

May 29, 2024

The Honorable Debbie-Anne A. Reese
Acting Secretary
Federal Energy Regulatory Commission
888 First Street NE
Washington, DC 20426

RE: *Southwest Power Pool, Inc.*, Docket No. ER24-_____
Submission of Surplus Interconnection Service Generator Interconnection
Agreement

Dear Acting Secretary Reese:

Pursuant to section 205 of the Federal Power Act, 16 U.S.C. § 824d, and section 35.13 of the Federal Energy Regulatory Commission’s (“Commission”) regulations, 18 C.F.R. § 35.13, Southwest Power Pool, Inc. (“SPP”) submits an executed Surplus Interconnection Service Generator Interconnection Agreement (“Surplus GIA”) among SPP as Transmission Provider, Choctaw Fields Solar Project, LLC (“Choctaw Fields”) as Surplus Interconnection Service Customer, Choctaw Fields as Existing Interconnection Customer, and Western Farmers Electric Cooperative (“WFEC”) as Transmission Owner (“First Revised Choctaw Fields Surplus GIA”).¹ The First Revised Choctaw Fields Surplus GIA modifies and supersedes the Surplus GIA among the Parties accepted by the Commission on October 13, 2023, in Docket No. ER23-2778-000.² SPP requests an effective date of July 29, 2024 for the First Revised Choctaw Fields Surplus GIA.

I. Description of SPP

SPP is a Commission-approved Regional Transmission Organization (“RTO”). SPP is an Arkansas non-profit corporation with its principal place of business in Little

¹ The First Revised Choctaw Fields Surplus GIA is designated as First Revised Service Agreement No. 4132. In addition, SPP, Choctaw Fields, and WFEC are collectively “the Parties.”

² See *Sw. Power Pool, Inc.*, Letter Order, Docket No. ER23-2778-000 (October 13, 2023) (“October Order”). The Surplus GIA accepted in the October Order is referred to as the “Original Choctaw Fields Surplus GIA.”

Rock, Arkansas. SPP has 111 members, including 16 investor-owned utilities, 13 municipal systems, 22 generation and transmission cooperatives, 6 state agencies, 21 independent power producers, 10 power marketers, 13 independent transmission companies, 1 federal agency, 4 large retail customers, 2 alternative power entities, and 3 public interest entities. As an RTO, SPP is a transmission provider administering transmission service over portions of Arkansas, Iowa, Kansas, Louisiana, Minnesota, Missouri, Montana, Nebraska, New Mexico, North Dakota, Oklahoma, South Dakota, Texas and Wyoming. SPP is responsible for providing independent transmission services over the transmission facilities its members have placed under the SPP Open Access Transmission Tariff (“Tariff”).³

II. Background

Choctaw Fields plans to construct a generating facility (“Facility”), which will consist of 11 x Sungrow SC5000UD Battery Energy Storage System inverters operating at 4.7345 MW for a total assumed dispatch of 52.08 MW. The First Revised Choctaw Fields Surplus GIA facilitates the interconnection of the Facility to WFECC’s transmission system.

III. Description of the First Revised Choctaw Fields Surplus GIA

The Original Choctaw Fields Surplus GIA was revised as described below.

- Amended and restated wording was added to the cover page and a new paragraph was added at the beginning of Appendix A. The new paragraph at the beginning of Appendix A states for purposes of Sections 2.1, 2.2, 2.3.2, 5.8 and 5.16.1, references to “Effective Date” shall mean the effective date of the Original Choctaw Fields Surplus GIA;
- In Appendix B, milestone completion dates were updated;
- In Appendix B, a note was added;
- In Appendix F, contact information for Choctaw was updated; and
- In Appendix F, a scrivener’s error was corrected.

To facilitate these changes, the Parties executed the First Revised Choctaw Fields Surplus GIA.

IV. Effective Date and Waiver

SPP requests an effective date of July 29, 2024, for the First Revised Choctaw Fields Surplus GIA. To permit such an effective date, pursuant to section 35.11 of the

³ See Southwest Power Pool, Inc., Open Access Transmission Tariff, Sixth Revised Volume No. 1.

Commission's rules and regulations, 18 C.F.R. § 35.11, SPP requests a waiver of the Commission's 60-day notice requirement set forth at 18 C.F.R. § 35.3. Waiver is appropriate because the First Revised Choctaw Fields Surplus GIA is being filed no later than 30 days after the effective date of the agreement.⁴

V. Additional Information

A. Information Required by Section 35.13 of the Commission's Regulations, 18 C.F.R. § 35.13:

(1) Documents Submitted with this Filing:

In addition to this transmittal letter, SPP is submitting the following:

- (i) A clean copy of the First Revised Choctaw Fields Surplus GIA; and
- (ii) A redline copy of the First Revised Choctaw Fields Surplus GIA.

(2) Effective Date:

As discussed above, SPP respectfully requests that the Commission accept the First Revised Choctaw Fields Surplus GIA with an effective date of July 29, 2024.

(3) Service:

SPP is serving a copy of this filing on the representatives for the Parties listed in the First Revised Choctaw Fields Surplus GIA.

(4) Basis of Rate:

All charges under the First Revised Choctaw Fields Surplus GIA will be determined in accordance with the SPP Tariff and the First Revised Choctaw Fields Surplus GIA.

⁴ See *Prior Notice and Filing Requirements Under Part II of the Federal Power Act*, 64 FERC ¶ 61,139, at 61,983-84, *order on reh'g*, 65 FERC ¶ 61,081 (1993) (the Commission will grant waiver of the 60-day prior notice requirement "if service agreements are filed within 30 days after service commences."); see also 18 C.F.R. § 35.3(a)(2).

B. Communications:

Any correspondence regarding this matter should be directed to:⁵

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VI. Conclusion

For all the foregoing reasons, SPP respectfully requests that the Commission accept the First Revised Choctaw Fields Surplus GIA with an effective date of July 29, 2024.

Respectfully submitted,

/s/ Britney Lloyd

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⁵ Pursuant to Commission Rule 101(e), 18 C.F.R. § 385.101(e), SPP requests waiver of Rule 203(b)(3), 18 C.F.R. § 385.203(b)(3), in order to permit more than two persons to be included on the service list.

Southwest Power Pool, Inc.
First Revised Service Agreement No. 4132

**AMENDED AND RESTATED
SURPLUS INTERCONNECTION SERVICE GENERATOR
INTERCONNECTION AGREEMENT (GIA)**

entered into by the

Southwest Power Pool, Inc.,

Western Farmers Electric Cooperative
(as Transmission Owner),

Choctaw Fields Solar Project, LLC
(as Surplus Interconnection Service Customer),

and

Choctaw Fields Solar Project, LLC
(as Existing Interconnection Customer)

entered into on the 15th day of May, 2024

GEN-2023-SR15

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SURPLUS INTERCONNECTION SERVICE GENERATOR INTERCONNECTION AGREEMENT

This Surplus Interconnection Service Generator Interconnection Agreement (“Agreement” or “Surplus Interconnection Service GIA”) is made and entered into this 15th day of May 2024, by and among Choctaw Fields Solar Project, LLC, a limited liability company organized and existing under the laws of the State of Delaware (“Surplus Interconnection Service Customer” with a Generating Facility), Choctaw Fields Solar Project, LLC, a limited liability company organized and existing under the laws of the State of Delaware (“Existing Interconnection Customer”), Southwest Power Pool, Inc., a corporation organized and existing under the laws of the State of Arkansas (“Transmission Provider”) and Western Farmers Electric Cooperative, a corporation organized and existing under the laws of the State of Oklahoma (“Transmission Owner”). Existing Interconnection Customer, Surplus Interconnection Service Customer, Transmission Provider and Transmission Owner each may be referred to as a “Party” or collectively as the “Parties.”

