curtailments.

4.12 Coordinated Transmission Planning. The Parties agree that they will participate in joint discussions concerning the planning for transmission additions, expansions or upgrades related to this Agreement when requested by any one of the Parties. The Parties acknowledge that any future coordination discussions may or may not result in an agreement on a particular project.

4.13 Capability of Interconnection Facilities. Any conductors, circuit breakers, isolation switches, meters, relay protection or any other electrical device used in the Interconnection Facilities and in series with the facilities of the Parties shall have seasonal normal and emergency ratings no less than the ratings of the existing facilities at the time of construction of the Interconnection Facilities.

4.14 Study Costs. From time to time, a Party may determine that additional studies of the Interconnection Facilities are necessary. The Party determining that additional studies of the Interconnection Facilities are necessary shall bear the cost of such studies unless the Parties agree that such additional studies would be to their mutual benefit. In such case, the Parties shall share the costs of such additional studies equally.

4.15 SPP Rights. SPP may, without prior notice to or approval of the Parties, direct the operation of the Parties' high voltage transmission system through orders communicated to either of the Parties operating or control center personnel, including the Interconnection Facilities pursuant to the SPP Tariff, protocols, rules, guidelines and policies.

## ARTICLE V SERVICE CONDITIONS

5.1 Normally Operated Closed. The systems of the Parties shall be normally operated with the interconnections closed between the systems. Nothing contained herein shall restrict or limit either Party in effecting other interconnections or interconnection agreements with other systems.

5.2 Notice to Open Switch. Each Party will advise the other Party promptly of any necessity for opening a switch or switches to relieve a situation of overload, undue burden, or service impairment as specified above.

5.3 Notice of Adverse Conditions. Each Party will advise the other Party of any conditions on its system, which appear to be approaching overload or undue burden on its line, facilities or equipment, or appear to be prejudicial to service to its customers when such conditions may reasonably be expected to impact the other Party's transmission system. Each Party agrees to assist in studies of methods to correct such conditions.

5.4 Each Party shall exercise commercially reasonable efforts, consistent with Good Utility Practice and applicable SPP requirements, to restore normal interconnected operations once the overload, undue burden, situation or conditions discussed above is or are resolved or overcome.

## ARTICLE VI MODIFICATIONS

6.1 Generally. Each Party shall make such Modifications to its Interconnection Facilities as are necessary to comply with Good Utility Practice. Modifications shall be subject to the approval process set forth in Attachment O of the SPP Tariff as may be applicable.

6.2 Notice. In the event a Party plans to undertake Modifications to its Interconnection Facilities that reasonably may be expected to impact the other Party's transmission system, the initiating Party shall provide the other Party and SPP with at least ninety (90) days' advance notice of the desired Modifications. The nature of and the schedule of work for performing such Modifications shall be subject to review and acceptance by the other Party and SPP, which review and acceptance shall not be

untimely nor unreasonably withheld or delayed, to ensure that such Modifications will (i) not adversely affect a Party's transmission system, or other facilities, and (ii) are consistent with Good Utility Practice. Subject to all applicable requirements imposed by SPP, FERC, NERC, and RE, the suitability and the responsibility for the safe and adequate design, operation and maintenance of the initiating Party's facilities shall be and remain the sole obligation of the initiating Party. If the other Party does not respond within one hundred twenty (120) days after receipt of the notice, then the other Party will be deemed to have approved the proposed Modifications.

6.3 Cost Responsibility. When the actions of a Party necessitate Modifications to the other Party's Interconnection Facilities that are not required by SPP, FERC, NERC, or are not otherwise needed to satisfy RE requirements, such Modifications to the other Party's Interconnection Facilities shall be made at the sole cost and expense of the Party initiating the changes, unless otherwise agreed to in writing by the Parties. The initiating Party's responsibility for such Modification costs is limited to those costs that are incremental to costs already planned to be incurred by the other Party.

## ARTICLE VII CONSTRUCTION STANDARDS

7.1 Construction Standards. Each Party shall construct its Interconnection Facilities used in connection with the interchange of electric energy hereunder in accordance with Good Utility Practice, the requirements of NERC and SPP, and with standards at least equal to those provided by the National Electrical Safety Code of the Institute of Electrical and Electronics Engineers.

## ARTICLE VIII RELIABILITY STANDARDS

8.1 Reliability Standards. The Parties agree to adhere to the reliability standards, including coordination requirements and mitigation procedures, promulgated by the NERC and SPP, provided that any such reliability standard has been approved by the FERC. The Parties shall use commercially reasonable efforts to comply with reliability standards, or modifications thereto, that are adopted by SPP or NERC, but not yet approved by FERC. Each Party is responsible for their own NERC compliance responsibilities and agrees to jointly develop mitigation procedures if necessary.

## ARTICLE IX EMERGENCIES

9.1 Generally. The Parties agree to adopt, implement and maintain emergency procedures which comply with NERC standards and SPP emergency procedures.

9.2 Notice. In compliance with, and pursuant to, Section 26.3 herein, any Party shall provide the other Party with verbal notification that is prompt under the circumstances of an Emergency that may reasonably be expected to affect the other Party's operation of their respective transmission systems, to the extent the notifying Party is aware of the Emergency. Such notification shall describe, as known, the Emergency, the extent of any damage or deficiency, 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.

9.3 Immediate Action. In the event of an Emergency, the Party becoming aware of the Emergency may, in accordance with Good Utility Practice and using its reasonable judgment, take such action with respect to its own facilities as is reasonable and necessary to prevent, avoid, or mitigate injury, danger and/or loss of life or property. The Parties shall, consistent with Good Utility Practice, take whatever actions or inactions the Parties deem necessary during an Emergency, including, without limitation, to request and comply with directives of SPP, in order to: (i) preserve public health and safety; (ii) preserve the reliability of the Parties' transmission systems; (iii) limit or prevent damage; and (iv) expedite restoration of service.

9.4 Restoration of Operations. Each Party shall exercise commercially reasonable efforts to restore normal interconnected operations under this Agreement upon resolution of the Emergency.

## ARTICLE X METERING

10.1 Ownership. The ownership of the metering facilities for each of the interconnections listed in Section 2.1 shall be as shown on the sheet in Exhibit A attached hereto that pertains to that interconnection.

10.2 Telemetry of Meter Data. Metering facilities for the interconnections listed in Exhibit A shall provide for the measurement of energy and for the transducing of the measured energy, using industry acceptable telemetry practices, into electrical quantities which can be readily transmitted by practical and acceptable communication channels to the Dispatching Office of the Company and to the Dispatching Office of OG&E.

10.3 Meter Maintenance. Said metering facilities required for the purposes of this Agreement shall be provided and maintained in accordance with Good Utility Practice by the owner, at the owner's cost and expense.

10.4 Check Meters. Each Party shall have the right to install, at its own cost and expense, suitable metering equipment at any Point of Interconnection provided for herein for the purpose of backing up and/or checking the meters installed by the other Party.

10.5 Point of Measurement. The amounts of energy supplied and received hereunder shall be determined from measurements taken at or adjusted to the Points of Interconnection.

10.6 Testing of Meters. The aforesaid metering equipment shall be tested by the owner at least annually and its accuracy of registration maintained in accordance with Good Utility Practices, at the owner's cost and expense. On request of either Party concerned, a special test shall be made. If any special meter test discloses the questioned meter to be registered correctly or within one half percent (0.5%) thereof, then the Party who requested such special meter test shall bear the expense thereof. Otherwise, the expense of such test shall be borne by the owner of such meter. Representatives of the other Party shall be afforded opportunity to be present at all routine or special tests and upon occasions when any readings for purposes of settlements hereunder are taken.

10.7 Provision of Meter Data. Each Party shall furnish the other Party, upon request and within reasonable time frames, with appropriate data from meter registrations and other sources in such detail and with such segregations as may be needed for operating records, or for settlements hereunder or for other reasonable purposes, including but not limited to fulfillment of balancing authority responsibilities.

10.8 Additional Requirements. Specific provisions concerning metering and metering facilities for a specific interconnection may be set forth on the sheets in Exhibits A attached hereto pertaining to that specific interconnection. In the event of a conflict between this Article X and the metering-related provisions set forth in an exhibit, the provisions in the exhibit shall control.

## ARTICLE XI COMMUNICATION FACILITIES

11.1 Communication Facilities. Communication facilities for voice, telemetry or supervisory control necessary for the effective operation of this Agreement, shall be installed, maintained, and operated by the Parties and the capital costs and operating and maintenance costs of such facilities shall be shared as specified in Exhibit A.

## ARTICLE XII FURNISHING OF INFORMATION

12.1 Furnishing of Information. It is recognized by the Parties that the successful operation of this Agreement depends upon the cooperation by the Parties in the operation of their systems. As a part of such cooperation, subject to applicable confidentiality agreements, each Party agrees that it will furnish to the other Party such data concerning its system as may be necessary to construct, operate, and maintain the Interconnection Facilities and the Modifications and to support the other Party's system reliability.

ARTICLE XIII  
OPERATING COMMITTEE

13.1 Establishing the Operating Committee. Each Party shall appoint one representative, and one alternate representative, to act for it solely in the operating arrangements for the interchange or delivery of energy under or pursuant to this Agreement, said two representatives being hereinafter referred to collectively as the Operating Committee. Each Party shall evidence such appointment by written notice to the other Party, and by similar notice either Party may at any time change its representative on the Operating Committee.

13.2 Authority. The two representatives, or one or both of the alternate representatives when acting as a representative, on the Operating Committee shall be of equal authority, and all decisions made or directions given by the Operating Committee must be unanimous. If the Operating Committee cannot reach a unanimous decision, the dispute shall be resolved pursuant to Article XXV titled "Dispute Resolution" herein.

ARTICLE XIV  
BILLINGS AND PAYMENTS

14.1 All bills for amounts owed by one Party to the other hereunder, not otherwise billed by SPP, shall be due on the 15<sup>th</sup> day after the close of the billing period to which such bills are applicable or on the 30<sup>th</sup> day following receipt of bill, whichever shall be the later. The standard period for the purpose of settlements hereunder shall be a calendar month.

ARTICLE XV  
FORCE MAJEURE

15.1 Force Majeure Events. Neither Party will be liable for any act or event beyond the reasonable control of the Party claiming force majeure, and occurring or arising without the fault of negligence of such Party, which materially prevents, delays, or impairs the performance of such Party's obligations under this Agreement, including storm, flood, lightning, earthquake, fire, explosion, failure or imminent failure of equipment or facilities, civil unrest, strike, boycott, or other labor disturbance, sabotage, terrorism, war, national emergency, or the operation of any Applicable Law that is not an adjudication against such party for violation of Applicable Law. The Party claiming force majeure is obligated to use commercially reasonable efforts to remedy the cause thereof as diligently and expeditiously as possible.

15.2 Limitations. The provisions of this Article 15 will not excuse a Party from the prompt and full performance of any payment obligation under this Agreement. Additionally, neither Party will be required by this Agreement to settle any strike, walkout, lockout, or other labor dispute on terms which, in the sole judgment of the Party

involved in the dispute, are contrary to its interest, it being understood that the settlement of strikes, walkouts, lockouts, or other labor disputes will be at the sole discretion of the Party having the difficulty.

15.3 Notice. A Party claiming force majeure will notify the other Party in writing or by telephone as soon as reasonably possible after the force majeure event but in event within seven (7) days of the determination that a force majeure event has occurred. Telephone notices will be confirmed in writing as soon as reasonably possible, and all written notices will describe the force majeure event, including the time and date that it occurred, the plan for mitigating or terminating its effects, and when it is reasonably expected to cease.

#### ARTICLE XVI BREACH, CURE AND DEFAULT

16.1 Events of Breach. The occurrence of any one of the following shall constitute an Event of Breach by a Party (the “Breaching Party”):

- (a) 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;
- (b) If a Party: (i) by decree of a court of competent jurisdiction, is adjudicated bankrupt or insolvent; (ii) 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; (iii) makes a general assignment for the benefit of its creditors; or (iv) consents to the appointment of a receiver, trustee or liquidator;
- (c) Assignment of this Agreement in a manner inconsistent with the terms of this Agreement;
- (d) Failure of any Party to provide such access rights, or a Party’s attempt to revoke or terminate such access rights, as provided under this Agreement;
- (e) Failure of any Party to provide information or data to another 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;
- (f) Failure of any Party to act in accordance with the terms and requirements resulting from dispute resolution; or
- (g) Failure of any Party to remain legally authorized to own and operate electric transmission facilities in the State of Oklahoma.

16.2 Continued Operation. In the event of an Event of Breach by any Party, the Parties shall continue to operate and maintain, as applicable, such protection and metering equipment, telemetering equipment, supervisory control and data acquisition (“SCADA”) equipment, transformers, communications equipment, building facilities, software, documentation, structural components, and other facilities and appurtenances that are reasonably necessary for the Parties to operate and maintain their respective transmission systems in a safe and reliable manner.

16.3 Cure and Default.

- (a) A Breaching Party automatically will be deemed to be in “Default” of this Agreement upon the occurrence of any one of the Events of Breach described in Section 16.1(b) (ii)-(iv) of the Agreement.
- (b) Upon the occurrence of any Event of Breach other than those described in Section 16.1(b) (ii)-(iv), any Party not in breach (hereinafter a “Non-Breaching Party”), when it becomes aware of any such Event of Breach, shall give written notice of the Event of Breach to the Breaching Party. 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 such thirty-day (30-day) time period, the Breaching Party will commence in good faith all steps as are reasonable and appropriate to cure the breach within such thirty-day (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 such thirty-day (30-day) time period, the Breaching Party will be in “Default” of the Agreement.
- (c) Upon the occurrence of a Default, any Non-Breaching Party may, subject to the limitations contained in Article 17, terminate this Agreement as to the Breaching Party by providing written notice of termination to the Breaching Party and to the other Parties, except that where a Default has been disputed by the Breaching Party, termination of this Agreement on account of such Default may not occur absent a final, binding and non-appealable decision by FERC, an arbitrator, or a court of competent authority having jurisdiction, making a determination of said Default.

ARTICLE XVII  
TERM AND TERMINATION OF INTERCONNECTION SERVICE

17.1 Term. This Agreement shall become effective on the date accepted by FERC, (the “Effective Date”) and shall have an initial term ending December 31, 2031, and shall continue from year to year thereafter unless terminated pursuant to Section 17.2.

17.2 Termination.

17.2.1 By Mutual Consent. This Agreement may be terminated at any time by mutual agreement of the Parties and following the expiration of a one (1) year written notice to SPP.

17.2.2 By Any Party. Following the expiration of one (1) year written notice to SPP, any Party may terminate this Agreement as follows:

- (a) upon the removal of said Party’s transmission system from service following the expiration of a one (1) year written notice to the other Party; or
- (b) as to a Non-Breaching Party, upon a Default by Breaching Party as provided in Section 16.3; or
- (c) on or after December 31, 2031, by either Party following the expiration of a two-year written notice of termination to the other Party.

17.3 FERC Approval. No termination hereunder shall become effective until the terminating Party (or the Parties jointly) tender(s) to FERC any required notification of termination of this Agreement (if any) and obtains such acceptance thereof by the FERC as may be required (if at all).

17.4 Disconnection. Upon termination of this Agreement in accordance with this Article, a Party shall, in coordination with the other Party, physically disconnect its transmission system from the terminated Party’s transmission system.

17.5 Survival of Rights. Termination of this Agreement shall not relieve any Party of any of its liabilities and obligations arising hereunder prior to the date termination becomes effective, and each Party may take whatever judicial or administrative actions as appear necessary or desirable to enforce its rights hereunder. Applicable provisions of this Agreement will continue in effect after expiration, cancellation or termination of this Agreement to the extent necessary to provide for final billings, billing adjustments, and the determination and enforcement of liability and indemnification obligations arising from events or acts that occurred while this Agreement was in effect.

ARTICLE XVIII  
WAIVERS

18.1 Waiver. Except as otherwise provided in this Agreement, a Party's compliance with any obligation, covenant, agreement, or condition herein may be waived by the Party entitled to the benefits thereof only by a written instrument signed by the Party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, covenant, agreement, or condition will not operate as a waiver of, or estoppel with respect to, any subsequent or other failure of any obligation, covenant, agreement, or condition herein.

18.2 Failure to Enforce. Failure of any Party to enforce or insist upon compliance with any of the terms or conditions of this Agreement, or to give notice or declare this Agreement or the rights hereunder terminated, shall not constitute a waiver or relinquishment of any rights set out herein, but the same shall be and remain at all times in full force and effect as to future acts and omissions, unless and only to the extent expressly set forth in a writing signed by the Party granting such waiver or relinquishing any such right(s). Any waiver granted, or relinquishment of any right, by a Party shall not operate as a relinquishment of any other rights or a waiver or of any other failure of the Party granted the waiver to comply with any obligation, covenant, agreement, or condition herein.

ARTICLE XIX  
REGULATORY APPROVAL

19.1 Regulatory Approval. This Agreement and all obligations hereunder are expressly conditioned upon the granting of such approval and authorization by any regulatory body, whose approval or authorization may be required by Applicable Laws and Regulation. Each Party shall aid and assist the other in obtaining any such necessary approval and authorization. This Agreement shall become null and void if FERC fails to accept this Agreement or materially changes the substance of this Agreement.

ARTICLE XX  
TIME OF INSTALLATION

20.1 OG&E and Company shall use commercially reasonable efforts to furnish and install, complete, test and make ready for operation the facilities identified in Exhibit A within a mutually agreed upon time frame.

ARTICLE XXI  
RIGHTS OF INSTALLATION, ACCESS AND REMOVAL

21.1 Provision of Required Easements. Each Party shall, pursuant to separate easement agreement for each interconnection, and with reasonable notice requirements grant to the other Party without cost the right to install, maintain, and operate on the premises of the other during the terms of this Agreement all equipment, apparatus and devices which may be reasonably necessary for use in the performance of this Agreement, and, as to OG&E, fulfillment of its balancing authority responsibilities and area load calculations. Pursuant to the separate easement agreement each Party shall furnish the other Party any rights of use, licenses, rights of way and easements with respect to lands owned or controlled by the Party, its agents, or any affiliate that are necessary to enable the other Party to obtain ingress and egress to construct, operate, maintain, repair, test (or witness testing), inspect, replace or remove facilities and equipment.

21.2 Access to Premises. Pursuant to each separate easement agreement, and with reasonable notice requirements each Party shall give all necessary permission to the other to enable its representatives to carry out this Agreement and shall give the other the right by duly authorized representatives and employees, when accompanied by its own authorized representative, to enter the premises of the Party owning same at all reasonable times for the purpose of reading or checking meters, or inspecting, testing, repairing, renewing, or exchanging all of its equipment, apparatus, and devices which may be located on the property of the other, or for the purpose of performing any other work incident to the performance of this Agreement. In the exercise of the rights granted under this Agreement, the Party accessing the premises of the other Party shall not unreasonably disrupt or interfere with the normal operation of the other Party's business and shall adhere to the safety rules and procedures regarding access and operations on the premises established in advance, as the same may be changed from time to time, by the other Party and provided to the accessing Party

21.3 Ownership of Equipment. Any equipment, apparatus, and devices necessary to fulfill either OG&E's obligations, or Company's obligations hereunder placed or erected by either Party on or in the premises of the other Party shall be and remain property of the Party owning and installing such equipment, apparatus, and devices regardless of the mode and manner of its annexation or attachment to real property of the other; and upon the termination of service provided for hereunder and for a period of six (6) months thereafter, OG&E and Company shall have the right, upon reasonable notice, to enter upon the premises of the other during normal working hours to remove such equipment, apparatus, or devices owned by it or in its lawful possession or control. If such facilities are not removed within such six (6) month period, the owner shall forfeit all right to recover same and to be compensated for same.

ARTICLE XXII  
LIABILITY AND INDEMNIFICATION

22.1 Limitations of Liability. Neither Party shall be liable for money damages or other compensation to the other Party or to SPP or Users (as defined in the SPP Tariff) for actions or omissions in performing its obligations under this Agreement, except to the extent such act or omission is found to result from its gross negligence or intentional wrongdoing. Neither Party nor SPP nor Users may seek to enforce any claims against the directors, members, shareholders, officers, employees or agents of either Party or its Affiliates by reason of their status as directors, members, shareholders, officers, employees or agents of a Party or its Affiliates. Neither Party shall be liable for damages arising out of its actions or omissions in performing its obligations under this Agreement, including, but not limited to any act or omission that results in an interruption, deficiency or imperfection of service, occurring as a result of Force Majeure, or resulting from electric system design or practices which are in accordance with Good Utility Practice. Neither Party shall be liable for acts or omissions done in compliance or good faith attempts to comply with directives of the Transmission Provider. In no event shall a Party be liable for any incidental, consequential, punitive, special, exemplary or indirect damages, loss of revenues or profits, arising out of, or connected in any way with its performance or non-performance under this Agreement.

22.2 Indemnification. Subject to the limitations contained in this Article XXII, each Party (the “Indemnifying Party”) shall at all times indemnify, defend and save the other Party, and its officers, directors, employees, agents, consultants and contractors (the “Indemnified 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, demands, suits, recoveries, costs and expenses, court costs, attorney’s fees, and all other obligations by or to third parties, arising out of or resulting from the Indemnifying Party’s negligent acts or omissions related to the performance of obligations under this Agreement, except in cases of gross negligence or intentional wrongdoing by the Indemnified Parties.