RECITALS

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

WHEREAS, Existing Interconnection Customer owns, leases and/or controls and operates the Existing Generating Facility identified in Appendix A to this Agreement which connects to the Transmission System at the Point of Interconnection identified in Appendix A to this Agreement;

WHEREAS, Surplus Interconnection Service Customer intends to own, lease, and/or control and operate a Generating Facility at the same Point of Interconnection as the Existing Interconnection Customer;

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

WHEREAS, Existing Interconnection Customer agrees to make Surplus Interconnection Service available to the Surplus Interconnection Service Customer at the Point of Interconnection identified in Appendix A to this Agreement;

WHEREAS, Surplus Interconnection Service Customer agrees to take the Surplus Interconnection Service subject to the parameters and limitations specified in Appendix A to this Agreement; and,

WHEREAS, Surplus Interconnection Service Customer, Existing Interconnection Customer, Transmission Provider and Transmission Owner have agreed to enter into this Agreement for the purpose of interconnecting the Generating Facility with the Transmission System and Surplus Interconnection Service Customer agrees to the monitoring and reporting requirements set forth in Appendix H to this Agreement.

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein, it is agreed:

When used in this Surplus Interconnection Service Generator Interconnection Agreement, terms with initial capitalization that are not defined in Article 1 shall have the meanings specified in the Article in which they are used or the Open Access Transmission Tariff (Tariff).

ARTICLE 1. DEFINITIONS

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

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

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

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

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

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

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

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

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

Breach shall mean the failure of a Party to perform or observe any material term or condition of the Surplus Interconnection Service GIA.

Breaching Party shall mean a Party that is in Breach of the Surplus Interconnection Service GIA.

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

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

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

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

Commercial Operation Date of a unit shall mean the date on which the Generating Facility commences Commercial Operation as agreed to by the Parties pursuant to Appendix E to the Surplus Interconnection Service GIA.

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

Contingent Facilities shall mean those unbuilt Interconnection Facilities and Network Upgrades upon which the Interconnection Request's costs, timing, and study findings are dependent, and if delayed or not built, could cause a need for restudies of the Interconnection Request or a reassessment of the Interconnection Facilities and/or Network Upgrades and/or costs and timing. Contingent Facilities are identified in Appendix A of the Surplus Interconnection Service GIA.

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

Default shall mean the failure of a Breaching Party to cure its Breach in accordance with Article 17 of the Surplus Interconnection Service GIA.

Definitive Interconnection System Impact Study shall mean an engineering study that evaluates the impact of the proposed interconnection on the safety and reliability of Transmission System and, if applicable, an Affected System. The study shall identify and detail the system impacts that would result if the Generating Facility were interconnected without project modifications or system modifications, or that may be caused by the withdrawal or addition of an Interconnection Request, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Generator Interconnection Procedures. The Definitive Interconnection System Impact Study is conducted in two phases.

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

Dispute Resolution shall mean the procedure in Section 13.5 of the Generator Interconnection Procedures for resolution of a dispute between the Parties in which they will first attempt to resolve the dispute on an informal basis.

Distribution System shall mean the Transmission Owner's facilities and equipment that are not included in the Transmission System. The voltage levels at which Distribution Systems operate differ among areas.

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

Effective Date shall mean the date on which the Surplus Interconnection Service GIA becomes effective as specified by FERC.

Emergency Condition shall mean a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of Transmission Provider, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to the Transmission System or the electric systems of others to which the Transmission System is directly connected; or (3) that, in the case of Transmission Owner, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to Transmission Owner's Interconnection Facilities; or (4) that, in the case of Surplus Interconnection Service Customer, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, the Generating Facility or Surplus Interconnection Service Customer's Interconnection Facilities. System restoration and black start shall be considered Emergency Conditions; provided, that Surplus Interconnection Service Customer is not obligated by the Surplus Interconnection Service GIA to possess black start capability.

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

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

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

Existing Generating Facility shall mean the Generating Facility identified in Appendix A that is currently interconnected to the Transmission System of the Transmission Provider and on which the Surplus Interconnection Service provided under this Agreement is premised.

Existing Interconnection Customer shall mean the entity that owns, leases and/or controls and operates the Existing Generating Facility identified in Appendix A to this Agreement;

Existing Generator Interconnection Agreement (EGIA) shall mean the interconnection agreement applicable to the Existing Generating Facility.

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

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

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

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

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

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

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

Generator Interconnection Procedures (GIP) shall mean the interconnection procedures that are included in the Transmission Provider's Tariff.

Good Utility Practice shall mean any of the practices, methods and acts engaged in or approved by a significant portion of the electric industry during the relevant time period, or any

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

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

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

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

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

Interconnection Facilities shall mean the Transmission Owner's Interconnection Facilities and the Surplus Interconnection Service Customer's Interconnection Facilities. Collectively, Interconnection Facilities include all facilities and equipment between the Generating Facility and the Point of Interconnection, including any modification, additions or upgrades that are necessary to physically and electrically interconnect the Generating Facility to the Transmission System. Interconnection Facilities are sole use facilities and shall not include Distribution Upgrades, Stand Alone Network Upgrades or Network Upgrades.

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

IRS shall mean the Internal Revenue Service.

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

Loss shall mean any and all losses relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from another Party's performance, or non-performance of its obligations under the Generator Interconnection Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnifying Party.

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

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

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

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

Network Resource Interconnection Service (NRIS) shall mean an Interconnection Service that allows the Surplus Interconnection Service Customer to integrate its Generating Facility with the Transmission System in a manner comparable to that in which the Transmission Owner integrates its generating facilities to serve Native Load Customers as a Network Resource. Network Resource Interconnection Service in and of itself does not convey transmission service.

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

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

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

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

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

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

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

Site Control shall mean documentation reasonably demonstrating: (1) ownership of, a leasehold interest in, or a right to develop a site of sufficient size for the purpose of constructing the Generating Facility; (2) an option to purchase or acquire a leasehold site of sufficient size for such purpose; or (3) an exclusivity or other business relationship between Surplus Interconnection Service Customer and the entity having the right to sell, lease or grant Surplus Interconnection Service Customer the right to possess or occupy a site of sufficient size for such purpose.

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

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

Surplus Interconnection Service Customer shall mean the entity that wants to utilize Surplus Interconnection Service.

Surplus Interconnection Service Customer's Interconnection Facilities shall mean all facilities and equipment, as identified in Appendix A of the Surplus Interconnection Service

Generator Interconnection Agreement, that are located between the Generating Facility and the Point of Change of Ownership, including any modification, addition, or upgrades to such facilities and equipment necessary to physically and electrically interconnect the Generating Facility to the Transmission System. Surplus Interconnection Service Customer's Interconnection Facilities are sole use facilities.

Surplus Interconnection Service Facilities Queue Position shall mean the position assigned by the Transmission Provider in accordance with Section 3.3.4.2 of the GIP.

Surplus Interconnection Service Facilities Study shall mean the study performed in situations where additional Interconnection Facilities are identified by the Transmission Provider as being required to support the requested Surplus Interconnection Service.

Surplus Interconnection Service Facilities Study Agreement shall mean the form of agreement contained in Appendix 16 of the Generator Interconnection Procedures for conducting the Surplus Interconnection Service Facilities Study.

Surplus Interconnection Service Generator Interconnection Agreement (GIA) shall mean the interconnection agreement applicable to a Surplus Interconnection Service Request.

Surplus Interconnection Service Impact Study shall mean a study conducted by the Transmission Provider consisting of reactive power, short circuit/fault duty, stability analyses, and any other appropriate studies necessary for the Transmission Provider to demonstrate reliable operation of the Surplus Interconnection Service on the Transmission System.

Surplus Interconnection Service Impact Study Agreement shall mean the form of agreement contained in Appendix 15 of the Generator Interconnection Procedures for conducting the Surplus Interconnection Service Impact Study.

Surplus Interconnection Service Queue Position shall mean the position assigned by the Transmission Provider upon receipt of a request for Surplus Interconnection Service based upon the date and time of receipt of the request.

Surplus Interconnection Service Request shall mean a request for Surplus Interconnection Service submitted by a Surplus Interconnection Service Customer.

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

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

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

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

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

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

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

Variable Energy Resource shall mean a device for the production of electricity that is characterized by an energy source that: (1) is renewable; (2) cannot be stored by the facility owner or operator; and (3) has variability that is beyond the control of the facility owner or operator.

ARTICLE 2. EFFECTIVE DATE, TERM, AND TERMINATION

2.1 Effective Date. This Surplus Interconnection Service GIA shall become effective on the date specified by FERC. Transmission Provider shall promptly file this Surplus Interconnection Service GIA with FERC upon execution in accordance with Article 3.1.