22.3 SPP Limitation of Liability. No Party shall be liable for the failure of any other Party or SPP to perform its obligations hereunder. Nothing in this Agreement shall be construed to create or give rise to any liability on the part of SPP and the Parties expressly waive any claims that may arise against SPP under this Agreement. By executing this Agreement, SPP does not agree to the provisions that do not affect or involve SPP transmission service or SPP’s role as a FERC-approved RTO. SPP’s only purpose and involvement in executing this Agreement is with regard to any sections which may affect or involve SPP transmission service or SPP’s role as a FERC-approved RTO.

22.4 Effect of SPP Signature. The Parties acknowledge and understand that the signature of the authorized officer of SPP on this Agreement is for the limited purpose of acknowledging that an officer of SPP has read the terms of this Agreement. The Parties and SPP further state that they understand that FERC desires that the Parties keep SPP fully apprised of the matters addressed herein as well as any reliability and planning issues that may arise under this Agreement, and that the signature of the SPP officer shall

not in any way be deemed to imply that SPP is taking responsibility for the actions of any Party, that SPP has any affirmative duties under this Agreement, or that SPP is liable in any way under this Agreement except as specifically provided in the SPP Tariff.

22.5 Survival. The limitation of liability provided for, and the indemnification obligations of each Party under this Article shall continue in full force and effect regardless of whether this Agreement has either expired or been terminated or canceled with respect to matters that arise during the effectiveness of the Agreement.

### ARTICLE XXIII ASSIGNMENT

23.1 Successors and Assigns. This Agreement, and the rights and obligations created thereby, shall bind and inure to the benefit of the successors and permitted assigns of the Parties hereto.

23.2 Consent Required. Subject to paragraph 23.3 below, no Party may assign any rights or obligations hereunder without obtaining the consent of the other Parties, which consent shall not unreasonably be withheld.

23.3 Assignment in Event of Merger or for Financing. Notwithstanding anything to the contrary herein, either Party, without the consent of the other Party or SPP but with reasonable prior written notice, may (i) assign this Agreement to any entity or entities in connection with a merger, consolidation, reorganization or other change in the organizational structure of the assigning Party, provided that the surviving entity(ies) agrees, in writing, to assume the assigning Party's obligations and duties under, and be bound by, the terms of this Agreement, or (ii) transfer, sell, pledge, encumber or assign this Agreement and the accounts, revenues or proceeds hereof in connection with any financing of or for such Party or other financial arrangements involving such Party (including to any trustee or other agent on behalf of one or more entities providing financing to or for, or involving, such Party).

### ARTICLE XXIV SUBCONTRACTOR

24.1 Generally. Nothing in this Agreement shall prevent a Party from utilizing the services of such subcontractors as it deems appropriate to perform its obligations under this Agreement; provided, however, that all Parties shall require their subcontractors to comply with all applicable terms and conditions of this Agreement in providing such services.

24.2 Responsibility of Principal. The creation of any subcontract relationship shall not relieve the hiring Party of any of its obligations under this Agreement. Each Party shall be fully responsible to the other Parties for the acts or omissions of any subcontractor it

hires as if no subcontract had been made. Any applicable obligation imposed by this Agreement upon a Party shall be equally binding upon, and shall be construed as having application to, any subcontractor of such Party.

24.3 No Third Party Beneficiary. No subcontractor is intended to be, nor will it be deemed to be, a third-party beneficiary of this Agreement.

24.4 No Limitation by Insurance. The obligations under this Article will not be limited in any way by any limitation on subcontractor's insurance.

#### ARTICLE XXV DISPUTE RESOLUTION

25.1 Dispute Resolution. In the event any Party has a dispute, or asserts a claim, that arises out of or in connection with this Agreement or its performance, such Party (the "Disputing Party") shall provide the other Parties with written notice of the dispute or claim ("Notice of Dispute"). Such dispute or claim shall be referred to a designated senior representative of each Party for resolution on an informal basis as promptly as practicable after receipt of the Notice of Dispute by the non-disputing Parties. In the event the designated representatives are unable to resolve the claim or dispute through unassisted or assisted negotiations within thirty (30) Calendar Days of the non-disputing Parties' receipt of the Notice of Dispute, such claim or dispute shall be submitted for resolution in accordance with the dispute resolution procedures of the SPP Tariff which is hereby adopted mutatis mutandis.

#### ARTICLE XXVI NOTICES AND COMMUNICATIONS

26.1 Unless otherwise specified herein, all notices, requests, claims, demands and other communications required or permitted to be given under this Agreement must be in writing, and must be given (and will be deemed to have been duly given if so given) 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 respective Parties as follows:

**To: Oklahoma Gas and Electric Company**

Philip Crissup  
Vice President, Utility Technical Support  
Oklahoma Gas and Electric Company  
P.O. Box 321 M/C 903  
Oklahoma City, OK 73101

**To: Prairie Wind Transmission , LLC**

Kelly Harrison  
President  
Prairie Wind Transmission LLC  
818 South Kansas Ave  
P.O. Box 889  
Topeka Ks 66601

**To SPP:**

Tessie Kentner, Attorney  
Southwest Power Pool, Inc.  
201 Worthen Drive  
Little Rock, AR 72223-4936  
Phone: (501) 688-1782  
Email: tkentner@spp.org

Any such notice or communication will be deemed to have been given as of the date received.

26.2 Any Party may change its address or designated representative for notices by notice to the other Parties in the manner provided above.

26.3 Notwithstanding Section 26.1, any notice hereunder concerning an Emergency or other occurrence requiring prompt attention, or as necessary during day-to-day operations, may be made by telephone or in person provided that such notice is confirmed in writing promptly thereafter. Notice in an Emergency, or as necessary during day-to-day operations, shall be provided: (i) if by Company, to the operator on duty at OG&E's transmission control center, (ii) if by OG&E, to the shift supervisor at Company's transmission control center, and (iii) if by SPP, pursuant to SPP's established procedures.

ARTICLE XXVII  
MISCELLANEOUS PROVISIONS

27.1 Governing Law.

- (a) When not in conflict with or preempted by federal law, this Agreement will be governed by and construed in accordance with the laws of the State of Oklahoma without giving effect to the conflict of law principles thereof.
- (b) Except for those matters covered in this Agreement and which are either jurisdictional to FERC or submitted to dispute resolution pursuant to Article XXV, any action arising out of or concerning this Agreement must be brought in State of Oklahoma District Court in Oklahoma County or the United States District Court for the Western District of Oklahoma. Both Parties hereby consent to the jurisdiction by these Courts for the purpose of hearing and determining any action not pre-empted by FERC.

27.2 Relationship of the Parties. Nothing in this Agreement is intended to create a partnership, joint venture, or other joint legal entity making any Party jointly or severally liable for the acts of the other Party. Unless otherwise agreed to in a writing signed by all

Parties, no Party shall have any authority to create or assume in another Party's name or on its behalf any obligation, express or implied or to act or purport to act as any other Party's agent or legally-empowered representative for any purpose whatsoever. Each Party shall be solely liable for the payment of all wages, taxes, and other costs related to the employment of persons by that Party to perform under this Agreement, including all federal, state, and local income, social security, payroll and employment taxes and statutorily-mandated workers' compensation coverage. None of the persons employed by any Party shall be considered employees of the other Party for any purpose; nor shall any Party represent to any person that such persons are or shall become employees of the other Party. Except as expressly provided for herein, no Party shall be liable to any third Party in any way for any engagement, obligation, commitment, contract, representation, or for any negligent act or omission to act of the other Party.

27.3 No Third Party Rights. Nothing in this Agreement, express or implied, is intended to confer on any person, other than the Parties hereto, any benefits, interests, rights, or remedies under or by reason of the Agreement.

27.4 Amendment Modification. Except as otherwise provided, (a) this Agreement may only be modified in writing and signed by all Parties, and (b) no amendment or modification to this Agreement or waiver of a Party's rights hereunder shall be binding unless the same shall be in writing and signed by the Parties. Notwithstanding any provision in this Agreement to the contrary, any Party may unilaterally make application to the FERC under Sections 205 or 206, as applicable, of the Federal Power Act and pursuant to FERC's rules and regulations promulgated thereunder for a change in any rate, term, condition, charge, classification of service, rule or regulation under or related to this Agreement over which the FERC has jurisdiction.

27.5 Severability. If any term, condition, covenant, restriction or other provision of this Agreement is held by a court or regulatory agency of competent jurisdiction or by legislative enactment to be invalid, void or otherwise unenforceable, the remainder of the terms, conditions, covenants restrictions and other provisions of this Agreement shall remain in full force and effect unless such an interpretation would materially alter the rights and privileges of any Party. If any term, condition, covenant, restriction or other provision of this Agreement is held invalid, void or otherwise unenforceable, the Parties shall attempt to negotiate an appropriate and equitable replacement, revision or adjustment to the provision of this Agreement to restore the benefits and obligations conferred under the original Agreement.

27.6 Headings and Captions. Article headings, section headings, and/or other captions are included in this Agreement for reference purposes only and shall not constitute a part of this Agreement or in any way affect the meaning or interpretation of this Agreement. Whenever used herein the singular number shall include the plural, the plural shall include the singular, and the use of any gender shall include all genders.

27.7 Further Assurances. Each Party shall do such other and further acts and things, and shall execute and deliver such instruments and documents, as any other Party

reasonably requests from time to time in furtherance of the purposes of this Agreement, provided that any such acts, things, instruments and documents are commercially reasonable.

27.8 Entire Agreement. This Agreement, including all exhibits, schedules, appendices and other attachments hereto and hereby made a part hereof, sets forth the entire understanding and agreement of the Parties as to the subject matter of this Agreement and merges and supersedes all prior written and oral understandings, offers, agreements, commitments, representations, writings, discussions or other communications of every kind between the Parties, pertaining to the subject matter hereof.

27.9 Rights Cumulative. The rights and remedies set forth in this Agreement are cumulative and non-exclusive.

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

27.11 Transmission Service. No Granting or Representation of Transmission Service. No transmission service is provided as a part of this Agreement. Nothing in this Agreement shall create any right to transmission service nor constitute an express or implied representation of warranty on the part of any Party with respect to the current or future availability of transmission service or create any obligation on the part of any Party to accept deliveries of power and energy from the other Party.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized officers, as of the day and year first hereinbefore written.