2.2 Term of Agreement. Subject to the provisions of Article 2.3, this Surplus Interconnection Service GIA shall remain in effect for a period of ten (10) years from the Effective Date and shall be automatically renewed for each successive one-year period thereafter.

2.3 Termination Procedures.

2.3.1 Written Notice. This Surplus Interconnection Service GIA may be terminated by Surplus Interconnection Service Customer after giving Transmission Provider and Transmission Owner ninety (90) Calendar Days advance written notice, or by Transmission Provider notifying FERC after the Generating Facility permanently ceases Commercial Operation.

- 2.3.2** If the Generating Facility fails to achieve Commercial Operation for three (3) consecutive years following the Commercial Operation Date, this Surplus Interconnection Service GIA may be terminated by the Transmission Provider after giving the Surplus Interconnection Service Customer ninety (90) Calendar Days advance written notice. Where a portion of the Generating Facility fails to achieve Commercial Operation for three (3) consecutive years following the Commercial Operation Date, the Transmission Provider shall issue a revised Surplus Interconnection Service GIA to reflect the amount of the Generating Facility Capacity that achieved Commercial Operation. The revised Surplus Interconnection Service GIA shall be consistent with the GIP in effect on the Effective Date of the GIA.
- 2.3.3 Default.** Any Party may terminate this Surplus Interconnection Service GIA in accordance with Article 17.
- 2.3.4** If Existing Interconnection Customer retires and ceases Commercial Operation of its Generating Facility or terminates its EGIA prior to reaching Commercial Operation, the Surplus Interconnection Service provided under this Surplus Interconnection Service GIA shall no longer be available and this Surplus Interconnection Service GIA shall terminate, even if such date is prior to the end of the Term provided in Article 2.2. Surplus Interconnection Service Customer is permitted a limited continuation of Surplus Interconnection Service, not to exceed one year, following the retirement and cessation of Commercial Operation of the Existing Interconnection Customer's Generating Facility provided that: (i) the Surplus Interconnection Service Customer's Generating Facility has been studied by the Transmission Provider for sole operation at the Point of Interconnection at the time of the interconnection of the Surplus Service Interconnection Customer; and (ii) the Existing Interconnection Customer agrees in writing that the Surplus Interconnection Service Customer may continue to operate at either its limited share of the Existing Interconnection Customer's Generating Facility capacity in the Existing Interconnection Customer's GIA, as reflected in this Surplus Interconnection Service Agreement, or at any level below such limit upon the retirement and permanent cessation of commercial operation of the Existing Interconnection Customer's Generating Facility.
- 2.3.5** Notwithstanding Articles 2.3.1, 2.3.2, 2.3.3 and 2.3.4, no termination shall become effective until the Parties have complied with all Applicable Laws and Regulations applicable to such termination, including the filing with FERC of a notice of termination of this Surplus Interconnection Service GIA, which notice has been accepted for filing by FERC.
- 2.4 Termination Costs.** If a Party elects to terminate this Agreement pursuant to Article 2.3 above, Surplus Interconnection Service Customer and Transmission Owner shall pay all costs incurred (including any cancellation costs relating to orders or contracts for Interconnection Facilities and equipment) or charges assessed by any other Party, as of the date of such Party's receipt of such notice of termination, that are the responsibility of the Terminating Party under this Surplus Interconnection Service GIA. In the event of termination by any Party, all Parties shall use Commercially Reasonable Efforts to

mitigate the costs, damages and charges arising as a consequence of termination. Upon termination of this Surplus Interconnection Service GIA, unless otherwise ordered or approved by FERC:

2.4.1 With respect to any portion of Transmission Owner's Interconnection Facilities that have not yet been constructed or installed, Transmission Owner shall to the extent possible and with Surplus Interconnection Service Customer's authorization cancel any pending orders of, or return, any materials or equipment for, or contracts for construction of, such facilities; provided that in the event Surplus Interconnection Service Customer elects not to authorize such cancellation, Surplus Interconnection Service Customer shall assume all payment obligations with respect to such materials, equipment, and contracts, and Transmission Owner shall deliver such material and equipment, and, if necessary, assign such contracts, to Surplus Interconnection Service Customer as soon as practicable, at Surplus Interconnection Service Customer's expense. To the extent that Surplus Interconnection Service Customer has already paid Transmission Owner for any or all such costs of materials or equipment not taken by Surplus Interconnection Service Customer, Transmission Owner shall promptly refund such amounts to Surplus Interconnection Service Customer, less any costs, including penalties incurred by Transmission Owner to cancel any pending orders of or return such materials, equipment, or contracts.

If a Surplus Interconnection Service Customer terminates this Surplus Interconnection Service GIA, it shall be responsible for all costs incurred in association with that Surplus Interconnection Service Customer's interconnection, including any cancellation costs relating to orders or contracts for Interconnection Facilities and equipment, and other expenses including any upgrades for which Transmission Owner has incurred expenses and has not been reimbursed by Surplus Interconnection Service Customer.

2.4.2 Transmission Owner may, at its option, retain any portion of such materials, equipment, or facilities that Surplus Interconnection Service Customer chooses not to accept delivery of, in which case Transmission Owner shall be responsible for all costs associated with procuring such materials, equipment, or facilities.

2.4.3 With respect to any portion of the Interconnection Facilities, and any other facilities already installed or constructed pursuant to the terms of this Surplus Interconnection Service GIA, Surplus Interconnection Service Customer shall be responsible for all costs associated with the removal, relocation or other disposition or retirement of such materials, equipment, or facilities.

2.5 Disconnection. Upon termination of this Surplus Interconnection Service GIA, the Parties will take all appropriate steps to disconnect the Generating Facility from the Transmission System. All costs required to effectuate such disconnection shall be borne by the terminating Party, unless such termination resulted from the non-terminating Party's Default of this Surplus Interconnection Service GIA or such non-terminating Party otherwise is responsible for these costs under this Surplus Interconnection Service GIA.

- 2.6 Survival.** This Surplus Interconnection Service GIA shall continue in effect after termination to the extent necessary to provide for final billings and payments and for costs incurred hereunder, including billings and payments pursuant to this Surplus Interconnection Service GIA; to permit payments for any credits under this Surplus Interconnection Service GIA; to permit the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this Surplus Interconnection Service GIA was in effect; and to permit each Party to have access to the lands of another Party pursuant to this Surplus Interconnection Service GIA or other applicable agreements, to disconnect, remove or salvage its own facilities and equipment.

ARTICLE 3. REGULATORY FILINGS

- 3.1 Filing.** Transmission Provider shall file this Surplus Interconnection Service GIA (and any amendment hereto) with the appropriate Governmental Authority, if required. Surplus Interconnection Service Customer may request that any information so provided be subject to the confidentiality provisions of Article 22. If Surplus Interconnection Service Customer has executed this Surplus Interconnection Service GIA, or any amendment thereto, Surplus Interconnection Service Customer shall reasonably cooperate with Transmission Provider with respect to such filing and to provide any information reasonably requested by Transmission Provider needed to comply with applicable regulatory requirements.

ARTICLE 4. SCOPE OF SERVICE

- 4.0 Surplus Interconnection Service.** Existing Interconnection Customer has agreed to make Surplus Interconnection Service available to the Surplus Interconnection Service Customer as described in Appendix A to this Agreement. Surplus Interconnection Service Customer agrees to utilize the Surplus Interconnection Service subject to the limitations in this Agreement.
- 4.1 Interconnection Product.** Surplus Interconnection Service Customer is limited to the type of Interconnection Service provided to the Existing Interconnection Customer in its EGIA, provided the Existing Interconnection Customer was provided ERIS. If Existing Interconnection Customer was provided NRIS, then Surplus Interconnection Service Customer may select either NRIS or ERIS. Accordingly, the Surplus Interconnection Service Customer has selected the type of Surplus Interconnection Service indicated in Appendix A.
- 4.2 Provision of Service.** Transmission Provider shall provide Surplus Interconnection Service for the Generating Facility at the Point of Interconnection subject to the limitations specified in Appendix A. However, in no event shall the Generating Facility begin Commercial Operation in advance of the Existing Generating Facility beginning Commercial Operation.
- 4.3 Performance Standards.** Each Party shall perform all of its obligations under this Surplus Interconnection Service GIA in accordance with Applicable Laws and Regulations, Applicable Reliability Standards, and Good Utility Practice, and to the

extent a Party is required or prevented or limited in taking any action by such regulations and standards, such Party shall not be deemed to be in Breach of this Surplus Interconnection Service GIA for its compliance therewith. If such Party is a Transmission Provider or Transmission Owner, then that Party shall amend the Surplus Interconnection Service GIA and submit the amendment to FERC for approval.