**OKLAHOMA GAS AND ELECTRIC COMPANY**

By: /s/ Philip L. Crissup

Philip Crissup  
Vice President, Utility Technical Support

**PRAIRIE WIND TRANSMISSION, LLC**

By: /s/ Kelly B. Harrison

Kelly Harrison  
President, Prairie Wind Transmission

**SOUTHWEST POWER POOL, INC.**

By: /s/ Carl Monroe

Carl Monroe  
Executive Vice President and Chief Operating Officer

## EXHIBIT A

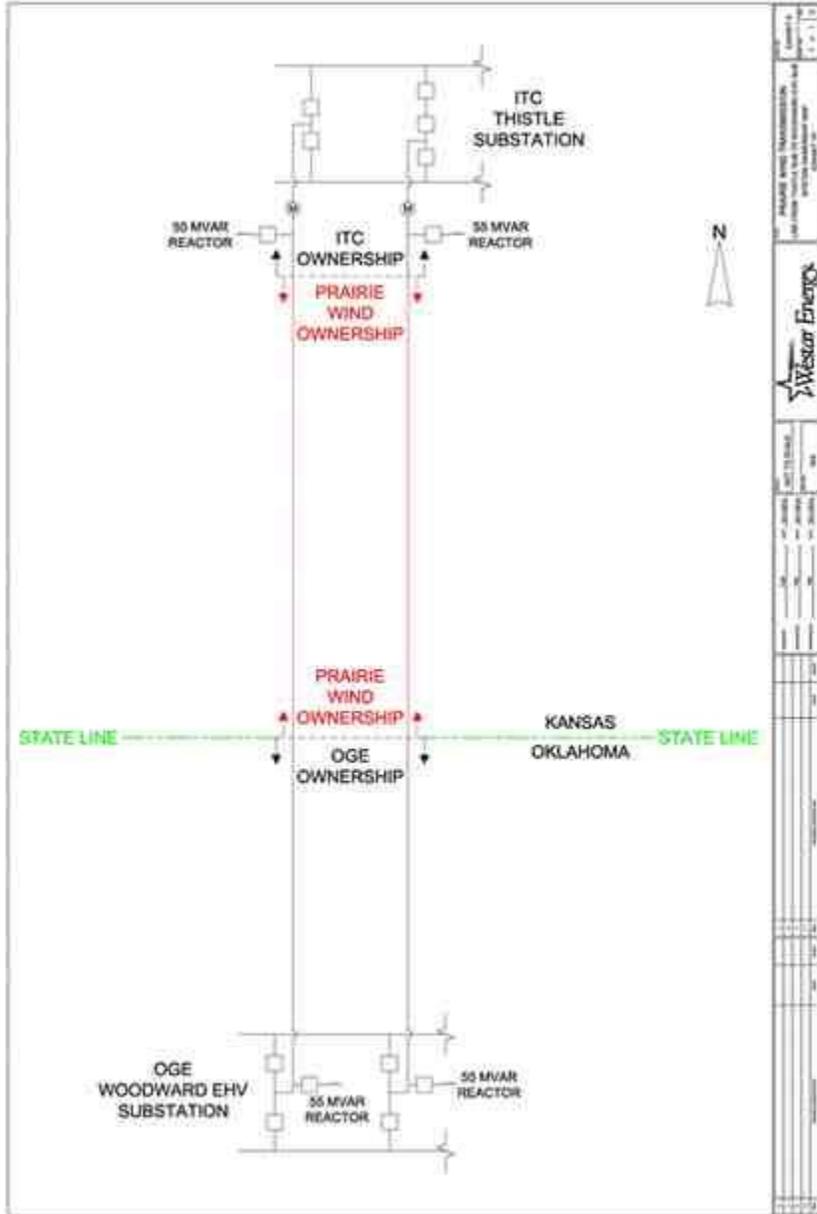
### Interconnection No. 1

#### OG&E Woodland to Company Termination at the Thistle Substation

Interconnection No. 1 (“Woodland to Thistle Double Circuit 345 kV line Interconnects”)  
– The interconnection is between OG&E and the Company through the Double Circuit 345 kV lines with the change in ownership being located at the Kansas/Oklahoma State Line. By virtue of OG&E owning the Woodland Substation including the double circuit 345 kV lines to the Kansas/Oklahoma State line and acting as a balancing authority within SPP, OG&E will include the Woodland terminal and the double circuit 345 kV lines to the Kansas/Oklahoma within its balancing authority boundaries and SPP transmission zone. By virtue of PWT owning the double circuit 345 kV line from Thistle to the Kansas/Oklahoma line, this line will be within the balancing authority and included in the SPP transmission zone as defined in its’ Interconnection Agreement with ITC.

Any and all SPP loss revenue, related to the Woodland to the Kansas/Oklahoma State Line will be assigned to OG&E. Any and all SPP loss revenues related to the Thistle to the Kansas/Oklahoma State Line will be assigned according to PWT Interconnection Agreement with ITC.

The 345 kV interchange meter(s) and required communication facilities, necessary for balancing authority responsibilities and transmission zonal load calculations will be located at the ITC owned Thistle Substation. PWT will be responsible for providing the required metering data including MW, MVAR, MWh, and MVARh through its agreements with ITC. The metering data will be adjusted for losses according to paragraph 2 of this Exhibit.



FERC rendition of the electronically filed tariff records in Docket No. ER14-01101-000  
Filing Data:  
CID: C000771  
Filing Title: 2638 Prairie Wind Transmission and OG&E Interconnection Agreement  
Company Filing Identifier: 706  
Type of Filing Code: 10  
Associated Filing Identifier:  
Tariff Title: Service Agreements Tariff  
Tariff ID: 16  
Payment Confirmation:  
Suspension Motion:

Tariff Record Data:  
Record Content Description, Tariff Record Title, Record Version Number, Option Code:  
2638 Prairie Wind/OGE IA, 2638 Prairie Wind Transmission and OG&E Interconnection Agr, 0.0.0, A  
Record Narrative Name: On January 21, 2014, Southwest Power Pool, Inc. ("SPP") submitted to FERC an executed  
Interconnection Agreement between Prairie Wind Transmission, LLC, Oklahoma Gas and Electric Company, and  
SPP. SPP requested that FERC accept the Intercon  
Tariff Record ID: 276  
Tariff Record Collation Value: 2147380784 Tariff Record Parent Identifier: 0  
Proposed Date: 9998-12-31  
Priority Order: 500  
Record Change Type: NEW  
Record Content Type: 1  
Associated Filing Identifier:

**Southwest Power Pool, Inc.**  
**Original Service Agreement No. 2638**

**INTERCONNECTION AGREEMENT  
BETWEEN  
OKLAHOMA GAS AND ELECTRIC COMPANY  
AND  
PRAIRIE WIND TRANSMISSION, LLC  
AND SOUTHWEST POWER POOL, INC.**

This Interconnection Agreement (hereinafter the "Agreement") made and entered into this 1st day of November, 2014, by and between OKLAHOMA GAS AND ELECTRIC COMPANY, an Oklahoma corporation (hereinafter referred to as "OG&E"), and Prairie Wind Transmission, LLC, a Kansas limited liability company, (hereinafter called "PWT" or "Company"), (OG&E and the Company are each individually referred to as a "Party" and collectively referred to as the "Parties" herein), and SOUTHWEST POWER POOL, INC. (hereinafter referred to as "SPP" or "Transmission Provider").

WITNESSETH, that,

WHEREAS, OG&E is a public utility engaged in generating, transmitting, and selling electric energy in the State of Oklahoma and is in the process of constructing facilities that will interconnect with the facilities of Company, and

WHEREAS, Company is a public utility transmitting electric energy in Kansas and is in the process of constructing facilities that will interconnect with the facilities of OG&E, and

WHEREAS, SPP is a Regional Transmission Organization (“RTO”) pursuant to orders of the Federal Energy Regulatory Commission (“FERC”) and, as such, is responsible for, among other items, directional authority and day-to-day operational control over appropriate transmission facilities within its footprint, and

WHEREAS, it will be advantageous to OG&E and the Company to have their respective transmission systems interconnected so that each will realize the mutual benefits of such interconnecting of facilities, and to establish additional points of interconnection in the future whenever mutually beneficial, and

WHEREAS, in order to take advantage of the benefits which OG&E and Company can achieve by interconnection of the transmission systems of the Parties, the Parties are willing to enter into this Agreement, it being understood that the Parties will preserve their identity and integrity and perform their respective responsibilities to their customers, and

WHEREAS, the transmission systems of the Parties are interconnected at various locations herein defined as “Points of Interconnection.” The Points of Interconnection are operated in synchronism, and are under the functional control of the SPP.

NOW THEREFORE, the Parties covenant and agree as follows:

ARTICLE I  
DEFINITIONS

- 1.1 “Applicable Laws and Regulation” shall mean all applicable federal, state and local laws, ordinances, rules and regulations, and all duly promulgated orders and other duly authorized actions of any Governmental Authority having jurisdiction over any Party, its facilities and/or the services it provides. This term shall include rules, directives, operational criteria, and other regulatory promulgations of SPP when acting within its authority as a Regional Transmission Organization.
- 1.2 “Dispatching Office” of the Company and OG&E shall mean the location designated by each entity to receive and send out operational and metering information.
- 1.3 “ERO” shall mean an Electric Reliability Organization.
- 1.4 “Emergency” shall mean a condition or situation (i) that in the reasonable judgment of the Party making the claim is imminently likely to endanger, or is contributing to the endangerment of, life or property, or public health and safety; or (ii) that, in the case of a Party, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, OG&E transmission system, the Company transmission system, or the electric systems of others

to which the Parties are directly connected.

1.5 “Good Utility Practice” shall mean any of the applicable practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment by a Party 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, giving due regard to the requirements of governmental agencies having jurisdiction. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather includes all acceptable practices, methods, or acts generally accepted in the region as they may be applicable to the Parties as transmission system operators.

1.6 “Governmental Authority” means any federal, state, local or other governmental, regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, administrative law judge, tribunal, arbitrating body, or other governmental, or regulatory authority having jurisdiction over any Party.

1.7 “Interconnection Facilities” shall mean the facilities of the Company and OG&E that are interconnected pursuant to this Agreement, as shown in Exhibit A.

1.8 “Modification” shall mean any material, new construction, additions, design changes or modifications made to, or the abandonment, retirement, relocation or rearrangement of the Interconnection Facilities.

1.9 “NERC” shall mean the North American Electric Reliability Corporation.

1.10 “Point(s) of Interconnection” shall mean the location(s) where the facilities of the Company and the facilities of OG&E are interconnected as identified in Exhibit A.

1.11 “RE” shall mean the SPP Regional Entity, an independent and functionally separate division of SPP, that was created to fulfill the duties specified in the FERC-approved Regional Entity Delegation Agreement between SPP and NERC, promote and work to improve bulk power system (BPS) reliability, and is responsible for overseeing the development of regional reliability standards; monitoring and enforcing registered entities' compliance with reliability standards; assessing and evaluating the reliability of the BPS; and providing technical expertise and assistance to the owners, operators and users of the BPS, in particular to the registered entities located within SPP RE's footprint.

1.12 “SPP” shall mean Southwest Power Pool, Inc. or its successor RTO.

1.13 “SPP Tariff” shall mean the Southwest Power Pool, Inc, Open Access Transmission Tariff, as filed with FERC, as such may be amended or superseded from time to time.

1.14 “System Protection Facilities” shall mean the equipment required to protect the transmission system of a Party, the systems of others connected to such transmission system, and generators connected to such transmission system, from faults or other electrical disturbances.

## ARTICLE II INTERCONNECTION OF FACILITIES

- 2.1 It is understood and agreed that the Parties have established or shall establish interconnections between their systems at the locations and under the terms and conditions set forth in this Agreement, with such interconnections set forth in Exhibit A of this Agreement, attached hereto and made a part hereof.
- 2.2 The Parties may at any time and from time to time provide for additional interconnections and for Modifications to existing interconnections between their systems by mutual agreement in writing. When any such additional interconnections or modified interconnections are agreed to, a new sheet will be added to Exhibit A to this Agreement setting forth the specific details of that interconnection, and any specific provisions which apply to that interconnection, including but not limited to the assignment of loss revenue. In the event of a conflict between any provision in the body of this Agreement and the provisions set forth in Exhibit A with respect to a specific interconnection, the provisions in Exhibit A shall control.
- 2.3 If the Company agrees to interconnect with a third party at any interconnection location for which OG&E acts as the balancing authority, Company will notify OG&E of that interconnection and a new sheet will be added to Exhibit A of this Agreement, attached hereto and made a part hereof, setting forth the specific details of that interconnection and providing, among other things, for OG&E to receive all meter data regarding that interconnection that OG&E reasonably requires to fulfill its balancing authority and area load calculation.

## ARTICLE III FACILITIES TO BE PROVIDED

3.1 Each Party agrees to provide at its own expense the facilities and equipment on its own system which are necessary to effect the interconnections provided for under this Agreement as specified in Exhibit A attached hereto and made a part hereof, except as provided herein.

ARTICLE IV  
OPERATIONS AND MAINTENANCE

4.1 Parties' Obligations. Each Party shall operate and maintain its respective transmission systems and Interconnection Facilities in accordance with Applicable Laws and Regulations and Good Utility Practice and the requirements, criteria, standards, protocols, rules and directives of NERC, SPP and RE and subject to the applicable procedures and requirements of the SPP Tariff. Nothing in this Agreement shall be interpreted to require the Parties to act in a manner inconsistent with the direction of SPP concerning the operation of its facilities to maintain reliability.

4.2 Switching, and Tagging Rules. The Parties shall abide by their respective switching, and tagging rules, and shall coordinate with each other, for obtaining clearances for work or for switching operations at the Interconnection Facilities.

4.3 Preventive and Corrective Maintenance Outages. In accordance with Good Utility Practice and in order to facilitate maintenance or reliability of the OG&E transmission system and the Company transmission system, the Parties shall confer regularly to coordinate the planning and scheduling of preventive and corrective maintenance of, and Modifications to, the Interconnection Facilities that might reasonably be expected to affect the operation of the other Party's transmission system. Absent an Emergency or a contrary directive from SPP, the Parties shall coordinate their respective schedules for any such activities and will, to the extent practicable and appropriate under the circumstances, give reasonable consideration to, among other things, the impact of the schedule on the other Parties' operations; provided, however, that no Party shall be obligated to schedule such activities to coincide with another Party's scheduled outages, except to the extent required by SPP.

4.4 Inspections and Testing.

4.4.1 Inspections. The Parties shall perform routine inspection and testing of their equipment on their respective Interconnection Facilities in accordance with Good Utility Practice and the applicable requirements of NERC, SPP and RE as may be necessary to ensure the continued interconnection of the OG&E transmission system and Company transmission system in a safe and reliable manner.

4.4.2 Right to Observe Testing. The Parties shall have the right to observe the testing of the testing Party's Interconnection Facilities, the performance of which may reasonably be expected to affect the reliability of the observing Party's transmission system. The testing Party shall notify the other Party in advance of such testing unless, in the testing Party's reasonable judgment, the testing must be performed immediately, in which case the testing Party shall provide notice as soon as practicable. The observing Party may have a representative attend and be present during any such testing.

- 4.4.3 Observation of Deficiencies. If any Party observes any condition it believes may be inconsistent with Good Utility Practice with respect to a Party's Interconnection Facilities that might reasonably be expected to adversely affect the observing Party's transmission system, the observing Party shall notify the other Party. Notwithstanding the foregoing, no Party shall be relieved from liability for adversely affecting another Party's transmission system due to the observing Party's failure to give such notice.
- 4.5 Planned Outage. The Parties agree to cooperate in scheduling planned outages as needed for operation, maintenance and construction. In the event of a planned outage of any Party's transmission system that may adversely affect the other Party with respect to its transmission system, the Party that is subject to the outage will use efforts consistent with Good Utility Practice, and NERC, SPP and RE requirements to restore the transmission system to service in accordance with its schedule for the work that necessitated the planned outage. The Parties systems shall be continuously operated in parallel except in cases of interruption of such parallel operation due to mutually agreed upon maintenance or due to causes beyond the control of any Party or as otherwise required by Good Utility Practice or Emergency. If synchronous operation of the systems through a particular line or lines becomes interrupted either manually or automatically because of reasons beyond the control of a Party, or because of scheduled maintenance that has been agreed upon by the Parties, the Parties shall cooperate so as to remove the cause of such interruption as soon as practical and restore such line or lines to normal operating condition.
- 4.6 Relay Settings. Each Party shall modify necessary relay settings at its substations as required to implement this Agreement.
- 4.7 Reactive Power, Synchronization, and Voltage Schedules. Each Party shall attempt to maintain continuous synchronism through the Interconnection Facilities. Each Party shall endeavor to maintain compatible voltage schedules and minimize reactive power flows on the interconnection facilities. No Party shall be obligated to deliver or receive reactive power for the benefit of the other Party under this Agreement.
- 4.8 Operating Expenses. Each Party shall be responsible for all expenses associated with operating its own property, equipment, facilities, and appurtenances on its side of the Point of Interconnection, and for expenses associated with operating its Interconnection Facilities, except as provided herein.
- 4.9 System Protection. Each Party shall install, maintain, and operate System Protection Facilities, as appropriate, on its side of the Point of Interconnection.
- 4.9.1 Protection Requirements. Each Party shall install, operate and maintain devices on the facilities it owns or hereafter may own so as to reasonably minimize the likelihood of a disturbance, originating in the system of one Party,

from affecting or impairing the system of the other Party, or other systems to which the Party is interconnected.

**4.9.2 Parties' Right to Inspect.** Each Party shall have the right, but shall have no obligation or responsibility to: (i) observe the other Party's tests and/or inspection of any System Protection Facilities and other protective equipment; (ii) review the settings of the other Party's System Protection Facilities and other protective equipment; and (iii) review maintenance records relative to the Interconnection Facilities and/or System Protection Facilities and other protective equipment. A Party may exercise the foregoing rights from time to time as it deems necessary upon reasonable notice. However, the exercise or non-exercise by a Party of any of the foregoing rights of observation, review or inspection shall not be construed as an endorsement or confirmation of any aspect, feature, element, or condition of the Interconnection Facilities, 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 obtained by the inspecting Party through the exercise of any of its rights under this Section 4.9.2 shall be deemed to be confidential information.

**4.10 Continuity of Service.** Each Party shall exercise due diligence, reasonable care and foresight to ensure continuity of interconnected operations, but shall not be considered in Default by reason of maintenance outages of its facilities, or any other cause beyond its control; provided, that each Party shall use due diligence to limit such interruptions, curtailments and outages, and that any outage or curtailments involving mutual facilities shall not constitute a Breach of this Agreement on the part of any Party, and neither Party shall be liable to the other Party, except as provided herein, for damages as a result thereof.

**4.11 Curtailment.** OG&E may partially or fully curtail receipt of energy deliveries from the other Parties at the Interconnection Point(s) if OG&E determines that curtailment is necessary (i) to protect, construct, install, inspect, maintain, repair, replace or remove any portion of the Interconnection Facilities or transmission facilities which it owns, or (ii) to comply with the system reliability requirements of NERC, the applicable NERC Regional Entity, Reliability Coordinator, or the Balancing Authority. The Parties agree that curtailments:

- a. Shall continue only for so long as reasonably necessary by the actions or events that necessitated the curtailment, and
- b. Shall be scheduled in advance with the other Party, except during the existence of emergency conditions or curtailment due to persistent or repeated violations of this Agreement, and the Parties shall cooperate and coordinate scheduled curtailments to minimize impacts on their respective systems, and
- c. Shall cooperate and coordinate with each other to the extent necessary to restore Interconnection operations in the case of emergency curtailments.

4.12 Coordinated Transmission Planning. The Parties agree that they will participate in joint discussions concerning the planning for transmission additions, expansions or upgrades related to this Agreement when requested by any one of the Parties. The Parties acknowledge that any future coordination discussions may or may not result in an agreement on a particular project.

4.13 Capability of Interconnection Facilities. Any conductors, circuit breakers, isolation switches, meters, relay protection or any other electrical device used in the Interconnection Facilities and in series with the facilities of the Parties shall have seasonal normal and emergency ratings no less than the ratings of the existing facilities at the time of construction of the Interconnection Facilities.

4.14 Study Costs. From time to time, a Party may determine that additional studies of the Interconnection Facilities are necessary. The Party determining that additional studies of the Interconnection Facilities are necessary shall bear the cost of such studies unless the Parties agree that such additional studies would be to their mutual benefit. In such case, the Parties shall share the costs of such additional studies equally.

4.15 SPP Rights. SPP may, without prior notice to or approval of the Parties, direct the operation of the Parties' high voltage transmission system through orders communicated to either of the Parties operating or control center personnel, including the Interconnection Facilities pursuant to the SPP Tariff, protocols, rules, guidelines and policies.

## ARTICLE V SERVICE CONDITIONS

5.1 Normally Operated Closed. The systems of the Parties shall be normally operated with the interconnections closed between the systems. Nothing contained herein shall restrict or limit either Party in effecting other interconnections or interconnection agreements with other systems.

5.2 Notice to Open Switch. Each Party will advise the other Party promptly of any necessity for opening a switch or switches to relieve a situation of overload, undue burden, or service impairment as specified above.