4.4 No Transmission Delivery Service. The execution of this Surplus Interconnection Service GIA does not constitute a request for, nor the provision of, any transmission delivery service under Transmission Provider's Tariff, and does not convey any right to deliver electricity to any specific customer or Point of Delivery.

4.5 Surplus Interconnection Service Customer Provided Services. The services provided by Surplus Interconnection Service Customer under this Surplus Interconnection Service GIA are set forth in Article 9.6 and Article 13.5.1. Surplus Interconnection Service Customer shall be paid for such services in accordance with Article 11.8.

ARTICLE 5. INTERCONNECTION FACILITIES ENGINEERING, PROCUREMENT, AND CONSTRUCTION

5.1 Options. Unless otherwise mutually agreed to between the Parties, Surplus Interconnection Service Customer shall select the In-Service Date, Initial Synchronization Date, and Commercial Operation Date and such dates shall be set forth in Appendix B, Milestones. Provided, however, the Generating Facility shall not begin Commercial Operation in advance of the Existing Generating Facility beginning Commercial Operation.

5.2 Reserved

5.3 Reserved

5.4 Power System Stabilizers. The Surplus Interconnection Service Customer shall procure, install, maintain and operate Power System Stabilizers in accordance with the guidelines and procedures established by the Applicable Reliability Council. Transmission Provider reserves the right to reasonably establish minimum acceptable settings for any installed Power System Stabilizers, subject to the design and operating limitations of the Generating Facility. If the Generating Facility's Power System Stabilizers are removed from service or not capable of automatic operation, Surplus Interconnection Service Customer shall immediately notify Transmission Owner's system operator, or its designated representative. The requirements of this paragraph shall not apply to non-synchronous generators.

5.5 Reserved

5.6 Reserved

5.7 Work Progress. The Parties will keep each other advised periodically as to the progress of their respective design, procurement and construction efforts. Parties may, at any time, request a progress report from other Parties. If, at any time, Surplus

Interconnection Service Customer determines that the completion of Transmission Owner's Interconnection Facilities will not be required until after the specified In-Service Date, Surplus Interconnection Service Customer will provide written notice to Transmission Provider and Transmission Owner of such later date upon which the completion of Transmission Owner's Interconnection Facilities will be required.

5.8 Information Exchange. As soon as reasonably practicable after the Effective Date, the Parties shall exchange information regarding the design and compatibility of the Parties' Interconnection Facilities and compatibility of the Interconnection Facilities with the Transmission System, and shall work diligently and in good faith to make any necessary design changes.

5.9 Reserved

5.10 Surplus Interconnection Service Customer's Interconnection Facilities ('ICIF'). Surplus Interconnection Service Customer shall, at its expense, design, procure, construct, own and install the ICIF, as set forth in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades.

5.10.1 Surplus Interconnection Service Customer's Interconnection Facility Specifications. Surplus Interconnection Service Customer shall submit initial specifications for the ICIF, including System Protection Facilities, to Transmission Owner at least one hundred eighty (180) Calendar Days prior to the Initial Synchronization Date; and final specifications for review and comment at least ninety (90) Calendar Days prior to the Initial Synchronization Date. Transmission Owner shall review such specifications to ensure that the ICIF are compatible with the technical specifications, operational control, and safety requirements of Transmission Owner and comment on such specifications within thirty (30) Calendar Days of Surplus Interconnection Service Customer's submission. All specifications provided hereunder shall be deemed confidential.

5.10.2 Transmission Owner's Review. Transmission Owner's review of Surplus Interconnection Service Customer's final specifications shall not be construed as confirming, endorsing, or providing a warranty as to the design, fitness, safety, durability or reliability of the Generating Facility, or the ICIF. Surplus Interconnection Service Customer shall make such changes to the ICIF as may reasonably be required by Transmission Owner, in accordance with Good Utility Practice, to ensure that the ICIF are compatible with the technical specifications, operational control, and safety requirements of Transmission Owner.

5.10.3 ICIF Construction. The ICIF shall be designed and constructed in accordance with Good Utility Practice. Within one hundred twenty (120) Calendar Days after the Commercial Operation Date, unless the Parties agree on another mutually acceptable deadline, Surplus Interconnection Service Customer shall deliver to Transmission Owner "as-built" drawings, information and documents for the ICIF, such as: a one-line diagram, a site plan showing the Generating Facility and the ICIF, plan and elevation drawings showing the layout of the ICIF, a relay functional diagram, relaying AC and DC schematic wiring diagrams and relay

settings for all facilities associated with Surplus Interconnection Service Customer's step-up transformers, the facilities connecting the Generating Facility to the step-up transformers and the ICIF, and the impedances (determined by factory tests) for the associated step-up transformers and the Generating Facility. The Surplus Interconnection Service Customer shall provide Transmission Owner specifications for the excitation system, automatic voltage regulator, Generating Facility control and protection settings, transformer tap settings, and communications, if applicable.

5.10.4 Updated Information Submission by Surplus Interconnection Service Customer. The updated information submission by the Surplus Interconnection Service Customer, including manufacturer information, shall occur no later than one hundred eighty (180) Calendar Days prior to the Initial Synchronization Date. Surplus Interconnection Service Customer shall submit a completed copy of the Generating Facility data requirements contained in Attachment A to Appendix 15 to the GIP. It shall also include any additional information provided to Transmission Provider for the Surplus Interconnection Service Facilities Study. Information in this submission shall be the most current Generating Facility design or expected performance data. Information submitted for stability models shall be compatible with Transmission Provider standard models. If there is no compatible model, the Surplus Interconnection Service Customer will work with a consultant mutually agreed to by the Parties to develop and supply a standard model and associated information.

If the Surplus Interconnection Service Customer's data is materially different from what was originally provided to Transmission Provider pursuant to the Surplus Interconnection Service Impact Study Agreement or the Surplus Interconnection Service Facilities Study Agreement between Transmission Provider and Surplus Interconnection Service Customer, then Transmission Provider will conduct appropriate studies to determine the impact on the Transmission System based on the actual data submitted pursuant to this Article 5.10.4. The Surplus Interconnection Service Customer shall not begin Trial Operation until such studies are completed.

5.10.5 Information Supplementation. Prior to the Commercial Operation Date, or as soon as possible thereafter, the Parties shall supplement their information submissions described above in this Article 5 with any and all “as-built” Generating Facility information or “as-tested” performance information that differs from the initial submissions or, alternatively, written confirmation that no such differences exist. The Surplus Interconnection Service Customer shall conduct tests on the Generating Facility as required by Good Utility Practice such as an open circuit “step voltage” test on the Generating Facility to verify proper operation of the Generating Facility's automatic voltage regulator.

Unless otherwise agreed, the test conditions shall include: (1) Generating Facility at synchronous speed; (2) automatic voltage regulator on and in voltage control mode; and (3) a five percent (5 percent) change in

Generating Facility terminal voltage initiated by a change in the voltage regulators reference voltage. Surplus Interconnection Service Customer shall provide validated test recordings showing the responses of Generating Facility terminal and field voltages. In the event that direct recordings of these voltages is impractical, recordings of other voltages or currents that mirror the response of the Generating Facility's terminal or field voltage are acceptable if information necessary to translate these alternate quantities to actual Generating Facility terminal or field voltages is provided. Generating Facility testing shall be conducted and results provided to the Transmission Provider for each individual generating unit in a station.

Subsequent to the Commercial Operation Date, the Surplus Interconnection Service Customer shall provide Transmission Owner and Transmission Provider any information changes due to equipment replacement, repair, or adjustment. Transmission Owner shall provide the Surplus Interconnection Service Customer and Transmission Provider any information changes due to equipment replacement, repair or adjustment in the directly connected substation or any adjacent Transmission Owner-owned substation that may affect the Surplus Interconnection Service Customer's Interconnection Facilities equipment ratings, protection or operating requirements. The Parties shall provide such information no later than thirty (30) Calendar Days after the date of the equipment replacement, repair or adjustment.