5.3 Notice of Adverse Conditions. Each Party will advise the other Party of any conditions on its system, which appear to be approaching overload or undue burden on its line, facilities or equipment, or appear to be prejudicial to service to its customers when such conditions may reasonably be expected to impact the other Party's transmission system. Each Party agrees to assist in studies of methods to correct such conditions.

5.4 Each Party shall exercise commercially reasonable efforts, consistent with Good Utility Practice and applicable SPP requirements, to restore normal interconnected

operations once the overload, undue burden, situation or conditions discussed above is or are resolved or overcome.

## ARTICLE VI MODIFICATIONS

6.1 Generally. Each Party shall make such Modifications to its Interconnection Facilities as are necessary to comply with Good Utility Practice. Modifications shall be subject to the approval process set forth in Attachment O of the SPP Tariff as may be applicable.

6.2 Notice. In the event a Party plans to undertake Modifications to its Interconnection Facilities that reasonably may be expected to impact the other Party's transmission system, the initiating Party shall provide the other Party and SPP with at least ninety (90) days' advance notice of the desired Modifications. The nature of and the schedule of work for performing such Modifications shall be subject to review and acceptance by the other Party and SPP, which review and acceptance shall not be untimely nor unreasonably withheld or delayed, to ensure that such Modifications will (i) not adversely affect a Party's transmission system, or other facilities, and (ii) are consistent with Good Utility Practice. Subject to all applicable requirements imposed by SPP, FERC, NERC, and RE, the suitability and the responsibility for the safe and adequate design, operation and maintenance of the initiating Party's facilities shall be and remain the sole obligation of the initiating Party. If the other Party does not respond within one hundred twenty (120) days after receipt of the notice, then the other Party will be deemed to have approved the proposed Modifications.

6.3 Cost Responsibility. When the actions of a Party necessitate Modifications to the other Party's Interconnection Facilities that are not required by SPP, FERC, NERC, or are not otherwise needed to satisfy RE requirements, such Modifications to the other Party's Interconnection Facilities shall be made at the sole cost and expense of the Party initiating the changes, unless otherwise agreed to in writing by the Parties. The initiating Party's responsibility for such Modification costs is limited to those costs that are incremental to costs already planned to be incurred by the other Party.

## ARTICLE VII CONSTRUCTION STANDARDS

7.1 Construction Standards. Each Party shall construct its Interconnection Facilities used in connection with the interchange of electric energy hereunder in accordance with Good Utility Practice, the requirements of NERC and SPP, and with standards at least equal to those provided by the National Electrical Safety Code of the Institute of Electrical and Electronics Engineers.

ARTICLE VIII  
RELIABILITY STANDARDS

8.1 Reliability Standards. The Parties agree to adhere to the reliability standards, including coordination requirements and mitigation procedures, promulgated by the NERC and SPP, provided that any such reliability standard has been approved by the FERC. The Parties shall use commercially reasonable efforts to comply with reliability standards, or modifications thereto, that are adopted by SPP or NERC, but not yet approved by FERC. Each Party is responsible for their own NERC compliance responsibilities and agrees to jointly develop mitigation procedures if necessary.

ARTICLE IX  
EMERGENCIES

9.1 Generally. The Parties agree to adopt, implement and maintain emergency procedures which comply with NERC standards and SPP emergency procedures.

9.2 Notice. In compliance with, and pursuant to, Section 26.3 herein, any Party shall provide the other Party with verbal notification that is prompt under the circumstances of an Emergency that may reasonably be expected to affect the other Party's operation of their respective transmission systems, to the extent the notifying Party is aware of the Emergency. Such notification shall describe, as known, the Emergency, the extent of any damage or deficiency, 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.

9.3 Immediate Action. In the event of an Emergency, the Party becoming aware of the Emergency may, in accordance with Good Utility Practice and using its reasonable judgment, take such action with respect to its own facilities as is reasonable and necessary to prevent, avoid, or mitigate injury, danger and/or loss of life or property. The Parties shall, consistent with Good Utility Practice, take whatever actions or inactions the Parties deem necessary during an Emergency, including, without limitation, to request and comply with directives of SPP, in order to: (i) preserve public health and safety; (ii) preserve the reliability of the Parties' transmission systems; (iii) limit or prevent damage; and (iv) expedite restoration of service.

9.4 Restoration of Operations. Each Party shall exercise commercially reasonable efforts to restore normal interconnected operations under this Agreement upon resolution of the Emergency.

ARTICLE X  
METERING

10.1 Ownership. The ownership of the metering facilities for each of the interconnections listed in Section 2.1 shall be as shown on the sheet in Exhibit A attached

hereto that pertains to that interconnection.

10.2 Telemetry of Meter Data. Metering facilities for the interconnections listed in Exhibit A shall provide for the measurement of energy and for the transducing of the measured energy, using industry acceptable telemetry practices, into electrical quantities which can be readily transmitted by practical and acceptable communication channels to the Dispatching Office of the Company and to the Dispatching Office of OG&E.

10.3 Meter Maintenance. Said metering facilities required for the purposes of this Agreement shall be provided and maintained in accordance with Good Utility Practice by the owner, at the owner's cost and expense.

10.4 Check Meters. Each Party shall have the right to install, at its own cost and expense, suitable metering equipment at any Point of Interconnection provided for herein for the purpose of backing up and/or checking the meters installed by the other Party.

10.5 Point of Measurement. The amounts of energy supplied and received hereunder shall be determined from measurements taken at or adjusted to the Points of Interconnection.

10.6 Testing of Meters. The aforesaid metering equipment shall be tested by the owner at least annually and its accuracy of registration maintained in accordance with Good Utility Practices, at the owner's cost and expense. On request of either Party concerned, a special test shall be made. If any special meter test discloses the questioned meter to be registered correctly or within one half percent (0.5%) thereof, then the Party who requested such special meter test shall bear the expense thereof. Otherwise, the expense of such test shall be borne by the owner of such meter. Representatives of the other Party shall be afforded opportunity to be present at all routine or special tests and upon occasions when any readings for purposes of settlements hereunder are taken.

10.7 Provision of Meter Data. Each Party shall furnish the other Party, upon request and within reasonable time frames, with appropriate data from meter registrations and other sources in such detail and with such segregations as may be needed for operating records, or for settlements hereunder or for other reasonable purposes, including but not limited to fulfillment of balancing authority responsibilities.

10.8 Additional Requirements. Specific provisions concerning metering and metering facilities for a specific interconnection may be set forth on the sheets in Exhibits A attached hereto pertaining to that specific interconnection. In the event of a conflict between this Article X and the metering-related provisions set forth in an exhibit, the provisions in the exhibit shall control.

ARTICLE XI  
COMMUNICATION FACILITIES

11.1 Communication Facilities. Communication facilities for voice, telemetry or supervisory control necessary for the effective operation of this Agreement, shall be installed, maintained, and operated by the Parties and the capital costs and operating and maintenance costs of such facilities shall be shared as specified in Exhibit A.

ARTICLE XII  
FURNISHING OF INFORMATION

12.1 Furnishing of Information. It is recognized by the Parties that the successful operation of this Agreement depends upon the cooperation by the Parties in the operation of their systems. As a part of such cooperation, subject to applicable confidentiality agreements, each Party agrees that it will furnish to the other Party such data concerning its system as may be necessary to construct, operate, and maintain the Interconnection Facilities and the Modifications and to support the other Party's system reliability.

ARTICLE XIII  
OPERATING COMMITTEE

13.1 Establishing the Operating Committee. Each Party shall appoint one representative, and one alternate representative, to act for it solely in the operating arrangements for the interchange or delivery of energy under or pursuant to this Agreement, said two representatives being hereinafter referred to collectively as the Operating Committee. Each Party shall evidence such appointment by written notice to the other Party, and by similar notice either Party may at any time change its representative on the Operating Committee.

13.2 Authority. The two representatives, or one or both of the alternate representatives when acting as a representative, on the Operating Committee shall be of equal authority, and all decisions made or directions given by the Operating Committee must be unanimous. If the Operating Committee cannot reach a unanimous decision, the dispute shall be resolved pursuant to Article XXV titled "Dispute Resolution" herein.

ARTICLE XIV  
BILLINGS AND PAYMENTS

14.1 All bills for amounts owed by one Party to the other hereunder, not otherwise billed by SPP, shall be due on the 15<sup>th</sup> day after the close of the billing period to which such bills are applicable or on the 30<sup>th</sup> day following receipt of bill, whichever shall be the later. The standard period for the purpose of settlements hereunder shall be a calendar month.

ARTICLE XV  
FORCE MAJEURE

15.1 Force Majeure Events. Neither Party will be liable for any act or event beyond the reasonable control of the Party claiming force majeure, and occurring or arising without the fault of negligence of such Party, which materially prevents, delays, or impairs the performance of such Party's obligations under this Agreement, including storm, flood, lightning, earthquake, fire, explosion, failure or imminent failure of equipment or facilities, civil unrest, strike, boycott, or other labor disturbance, sabotage, terrorism, war, national emergency, or the operation of any Applicable Law that is not an adjudication against such party for violation of Applicable Law. The Party claiming force majeure is obligated to use commercially reasonable efforts to remedy the cause thereof as diligently and expeditiously as possible.

15.2 Limitations. The provisions of this Article 15 will not excuse a Party from the prompt and full performance of any payment obligation under this Agreement. Additionally, neither Party will be required by this Agreement to settle any strike, walkout, lockout, or other labor dispute on terms which, in the sole judgment of the Party involved in the dispute, are contrary to its interest, it being understood that the settlement of strikes, walkouts, lockouts, or other labor disputes will be at the sole discretion of the Party having the difficulty.

15.3 Notice. A Party claiming force majeure will notify the other Party in writing or by telephone as soon as reasonably possible after the force majeure event but in event within seven (7) days of the determination that a force majeure event has occurred. Telephone notices will be confirmed in writing as soon as reasonably possible, and all written notices will describe the force majeure event, including the time and date that it occurred, the plan for mitigating or terminating its effects, and when it is reasonably expected to cease.

ARTICLE XVI  
BREACH, CURE AND DEFAULT

16.1 Events of Breach. The occurrence of any one of the following shall constitute an Event of Breach by a Party (the "Breaching Party"):

- (a) 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;
- (b) If a Party: (i) by decree of a court of competent jurisdiction, is adjudicated bankrupt or insolvent; (ii) 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; (iii) makes a general assignment for the benefit of its creditors; or (iv) consents to the appointment of a receiver, trustee or

liquidator;

- (c) Assignment of this Agreement in a manner inconsistent with the terms of this Agreement;
- (d) Failure of any Party to provide such access rights, or a Party's attempt to revoke or terminate such access rights, as provided under this Agreement;
- (e) Failure of any Party to provide information or data to another 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;
- (f) Failure of any Party to act in accordance with the terms and requirements resulting from dispute resolution; or
- (g) Failure of any Party to remain legally authorized to own and operate electric transmission facilities in the State of Oklahoma.

16.2 Continued Operation. In the event of an Event of Breach by any Party, the Parties shall continue to operate and maintain, as applicable, such protection and metering equipment, telemetering equipment, supervisory control and data acquisition ("SCADA") equipment, transformers, communications equipment, building facilities, software, documentation, structural components, and other facilities and appurtenances that are reasonably necessary for the Parties to operate and maintain their respective transmission systems in a safe and reliable manner.

### 16.3 Cure and Default.

- (a) A Breaching Party automatically will be deemed to be in "Default" of this Agreement upon the occurrence of any one of the Events of Breach described in Section 16.1(b) (ii)-(iv) of the Agreement.
- (b) Upon the occurrence of any Event of Breach other than those described in Section 16.1(b) (ii)-(iv), any Party not in breach (hereinafter a "Non-Breaching Party"), when it becomes aware of any such Event of Breach, shall give written notice of the Event of Breach to the Breaching Party. 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 such thirty-day (30-day) time period, the Breaching Party will commence in good faith all steps as are reasonable and appropriate to cure the breach within such thirty-day (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 such thirty-day (30-day) time period, the Breaching Party will be in “Default” of the Agreement.

- (c) Upon the occurrence of a Default, any Non-Breaching Party may, subject to the limitations contained in Article 17, terminate this Agreement as to the Breaching Party by providing written notice of termination to the Breaching Party and to the other Parties, except that where a Default has been disputed by the Breaching Party, termination of this Agreement on account of such Default may not occur absent a final, binding and non-appealable decision by FERC, an arbitrator, or a court of competent authority having jurisdiction, making a determination of said Default.

## ARTICLE XVII

### TERM AND TERMINATION OF INTERCONNECTION SERVICE

17.1 Term. This Agreement shall become effective on the date accepted by FERC, (the “Effective Date”) and shall have an initial term ending December 31, 2031, and shall continue from year to year thereafter unless terminated pursuant to Section 17.2.

17.2 Termination.

17.2.1 By Mutual Consent. This Agreement may be terminated at any time by mutual agreement of the Parties and following the expiration of a one (1) year written notice to SPP.

17.2.2 By Any Party. Following the expiration of one (1) year written notice to SPP, any Party may terminate this Agreement as follows:

- (a) upon the removal of said Party’s transmission system from service following the expiration of a one (1) year written notice to the other Party; or
- (b) as to a Non-Breaching Party, upon a Default by Breaching Party as provided in Section 16.3; or
- (c) on or after December 31, 2031, by either Party following the expiration of a two-year written notice of termination to the other Party.

17.3 FERC Approval. No termination hereunder shall become effective until the terminating Party (or the Parties jointly) tender(s) to FERC any required notification of termination of this Agreement (if any) and obtains such acceptance thereof by the FERC as may be required (if at all).

17.4 Disconnection. Upon termination of this Agreement in accordance with this Article, a Party shall, in coordination with the other Party, physically disconnect its transmission system from the terminated Party's transmission system.

17.5 Survival of Rights. Termination of this Agreement shall not relieve any Party of any of its liabilities and obligations arising hereunder prior to the date termination becomes effective, and each Party may take whatever judicial or administrative actions as appear necessary or desirable to enforce its rights hereunder. Applicable provisions of this Agreement will continue in effect after expiration, cancellation or termination of this Agreement to the extent necessary to provide for final billings, billing adjustments, and the determination and enforcement of liability and indemnification obligations arising from events or acts that occurred while this Agreement was in effect.

## ARTICLE XVIII WAIVERS

18.1 Waiver. Except as otherwise provided in this Agreement, a Party's compliance with any obligation, covenant, agreement, or condition herein may be waived by the Party entitled to the benefits thereof only by a written instrument signed by the Party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, covenant, agreement, or condition will not operate as a waiver of, or estoppel with respect to, any subsequent or other failure of any obligation, covenant, agreement, or condition herein.

18.2 Failure to Enforce. Failure of any Party to enforce or insist upon compliance with any of the terms or conditions of this Agreement, or to give notice or declare this Agreement or the rights hereunder terminated, shall not constitute a waiver or relinquishment of any rights set out herein, but the same shall be and remain at all times in full force and effect as to future acts and omissions, unless and only to the extent expressly set forth in a writing signed by the Party granting such waiver or relinquishing any such right(s). Any waiver granted, or relinquishment of any right, by a Party shall not operate as a relinquishment of any other rights or a waiver or of any other failure of the Party granted the waiver to comply with any obligation, covenant, agreement, or condition herein.

## ARTICLE XIX REGULATORY APPROVAL

19.1 Regulatory Approval. This Agreement and all obligations hereunder are expressly conditioned upon the granting of such approval and authorization by any regulatory body, whose approval or authorization may be required by Applicable Laws and Regulation. Each Party shall aid and assist the other in obtaining any such necessary approval and authorization. This Agreement shall become null and void if FERC fails to accept this Agreement or materially changes the substance of this Agreement.

ARTICLE XX  
TIME OF INSTALLATION

20.1 OG&E and Company shall use commercially reasonable efforts to furnish and install, complete, test and make ready for operation the facilities identified in Exhibit A within a mutually agreed upon time frame.

ARTICLE XXI  
RIGHTS OF INSTALLATION, ACCESS AND REMOVAL

21.1 Provision of Required Easements. Each Party shall, pursuant to separate easement agreement for each interconnection, and with reasonable notice requirements grant to the other Party without cost the right to install, maintain, and operate on the premises of the other during the terms of this Agreement all equipment, apparatus and devices which may be reasonably necessary for use in the performance of this Agreement, and, as to OG&E, fulfillment of its balancing authority responsibilities and area load calculations. Pursuant to the separate easement agreement each Party shall furnish the other Party any rights of use, licenses, rights of way and easements with respect to lands owned or controlled by the Party, its agents, or any affiliate that are necessary to enable the other Party to obtain ingress and egress to construct, operate, maintain, repair, test (or witness testing), inspect, replace or remove facilities and equipment.

21.2 Access to Premises. Pursuant to each separate easement agreement, and with reasonable notice requirements each Party shall give all necessary permission to the other to enable its representatives to carry out this Agreement and shall give the other the right by duly authorized representatives and employees, when accompanied by its own authorized representative, to enter the premises of the Party owning same at all reasonable times for the purpose of reading or checking meters, or inspecting, testing, repairing, renewing, or exchanging all of its equipment, apparatus, and devices which may be located on the property of the other, or for the purpose of performing any other work incident to the performance of this Agreement. In the exercise of the rights granted under this Agreement, the Party accessing the premises of the other Party shall not unreasonably disrupt or interfere with the normal operation of the other Party's business and shall adhere to the safety rules and procedures regarding access and operations on the premises established in advance, as the same may be changed from time to time, by the other Party and provided to the accessing Party

21.3 Ownership of Equipment. Any equipment, apparatus, and devices necessary to fulfill either OG&E's obligations, or Company's obligations hereunder placed or erected by either Party on or in the premises of the other Party shall be and remain property of the Party owning and installing such equipment, apparatus, and devices regardless of the mode and manner of its annexation or attachment to real property of the other; and upon the termination of service provided for hereunder and for a period of six (6) months thereafter, OG&E and Company shall have the right, upon reasonable notice, to enter

upon the premises of the other during normal working hours to remove such equipment, apparatus, or devices owned by it or in its lawful possession or control. If such facilities are not removed within such six (6) month period, the owner shall forfeit all right to recover same and to be compensated for same.

## ARTICLE XXII LIABILITY AND INDEMNIFICATION

22.1 Limitations of Liability. Neither Party shall be liable for money damages or other compensation to the other Party or to SPP or Users (as defined in the SPP Tariff) for actions or omissions in performing its obligations under this Agreement, except to the extent such act or omission is found to result from its gross negligence or intentional wrongdoing. Neither Party nor SPP nor Users may seek to enforce any claims against the directors, members, shareholders, officers, employees or agents of either Party or its Affiliates by reason of their status as directors, members, shareholders, officers, employees or agents of a Party or its Affiliates. Neither Party shall be liable for damages arising out of its actions or omissions in performing its obligations under this Agreement, including, but not limited to any act or omission that results in an interruption, deficiency or imperfection of service, occurring as a result of Force Majeure, or resulting from electric system design or practices which are in accordance with Good Utility Practice. Neither Party shall be liable for acts or omissions done in compliance or good faith attempts to comply with directives of the Transmission Provider. In no event shall a Party be liable for any incidental, consequential, punitive, special, exemplary or indirect damages, loss of revenues or profits, arising out of, or connected in any way with its performance or non-performance under this Agreement.

22.2 Indemnification. Subject to the limitations contained in this Article XXII, each Party (the "Indemnifying Party") shall at all times indemnify, defend and save the other Party, and its officers, directors, employees, agents, consultants and contractors (the "Indemnified 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, demands, suits, recoveries, costs and expenses, court costs, attorney's fees, and all other obligations by or to third parties, arising out of or resulting from the Indemnifying Party's negligent acts or omissions related to the performance of obligations under this Agreement, except in cases of gross negligence or intentional wrongdoing by the Indemnified Parties.

22.3 SPP Limitation of Liability. No Party shall be liable for the failure of any other Party or SPP to perform its obligations hereunder. Nothing in this Agreement shall be construed to create or give rise to any liability on the part of SPP and the Parties expressly waive any claims that may arise against SPP under this Agreement. By executing this Agreement, SPP does not agree to the provisions that do not affect or involve SPP transmission service or SPP's role as a FERC-approved RTO. SPP's only purpose and involvement in executing this Agreement is with regard to any sections which may affect or involve SPP transmission service or SPP's role as a FERC-approved

RTO.

22.4 Effect of SPP Signature. The Parties acknowledge and understand that the signature of the authorized officer of SPP on this Agreement is for the limited purpose of acknowledging that an officer of SPP has read the terms of this Agreement. The Parties and SPP further state that they understand that FERC desires that the Parties keep SPP fully apprised of the matters addressed herein as well as any reliability and planning issues that may arise under this Agreement, and that the signature of the SPP officer shall not in any way be deemed to imply that SPP is taking responsibility for the actions of any Party, that SPP has any affirmative duties under this Agreement, or that SPP is liable in any way under this Agreement except as specifically provided in the SPP Tariff.

22.5 Survival. The limitation of liability provided for, and the indemnification obligations of each Party under this Article shall continue in full force and effect regardless of whether this Agreement has either expired or been terminated or canceled with respect to matters that arise during the effectiveness of the Agreement.

#### ARTICLE XXIII ASSIGNMENT

23.1 Successors and Assigns. This Agreement, and the rights and obligations created thereby, shall bind and inure to the benefit of the successors and permitted assigns of the Parties hereto.