5.11 Reserved

5.12 Access Rights. Upon reasonable notice and supervision by a Party, and subject to any required or necessary regulatory approvals, a Party ("Granting Party") shall furnish at no cost to any other Party ("Access Party") any rights of use, licenses, rights of way and easements with respect to lands owned or controlled by the Granting Party, its agents (if allowed under the applicable agency agreement), or any Affiliate, that are necessary to enable the Access Party to obtain ingress and egress to construct, operate, maintain, repair, test (or witness testing), inspect, replace or remove facilities and equipment to: (i) interconnect the Generating Facility with the Transmission System; (ii) operate and maintain the Generating Facility, the Interconnection Facilities and the Transmission System; and (iii) disconnect or remove the Access Party's facilities and equipment upon termination of this Surplus Interconnection Service GIA. In exercising such licenses, rights of way and easements, the Access Party shall not unreasonably disrupt or interfere with normal operation of the Granting Party's business and shall adhere to the safety rules and procedures established in advance, as may be changed from time to time, by the Granting Party and provided to the Access Party.

5.13 Lands of Other Property Owners. If any part of Transmission Owner's Interconnection Facilities is to be installed on property owned by persons other than Surplus Interconnection Service Customer or Transmission Owner, Transmission Owner shall at Surplus Interconnection Service Customer's expense use efforts, similar in nature and extent to those that it typically undertakes on its own behalf or on behalf of its Affiliates,

including use of its eminent domain authority, and to the extent consistent with state law, to procure from such persons any rights of use, licenses, rights of way and easements that are necessary to construct, operate, maintain, test, inspect, replace or remove Transmission Owner's Interconnection Facilities and/or Network Upgrades upon such property.

5.14 Permits. Transmission Provider or Transmission Owner and Surplus Interconnection Service Customer shall cooperate with each other in good faith in obtaining all permits, licenses, and authorizations that are necessary to accomplish the interconnection in compliance with Applicable Laws and Regulations. With respect to this paragraph, Transmission Provider or Transmission Owner shall provide permitting assistance to Surplus Interconnection Service Customer comparable to that provided to Transmission Provider's own, or an Affiliate's generation.

5.15 Early Construction of Base Case Facilities. Surplus Interconnection Service Customer may request Transmission Owner to construct, and Transmission Owner shall construct, using Reasonable Efforts to accommodate Surplus Interconnection Service Customer's In-Service Date, all or any portion of any Contingent Facilities required for Surplus Interconnection Service Customer to be interconnected to the Transmission System which are included in the Base Case of the Facilities Study for Surplus Interconnection Service Customer, and which also are required to be constructed for another interconnection customer, but where such construction is not scheduled to be completed in time to achieve Surplus Interconnection Service Customer's In-Service Date.

5.16 Suspension.

5.16.1 Surplus Interconnection Service Customer, upon written notice to Transmission Provider and Transmission Owner, may suspend, for a period not to exceed 18 months, work by Transmission Owner associated with the construction and installation of Transmission Owner's Interconnection Facilities required under this Surplus Interconnection Service GIA under the following terms and conditions:

- i. Reserved
- ii. If the suspension period begins later than or extends beyond six months following the Effective Date of the Surplus Interconnection Service GIA, the Surplus Interconnection Service Customer shall provide to the Transmission Provider security in the form described under Article 11.7 in an amount equal to the greater of:
 - a. Reserved
 - b. \$5,000,000 if the Generating Facility is greater than or equal to 100 MW; or
 - c. \$2,500,000 if the Generating Facility is greater than or equal to 50 MW and less than 100 MW; or
 - d. \$1,000,000 if the Generating Facility is less than 50 MW; or

- e. \$500,000 if the Generating Facility is less than or equal to 2 MW.

- iii. In the event that this Surplus Interconnection Service GIA is terminated under this Article 5.16, the Transmission Provider shall retain the security provided pursuant to Article 5.16.1.ii in the amount required to meet Surplus Interconnection Service Customer's obligations pursuant to this Surplus Interconnection Service GIA. Any difference between the security provided and Surplus Interconnection Service Customer's obligations shall be settled pursuant to Article 12.

- iv. In the event Surplus Interconnection Service Customer suspends work by Transmission Owner required under this Surplus Interconnection Service GIA pursuant to this Article 5.16 and has not requested Transmission Owner to resume the work required under this Surplus Interconnection Service GIA on or before the expiration of 18 months from the date of suspension, this Surplus Interconnection Service GIA shall be deemed terminated unless Article 16 applies.

- v. In the event Surplus Interconnection Service Customer suspends work by Transmission Owner required under this Surplus Interconnection Service GIA pursuant to this Article 5.16 and has not complied with requirements of Article 5.16.1.ii on or before the later of the expiration of 6 months following the effective date of the GIA or the date the suspension is requested, this Surplus Interconnection Service GIA shall be deemed terminated by the Surplus Interconnection Service Customer.

- vi. In the event Surplus Interconnection Service Customer suspends work by Transmission Owner required under this Surplus Interconnection Service GIA pursuant to this Article 5.16, the Transmission System shall be left in a safe and reliable condition in accordance with Good Utility Practice and Transmission Owner's safety and reliability criteria. Surplus Interconnection Service Customer shall be responsible for all reasonable and necessary costs which Transmission Owner and Transmission Provider (i) have incurred pursuant to this Surplus Interconnection Service GIA prior to the suspension and (ii) incur in suspending such work, including any costs incurred to perform such work as may be necessary to ensure the safety of persons and property and the integrity of the Transmission System during such suspension and, if applicable, any costs incurred in connection with the cancellation or suspension of material, equipment and labor contracts which Transmission Owner cannot reasonably avoid; provided, however, that prior to canceling or suspending any such material, equipment or labor contract, Transmission Owner shall obtain Surplus Interconnection Service Customer's authorization to do so. Transmission Owner and Transmission Provider shall invoice Surplus Interconnection Service Customer for such costs pursuant to Article 12 and shall use due diligence to minimize its costs.

- vii. In the event Surplus Interconnection Service Customer provides written notice to resume work for those facilities for which work has been suspended pursuant to this

Article 5.16.1, the Surplus Interconnection Service Customer shall receive a refund, including interest, of any payments provided in accordance with Article 5.16.1.ii in excess of the sum of Surplus Interconnection Service Customer's allocated share of any costs incurred under Article 5.16.1.vi within 30 days of the date of such notice.

5.16.2 Exemptions. The Surplus Interconnection Service Customer shall be exempt from the payments described under Article 5.16.1.ii.b, 5.16.1.ii.c and 5.16.1.ii.d if the following occurs or Suspension is requested for the following reasons:

- i. Construction of a Contingent Facility or the Generating Facility is prevented by order of a Governmental Authority; or
- ii. Transmission Provider determines through an Interconnection Study that the Suspension does not qualify as a modification that has an impact on the cost or timing of any Interconnection Request with an equal or later Queue priority date (Material Modification); or
- iii. Transmission Owner or Transmission Provider determines that a Force Majeure event prevents construction of a Contingent Facility.

5.17 Taxes.

5.17.1 Surplus Interconnection Service Customer Payments Not Taxable. The Parties intend that all payments or property transfers made by Surplus Interconnection Service Customer to Transmission Owner for the installation of Transmission Owner's Interconnection Facilities shall be non-taxable, either as contributions to capital, or as an advance, in accordance with the Internal Revenue Code and any applicable state income tax laws and shall not be taxable as contributions in aid of construction or otherwise under the Internal Revenue Code and any applicable state income tax laws.

5.17.2 Representations and Covenants. In accordance with IRS Notice 2001-82 and IRS Notice 88-129, Surplus Interconnection Service Customer represents and covenants that (i) ownership of the electricity generated at the Generating Facility will pass to another party prior to the transmission of the electricity on the Transmission System, (ii) for income tax purposes, the amount of any payments and the cost of any property transferred to Transmission Owner for Transmission Owner's Interconnection Facilities will be capitalized by Surplus Interconnection Service Customer as an intangible asset and recovered using the straight-line method over a useful life of twenty (20) years, and (iii) any portion of Transmission Owner's Interconnection Facilities that is a "dual-use intertie," within the meaning of IRS Notice 88-129, is reasonably expected to carry only a de minimis amount of electricity in the direction of the Generating Facility. For this purpose, "de minimis amount" means no more than 5 percent of the total power flows in both directions, calculated in accordance with the "5 percent test" set forth in IRS Notice 88-129. This is not intended to be an exclusive list of the

relevant conditions that must be met to conform to IRS requirements for non-taxable treatment.