23.2 Consent Required. Subject to paragraph 23.3 below, no Party may assign any rights or obligations hereunder without obtaining the consent of the other Parties, which consent shall not unreasonably be withheld.

23.3 Assignment in Event of Merger or for Financing. Notwithstanding anything to the contrary herein, either Party, without the consent of the other Party or SPP but with reasonable prior written notice, may (i) assign this Agreement to any entity or entities in connection with a merger, consolidation, reorganization or other change in the organizational structure of the assigning Party, provided that the surviving entity(ies) agrees, in writing, to assume the assigning Party's obligations and duties under, and be bound by, the terms of this Agreement, or (ii) transfer, sell, pledge, encumber or assign this Agreement and the accounts, revenues or proceeds hereof in connection with any financing of or for such Party or other financial arrangements involving such Party (including to any trustee or other agent on behalf of one or more entities providing financing to or for, or involving, such Party).

#### ARTICLE XXIV SUBCONTRACTOR

24.1 Generally. Nothing in this Agreement shall prevent a Party from utilizing the

services of such subcontractors as it deems appropriate to perform its obligations under this Agreement; provided, however, that all Parties shall require their subcontractors to comply with all applicable terms and conditions of this Agreement in providing such services.

24.2 Responsibility of Principal. The creation of any subcontract relationship shall not relieve the hiring Party of any of its obligations under this Agreement. Each Party shall be fully responsible to the other Parties for the acts or omissions of any subcontractor it hires as if no subcontract had been made. Any applicable obligation imposed by this Agreement upon a Party shall be equally binding upon, and shall be construed as having application to, any subcontractor of such Party.

24.3 No Third Party Beneficiary. No subcontractor is intended to be, nor will it be deemed to be, a third-party beneficiary of this Agreement.

24.4 No Limitation by Insurance. The obligations under this Article will not be limited in any way by any limitation on subcontractor's insurance.

#### ARTICLE XXV DISPUTE RESOLUTION

25.1 Dispute Resolution. In the event any Party has a dispute, or asserts a claim, that arises out of or in connection with this Agreement or its performance, such Party (the "Disputing Party") shall provide the other Parties with written notice of the dispute or claim ("Notice of Dispute"). Such dispute or claim shall be referred to a designated senior representative of each Party for resolution on an informal basis as promptly as practicable after receipt of the Notice of Dispute by the non-disputing Parties. In the event the designated representatives are unable to resolve the claim or dispute through unassisted or assisted negotiations within thirty (30) Calendar Days of the non-disputing Parties' receipt of the Notice of Dispute, such claim or dispute shall be submitted for resolution in accordance with the dispute resolution procedures of the SPP Tariff which is hereby adopted mutatis mutandis.

#### ARTICLE XXVI NOTICES AND COMMUNICATIONS

26.1 Unless otherwise specified herein, all notices, requests, claims, demands and other communications required or permitted to be given under this Agreement must be in writing, and must be given (and will be deemed to have been duly given if so given) 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 respective Parties as follows:

**To: Oklahoma Gas and Electric Company**

**To: Prairie Wind Transmission , LLC**

Philip Crissup  
Vice President, Utility Technical Support  
Oklahoma Gas and Electric Company  
P.O. Box 321 M/C 903  
Oklahoma City, OK 73101

Kelly Harrison  
President  
Prairie Wind Transmission LLC  
818 South Kansas Ave  
P.O. Box 889  
Topeka Ks 66601

**To SPP:**

Tessie Kentner, Attorney  
Southwest Power Pool, Inc.  
201 Worthen Drive  
Little Rock, AR 72223-4936  
Phone: (501) 688-1782  
Email: tkentner@spp.org

Any such notice or communication will be deemed to have been given as of the date received.

26.2 Any Party may change its address or designated representative for notices by notice to the other Parties in the manner provided above.

26.3 Notwithstanding Section 26.1, any notice hereunder concerning an Emergency or other occurrence requiring prompt attention, or as necessary during day-to-day operations, may be made by telephone or in person provided that such notice is confirmed in writing promptly thereafter. Notice in an Emergency, or as necessary during day-to-day operations, shall be provided: (i) if by Company, to the operator on duty at OG&E's transmission control center, (ii) if by OG&E, to the shift supervisor at Company's transmission control center, and (iii) if by SPP, pursuant to SPP's established procedures.

ARTICLE XXVII  
MISCELLANEOUS PROVISIONS

27.1 Governing Law.

- (a) When not in conflict with or preempted by federal law, this Agreement will be governed by and construed in accordance with the laws of the State of Oklahoma without giving effect to the conflict of law principles thereof.
- (b) Except for those matters covered in this Agreement and which are either jurisdictional to FERC or submitted to dispute resolution pursuant to Article XXV, any action arising out of or concerning this Agreement must be brought in State of Oklahoma District Court in Oklahoma County or

the United States District Court for the Western District of Oklahoma. Both Parties hereby consent to the jurisdiction by these Courts for the purpose of hearing and determining any action not pre-empted by FERC.

27.2 Relationship of the Parties. Nothing in this Agreement is intended to create a partnership, joint venture, or other joint legal entity making any Party jointly or severally liable for the acts of the other Party. Unless otherwise agreed to in a writing signed by all Parties, no Party shall have any authority to create or assume in another Party's name or on its behalf any obligation, express or implied or to act or purport to act as any other Party's agent or legally-empowered representative for any purpose whatsoever. Each Party shall be solely liable for the payment of all wages, taxes, and other costs related to the employment of persons by that Party to perform under this Agreement, including all federal, state, and local income, social security, payroll and employment taxes and statutorily-mandated workers' compensation coverage. None of the persons employed by any Party shall be considered employees of the other Party for any purpose; nor shall any Party represent to any person that such persons are or shall become employees of the other Party. Except as expressly provided for herein, no Party shall be liable to any third Party in any way for any engagement, obligation, commitment, contract, representation, or for any negligent act or omission to act of the other Party.

27.3 No Third Party Rights. Nothing in this Agreement, express or implied, is intended to confer on any person, other than the Parties hereto, any benefits, interests, rights, or remedies under or by reason of the Agreement.

27.4 Amendment Modification. Except as otherwise provided, (a) this Agreement may only be modified in writing and signed by all Parties, and (b) no amendment or modification to this Agreement or waiver of a Party's rights hereunder shall be binding unless the same shall be in writing and signed by the Parties. Notwithstanding any provision in this Agreement to the contrary, any Party may unilaterally make application to the FERC under Sections 205 or 206, as applicable, of the Federal Power Act and pursuant to FERC's rules and regulations promulgated thereunder for a change in any rate, term, condition, charge, classification of service, rule or regulation under or related to this Agreement over which the FERC has jurisdiction.

27.5 Severability. If any term, condition, covenant, restriction or other provision of this Agreement is held by a court or regulatory agency of competent jurisdiction or by legislative enactment to be invalid, void or otherwise unenforceable, the remainder of the terms, conditions, covenants restrictions and other provisions of this Agreement shall remain in full force and effect unless such an interpretation would materially alter the rights and privileges of any Party. If any term, condition, covenant, restriction or other provision of this Agreement is held invalid, void or otherwise unenforceable, the Parties shall attempt to negotiate an appropriate and equitable replacement, revision or adjustment to the provision of this Agreement to restore the benefits and obligations conferred under the original Agreement.

27.6 Headings and Captions. Article headings, section headings, and/or other captions

are included in this Agreement for reference purposes only and shall not constitute a part of this Agreement or in any way affect the meaning or interpretation of this Agreement. Whenever used herein the singular number shall include the plural, the plural shall include the singular, and the use of any gender shall include all genders.

27.7 Further Assurances. Each Party shall do such other and further acts and things, and shall execute and deliver such instruments and documents, as any other Party reasonably requests from time to time in furtherance of the purposes of this Agreement, provided that any such acts, things, instruments and documents are commercially reasonable.

27.8 Entire Agreement. This Agreement, including all exhibits, schedules, appendices and other attachments hereto and hereby made a part hereof, sets forth the entire understanding and agreement of the Parties as to the subject matter of this Agreement and merges and supersedes all prior written and oral understandings, offers, agreements, commitments, representations, writings, discussions or other communications of every kind between the Parties, pertaining to the subject matter hereof.

27.9 Rights Cumulative. The rights and remedies set forth in this Agreement are cumulative and non-exclusive.

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

27.11 Transmission Service. No Granting or Representation of Transmission Service. No transmission service is provided as a part of this Agreement. Nothing in this Agreement shall create any right to transmission service nor constitute an express or implied representation of warranty on the part of any Party with respect to the current or future availability of transmission service or create any obligation on the part of any Party to accept deliveries of power and energy from the other Party.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized officers, as of the day and year first hereinbefore written.

**OKLAHOMA GAS AND ELECTRIC COMPANY**

By: /s/ Philip L. Crissup  
Philip Crissup  
Vice President, Utility Technical Support

**PRAIRIE WIND TRANSMISSION, LLC**

By: /s/ Kelly B. Harrison  
Kelly Harrison  
President, Prairie Wind Transmission

**SOUTHWEST POWER POOL, INC.**

By: /s/ Carl Monroe  
Carl Monroe  
Executive Vice President and Chief Operating Officer

## EXHIBIT A

### Interconnection No. 1

#### OG&E Woodland to Company Termination at the Thistle Substation

Interconnection No. 1 (“Woodland to Thistle Double Circuit 345 kV line Interconnects”)  
– The interconnection is between OG&E and the Company through the Double Circuit 345 kV lines with the change in ownership being located at the Kansas/Oklahoma State Line. By virtue of OG&E owning the Woodland Substation including the double circuit 345 kV lines to the Kansas/Oklahoma State line and acting as a balancing authority within SPP, OG&E will include the Woodland terminal and the double circuit 345 kV lines to the Kansas/Oklahoma within its balancing authority boundaries and SPP transmission zone. By virtue of PWT owning the double circuit 345 kV line from Thistle to the Kansas/Oklahoma line, this line will be within the balancing authority and included in the SPP transmission zone as defined in its’ Interconnection Agreement with ITC.

Any and all SPP loss revenue, related to the Woodland to the Kansas/Oklahoma State Line will be assigned to OG&E. Any and all SPP loss revenues related to the Thistle to the Kansas/Oklahoma State Line will be assigned according to PWT Interconnection Agreement with ITC.

The 345 kV interchange meter(s) and required communication facilities, necessary for balancing authority responsibilities and transmission zonal load calculations will be located at the ITC owned Thistle Substation. PWT will be responsible for providing the required metering data including MW, MVAR, MWh, and MVARh through its agreements with ITC. The metering data will be adjusted for losses according to paragraph 2 of this Exhibit.



Document Content(s)

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