At Transmission Owner's request, Surplus Interconnection Service Customer shall provide Transmission Owner with a report from an independent engineer confirming its representation in clause (iii), above. Transmission Owner represents and covenants that the cost of Transmission Owner's Interconnection Facilities paid for by Surplus Interconnection Service Customer will have no net effect on the base upon which rates are determined.

5.17.3 Indemnification for the Cost Consequences of Current Tax Liability Imposed Upon the Transmission Owner. Notwithstanding Article 5.17.1, Surplus Interconnection Service Customer shall protect, indemnify and hold harmless Transmission Owner from the cost consequences of any current tax liability imposed against Transmission Owner as the result of payments or property transfers made by Surplus Interconnection Service Customer to Transmission Owner under this Surplus Interconnection Service GIA for Interconnection Facilities, as well as any interest and penalties, other than interest and penalties attributable to any delay caused by Transmission Owner.

Transmission Owner shall not include a gross-up for the cost consequences of any current tax liability in the amounts it charges Surplus Interconnection Service Customer under this Surplus Interconnection Service GIA unless (i) Transmission Owner has determined, in good faith, that the payments or property transfers made by Surplus Interconnection Service Customer to Transmission Owner should be reported as income subject to taxation or (ii) any Governmental Authority directs Transmission Owner to report payments or property as income subject to taxation; provided, however, that Transmission Owner may require Surplus Interconnection Service Customer to provide security for Interconnection Facilities, in a form reasonably acceptable to Transmission Owner (such as a parental guarantee or a letter of credit), in an amount equal to the cost consequences of any current tax liability under this Article 5.17. Surplus Interconnection Service Customer shall reimburse Transmission Owner for such costs on a fully grossed-up basis, in accordance with Article 5.17.4, within thirty (30) Calendar Days of receiving written notification from Transmission Owner of the amount due, including detail about how the amount was calculated.

The indemnification obligation shall terminate at the earlier of (1) the expiration of the ten year testing period and the applicable statute of limitation, as it may be extended by Transmission Owner upon request of the IRS, to keep these years open for audit or adjustment, or (2) the occurrence of a subsequent taxable event and the payment of any related indemnification obligations as contemplated by this Article 5.17.

5.17.4 Tax Gross-Up Amount. Surplus Interconnection Service Customer's liability for the cost consequences of any current tax liability under this Article 5.17 shall be calculated on a fully grossed-up basis. Except as may otherwise be agreed to by the Parties, this means that Surplus Interconnection Service Customer will pay

Transmission Owner, in addition to the amount paid for the Interconnection Facilities, an amount equal to (1) the current taxes imposed on Transmission Owner ("Current Taxes") on the excess of (a) the gross income realized by Transmission Owner as a result of payments or property transfers made by Surplus Interconnection Service Customer to Transmission Owner under this Surplus Interconnection Service GIA (without regard to any payments under this Article 5.17) (the "Gross Income Amount") over (b) the present value of future tax deductions for depreciation that will be available as a result of such payments or property transfers (the "Present Value Depreciation Amount"), plus (2) an additional amount sufficient to permit Transmission Owner to receive and retain, after the payment of all Current Taxes, an amount equal to the net amount described in clause (1).

For this purpose, (i) Current Taxes shall be computed based on Transmission Owner's composite federal and state tax rates at the time the payments or property transfers are received and Transmission Owner will be treated as being subject to tax at the highest marginal rates in effect at that time (the "Current Tax Rate"), and (ii) the Present Value Depreciation Amount shall be computed by discounting Transmission Owner's anticipated tax depreciation deductions as a result of such payments or property transfers by Transmission Owner's current weighted average cost of capital. Thus, the formula for calculating Surplus Interconnection Service Customer's liability to Transmission Owner pursuant to this Article 5.17.4 can be expressed as follows: $(\text{Current Tax Rate} \times (\text{Gross Income Amount} - \text{Present Value of Tax Depreciation})) / (1 - \text{Current Tax Rate})$. Surplus Interconnection Service Customer's estimated tax liability in the event taxes are imposed shall be stated in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades.

5.17.5 Private Letter Ruling or Change or Clarification of Law. At Surplus Interconnection Service Customer's request and expense, Transmission Owner shall file with the IRS a request for a private letter ruling as to whether any property transferred or sums paid, or to be paid, by Surplus Interconnection Service Customer to Transmission Owner under this Surplus Interconnection Service GIA are subject to federal income taxation. Surplus Interconnection Service Customer will prepare the initial draft of the request for a private letter ruling, and will certify under penalties of perjury that all facts represented in such request are true and accurate to the best of Surplus Interconnection Service Customer's knowledge. Transmission Owner and Surplus Interconnection Service Customer shall cooperate in good faith with respect to the submission of such request.

Transmission Owner shall keep Surplus Interconnection Service Customer fully informed of the status of such request for a private letter ruling and shall execute either a privacy act waiver or a limited power of attorney, in a form acceptable to the IRS, that authorizes Surplus Interconnection Service Customer to participate in all discussions with the IRS regarding such request for a private letter ruling. Transmission Owner shall allow Surplus Interconnection Service Customer to

attend all meetings with IRS officials about the request and shall permit Surplus Interconnection Service Customer to prepare the initial drafts of any follow-up letters in connection with the request.

5.17.6 Subsequent Taxable Events. If, within 10 years from the date on which the relevant Transmission Owner's Interconnection Facilities are placed in service, (i) Surplus Interconnection Service Customer Breaches the covenants contained in Article 5.17.2, (ii) a "disqualification event" occurs within the meaning of IRS Notice 88-129, or (iii) this Surplus Interconnection Service GIA terminates and Transmission Owner retains ownership of the Interconnection Facilities, Surplus Interconnection Service Customer shall pay a tax gross-up for the cost consequences of any current tax liability imposed on Transmission Owner, calculated using the methodology described in Article 5.17.4 and in accordance with IRS Notice 90-60.

5.17.7 Contests. In the event any Governmental Authority determines that Transmission Owner's receipt of payments or property constitutes income that is subject to taxation, Transmission Owner shall notify Surplus Interconnection Service Customer, in writing, within thirty (30) Calendar Days of receiving notification of such determination by a Governmental Authority. Upon the timely written request by Surplus Interconnection Service Customer and at Surplus Interconnection Service Customer's sole expense, Transmission Owner may appeal, protest, seek abatement of, or otherwise oppose such determination. Upon Surplus Interconnection Service Customer's written request and sole expense, Transmission Owner may file a claim for refund with respect to any taxes paid under this Article 5.17, whether or not it has received such a determination. Transmission Owner reserves the right to make all decisions with regard to the prosecution of such appeal, protest, abatement or other contest, including the selection of counsel and compromise or settlement of the claim, but Transmission Owner shall keep Surplus Interconnection Service Customer informed, shall consider in good faith suggestions from Surplus Interconnection Service Customer about the conduct of the contest, and shall reasonably permit Surplus Interconnection Service Customer or an Surplus Interconnection Service Customer representative to attend contest proceedings.

Surplus Interconnection Service Customer shall pay to Transmission Owner on a periodic basis, as invoiced by Transmission Owner, Transmission Owner's documented reasonable costs of prosecuting such appeal, protest, abatement or other contest. At any time during the contest, Transmission Owner may agree to a settlement either with Surplus Interconnection Service Customer's consent or after obtaining written advice from nationally-recognized tax counsel, selected by Transmission Owner, but reasonably acceptable to Surplus Interconnection Service Customer, that the proposed settlement represents a reasonable settlement given the hazards of litigation. Surplus Interconnection Service Customer's obligation shall be based on the amount of the settlement agreed to by Surplus Interconnection Service Customer, or if a higher amount, so much of the settlement that is supported by the written advice from nationally-recognized tax

counsel selected under the terms of the preceding sentence. The settlement amount shall be calculated on a fully grossed-up basis to cover any related cost consequences of the current tax liability. Any settlement without Surplus Interconnection Service Customer's consent or such written advice will relieve Surplus Interconnection Service Customer from any obligation to indemnify Transmission Owner for the tax at issue in the contest.

5.17.8 Refund. In the event that (a) a private letter ruling is issued to Transmission Owner which holds that any amount paid or the value of any property transferred by Surplus Interconnection Service Customer to Transmission Owner under the terms of this Surplus Interconnection Service GIA is not subject to federal income taxation, (b) any legislative change or administrative announcement, notice, ruling or other determination makes it reasonably clear to Transmission Owner in good faith that any amount paid or the value of any property transferred by Surplus Interconnection Service Customer to Transmission Owner under the terms of this Surplus Interconnection Service GIA is not taxable to Transmission Owner, (c) any abatement, appeal, protest, or other contest results in a determination that any payments or transfers made by Surplus Interconnection Service Customer to Transmission Owner are not subject to federal income tax, or (d) if Transmission Owner receives a refund from any taxing authority for any overpayment of tax attributable to any payment or property transfer made by Surplus Interconnection Service Customer to Transmission Owner pursuant to this Surplus Interconnection Service GIA, Transmission Owner shall promptly refund to Surplus Interconnection Service Customer the following:

- (i) any payment made by Surplus Interconnection Service Customer under this Article 5.17 for taxes that is attributable to the amount determined to be non-taxable, together with interest thereon,
- (ii) interest on any amount paid by Surplus Interconnection Service Customer to Transmission Owner for such taxes which Transmission Owner did not submit to the taxing authority, calculated in accordance with the methodology set forth in FERC's regulations at 18 CFR §35.19a(a)(2)(iii) from the date payment was made by Surplus Interconnection Service Customer to the date Transmission Owner refunds such payment to Surplus Interconnection Service Customer, and
- (iii) with respect to any such taxes paid by Transmission Owner, any refund or credit Transmission Owner receives or to which it may be entitled from any Governmental Authority, interest (or that portion thereof attributable to the payment described in clause (i), above) owed to Transmission Owner for such overpayment of taxes (including any reduction in interest otherwise payable by Transmission Owner to any Governmental Authority resulting from an offset or credit); provided, however, that Transmission Owner will remit such amount promptly to Surplus Interconnection Service Customer only after and to the extent that Transmission Owner has received a tax refund, credit or offset from any Governmental

Authority for any applicable overpayment of income tax related to Transmission Owner's Interconnection Facilities.

The intent of this provision is to leave the Parties, to the extent practicable, in the event that no taxes are due with respect to any payment for Interconnection Facilities hereunder, in the same position they would have been in had no such tax payments been made.

5.17.9 Taxes Other Than Income Taxes. Upon the timely request by Surplus Interconnection Service Customer, and at Surplus Interconnection Service Customer's sole expense, Transmission Owner may appeal, protest, seek abatement of, or otherwise contest any tax (other than federal or state income tax) asserted or assessed against Transmission Owner for which Surplus Interconnection Service Customer may be required to reimburse Transmission Owner under the terms of this Surplus Interconnection Service GIA. Surplus Interconnection Service Customer shall pay to Transmission Owner on a periodic basis, as invoiced by Transmission Owner, Transmission Owner's documented reasonable costs of prosecuting such appeal, protest, abatement, or other contest. Surplus Interconnection Service Customer and Transmission Owner shall cooperate in good faith with respect to any such contest. Unless the payment of such taxes is a prerequisite to an appeal or abatement or cannot be deferred, no amount shall be payable by Surplus Interconnection Service Customer to Transmission Owner for such taxes until they are assessed by a final, non-appealable order by any court or agency of competent jurisdiction. In the event that a tax payment is withheld and ultimately due and payable after appeal, Surplus Interconnection Service Customer will be responsible for all taxes, interest and penalties, other than penalties attributable to any delay caused by Transmission Owner.

5.18 Tax Status. All Parties shall cooperate with each other to maintain their tax status. Nothing in this Surplus Interconnection Service GIA is intended to adversely affect any Party's tax exempt status with respect to the issuance of bonds including, but not limited to, local furnishing bonds.

5.19 Modification.

5.19.1 General. Each Party may undertake modifications to its facilities. If a Party plans to undertake a modification that reasonably may be expected to affect another Party's facilities, that Party shall provide to the other Parties sufficient information regarding such modification so that the other Parties may evaluate the potential impact of such modification prior to commencement of the work. Such information shall be deemed to be confidential hereunder and shall include information concerning the timing of such modifications and whether such modifications are expected to interrupt the flow of electricity from the Generating Facility. The Party desiring to perform such work shall provide the relevant drawings, plans, and specifications to the other Parties at least ninety (90) Calendar Days in advance of the commencement of the work or such shorter

period upon which the Parties may agree, which agreement shall not unreasonably be withheld, conditioned or delayed.

In the case of Generating Facility modifications that do not require Surplus Interconnection Service Customer to submit an Interconnection Request, Transmission Owner shall provide, within thirty (30) Calendar Days (or such other time as the Parties may agree), an estimate of any additional modifications to the Transmission System or Transmission Owner's Interconnection Facilities necessitated by such Surplus Interconnection Service Customer modification and a good faith estimate of the costs thereof.

5.19.2 Standards. Any additions, modifications, or replacements made to a Party's facilities shall be designed, constructed and operated in accordance with this Surplus Interconnection Service GIA and Good Utility Practice.

5.19.3 Modification Costs. Surplus Interconnection Service Customer shall not be directly assigned for the costs of any additions, modifications, or replacements that Transmission Owner makes to Transmission Owner's Interconnection Facilities or the Transmission System to facilitate the interconnection of a third party to Transmission Owner's Interconnection Facilities or the Transmission System, or to provide transmission service to a third party under Transmission Provider's Tariff. Surplus Interconnection Service Customer shall be responsible for the costs of any additions, modifications, or replacements to Surplus Interconnection Service Customer's Interconnection Facilities that may be necessary to maintain or upgrade such Surplus Interconnection Service Customer's Interconnection Facilities consistent with Applicable Laws and Regulations, Applicable Reliability Standards or Good Utility Practice.

5.20 Delays. If a Contingent Facility(ies) identified in Appendix A is delayed during the construction process and the Commercial Operation Date for the Generating Facility identified in Appendix B is no longer feasible, the Commercial Operation Date in Appendix B may be modified to no later than six (6) months following the in-service date for the last Contingent Facility identified in Appendix A.

ARTICLE 6. TESTING AND INSPECTION

6.1 Pre-Commercial Operation Date Testing and Modifications. Prior to the Commercial Operation Date, Transmission Owner shall test Transmission Owner's Interconnection Facilities and Surplus Interconnection Service Customer shall test the Generating Facility and Surplus Interconnection Service Customer's Interconnection Facilities to ensure their safe and reliable operation. Similar testing may be required after initial operation. Each Party shall make any modifications to its facilities that are found to be necessary as a result of such testing. Surplus Interconnection Service Customer shall bear the cost of all such testing and modifications. Surplus Interconnection Service Customer shall generate test energy at the Generating Facility only if it has arranged for the delivery of such test energy.

- 6.2 Post-Commercial Operation Date Testing and Modifications.** Each Party shall at its own expense perform routine inspection and testing of its facilities and equipment in accordance with Good Utility Practice as may be necessary to ensure the continued interconnection of the Generating Facility with the Transmission System in a safe and reliable manner. Each Party shall have the right, upon advance written notice, to require reasonable additional testing of the other Party's facilities, at the requesting Party's expense, as may be in accordance with Good Utility Practice.
- 6.3 Right to Observe Testing.** Each Party shall notify the other Parties in advance of its performance of tests of its Interconnection Facilities. The other Parties have the right, at its own expense, to observe such testing.
- 6.4 Right to Inspect.** Each Party shall have the right, but shall have no obligation to: (i) observe another Parties' tests and/or inspection of any of its System Protection Facilities and other protective equipment, including power system stabilizers; (ii) review the settings of the other Parties' System Protection Facilities and other protective equipment; and (iii) review another Parties' maintenance records relative to the Interconnection Facilities, the System Protection Facilities and other protective equipment. Any Party may exercise these rights from time to time as it deems necessary upon reasonable notice to the other Parties. The exercise or non-exercise by another Party of any such rights shall not be construed as an endorsement or confirmation of any element or condition of the Interconnection Facilities or the System Protection Facilities or other protective equipment or the operation thereof, or as a warranty as to the fitness, safety, desirability, or reliability of same. Any information that any Party obtains through the exercise of any of its rights under this Article 6.4 shall be deemed to be Confidential Information and treated pursuant to Article 22 of this Surplus Interconnection Service GIA.

ARTICLE 7. METERING

- 7.1 General.** Each Party shall comply with the Applicable Reliability Council requirements. Unless otherwise agreed by the Parties, Transmission Owner shall install Metering Equipment at the Point of Interconnection prior to any operation of the Generating Facility and shall own, operate, test and maintain such Metering Equipment. Power flows to and from the Generating Facility shall be measured at or, at Transmission Owner's option, compensated to, the Point of Interconnection. Transmission Owner shall provide metering quantities, in analog and/or digital form, to Surplus Interconnection Service Customer and Transmission Provider on a same-time basis using communication as provided in Article 8. Surplus Interconnection Service Customer shall bear all reasonable documented costs associated with the purchase, installation, operation, testing and maintenance of the Metering Equipment.
- 7.2 Check Meters.** Surplus Interconnection Service Customer, at its option and expense, may install and operate, on its premises and on its side of the Point of Interconnection, one or more check meters to check Transmission Owner's meters. Such check meters shall be for check purposes only and shall not be used for the measurement of power flows for purposes of this Surplus Interconnection Service GIA, except as provided in Article 7.4 below. The check meters shall be subject at all reasonable times to inspection

and examination by Transmission Owner or its designee. The installation, operation and maintenance thereof shall be performed entirely by Surplus Interconnection Service Customer in accordance with Good Utility Practice.

7.3 Standards. Transmission Owner shall install, calibrate, and test revenue quality Metering Equipment in accordance with applicable ANSI standards.

7.4 Testing of Metering Equipment. Transmission Owner shall inspect and test all Transmission Owner-owned Metering Equipment upon installation and at least once every two (2) years thereafter. If requested to do so by Surplus Interconnection Service Customer, Transmission Owner shall, at Surplus Interconnection Service Customer's expense, inspect or test Metering Equipment more frequently than every two (2) years. Transmission Owner shall give reasonable notice of the time when any inspection or test shall take place, and Surplus Interconnection Service Customer may have representatives present at the test or inspection. If at any time Metering Equipment is found to be inaccurate or defective, it shall be adjusted, repaired or replaced at Surplus Interconnection Service Customer's expense, in order to provide accurate metering, unless the inaccuracy or defect is due to Transmission Owner's failure to maintain, then Transmission Owner shall pay. If Metering Equipment fails to register, or if the measurement made by Metering Equipment during a test varies by more than two percent from the measurement made by the standard meter used in the test, Transmission Owner shall adjust the measurements by correcting all measurements for the period during which Metering Equipment was in error by using Surplus Interconnection Service Customer's check meters, if installed. If no such check meters are installed or if the period cannot be reasonably ascertained, the adjustment shall be for the period immediately preceding the test of the Metering Equipment equal to one-half the time from the date of the last previous test of the Metering Equipment.

7.5 Metering Data. At Surplus Interconnection Service Customer's expense, the metered data shall be telemetered to one or more locations designated by Transmission Owner and one or more locations designated by Surplus Interconnection Service Customer. Such telemetered data shall be used, under normal operating conditions, as the official measurement of the amount of energy delivered from the Generating Facility to the Point of Interconnection.

ARTICLE 8. COMMUNICATIONS

8.1 Surplus Interconnection Service Customer Obligations. Surplus Interconnection Service Customer shall maintain satisfactory operating communications with Transmission Owner's Transmission System dispatcher or representative designated by Transmission Owner. Surplus Interconnection Service Customer shall provide standard voice line, dedicated voice line and facsimile communications at its Generating Facility control room or central dispatch facility through use of either the public telephone system, or a voice communications system that does not rely on the public telephone system. Surplus Interconnection Service Customer shall also provide the dedicated data circuit(s) necessary to provide Surplus Interconnection Service Customer data to Transmission Owner as set forth in Appendix D, Security Arrangements Details. The data circuit(s) shall extend from the Generating Facility to the location(s) specified by

Transmission Owner. Any required maintenance of such communications equipment shall be performed by Surplus Interconnection Service Customer. Operational communications shall be activated and maintained under, but not be limited to, the following events: system paralleling or separation, scheduled and unscheduled shutdowns, equipment clearances, and hourly and daily load data.

- 8.2 Remote Terminal Unit.** Prior to the Initial Synchronization Date of the Generating Facility, a Remote Terminal Unit, or equivalent data collection and transfer equipment acceptable to the Parties, shall be installed by Surplus Interconnection Service Customer, or by Transmission Owner at Surplus Interconnection Service Customer's expense, to gather accumulated and instantaneous data to be telemetered to the location(s) designated by Transmission Owner through use of a dedicated point-to-point data circuit(s) as indicated in Article 8.1. The communication protocol for the data circuit(s) shall be specified by Transmission Owner. Instantaneous bi-directional analog real power and reactive power flow information must be telemetered directly to the location(s) specified by Transmission Owner.

Each Party will promptly advise the other Party if it detects or otherwise learns of any metering, telemetry or communications equipment errors or malfunctions that require the attention and/or correction by the other Party. The Party owning such equipment shall correct such error or malfunction as soon as reasonably feasible.

- 8.3 No Annexation.** Any and all equipment placed on the premises of a Party shall be and remain the property of the Party providing such equipment regardless of the mode and manner of annexation or attachment to real property, unless otherwise mutually agreed by the Parties.

- 8.4 Provision of Data from a Variable Energy Resource.** The Surplus Interconnection Service Customer whose Generating Facility is a Variable Energy Resource shall provide meteorological and forced outage data to the Transmission Provider to the extent necessary for the Transmission Provider's development and deployment of power production forecasts for that class of Variable Energy Resources. The Surplus Interconnection Service Customer with a Variable Energy Resource having wind as the energy source, at a minimum, will be required to provide the Transmission Provider with (i) site-specific meteorological data including: temperature, wind speed, wind direction, relative humidity and atmospheric pressure and (ii) site specific geographic data including location (latitude and longitude) of the Variable Energy Resource and location (latitude and longitude) and height of the facility that will contain the equipment necessary to provide the meteorological data for such resource. The Surplus Interconnection Service Customer with a Variable Energy Resource having solar as the energy source, at a minimum, will be required to provide the Transmission Provider with site-specific meteorological data including: temperature, atmospheric pressure, and irradiance. The Transmission Provider and Surplus Interconnection Service Customer whose Generating Facility is a Variable Energy Resource shall mutually agree to any additional meteorological data that are required for the development and deployment of a power production forecast. The Surplus Interconnection Service Customer whose Generating Facility is a Variable Energy Resource also shall submit data to the Transmission Provider regarding all forced outages to the extent necessary for the

Transmission Provider's development and deployment of power production forecasts for that class of Variable Energy Resources. The exact specifications of the meteorological and forced outage data to be provided by the Surplus Interconnection Service Customer to the Transmission Provider, including the frequency and timing of data submittals, shall be made taking into account the size and configuration of the Variable Energy Resource, its characteristics, location, and its importance in maintaining generation resource adequacy and transmission system reliability in its area. All requirements for meteorological, geographical and forced outage data must be commensurate with the power production forecasting employed by the Transmission Provider. Such requirements for meteorological, geographical and forced outage data are set forth in Appendix C, Interconnection Details, of this Surplus Interconnection Service GIA, as they may change from time to time.

8.5 Phasor Measurement Unit (PMU) Recording Equipment. Prior to the Initial Synchronization Date of a Generating Facility having a Generating Facility Capacity equal to or greater than 50 MW, phasor measurement recording and communications equipment shall be installed by the Transmission Owner at Surplus Interconnection Service Customer's expense that is capable of gathering phasor measurements as specified in the PMU Communications Handbook. To the extent similar quality equipment is being added or already exists, such as relays or digital fault recorders, that can collect data at least at the same rate as PMUs and which data is synchronized via a high-accuracy satellite clock, such equipment can be utilized to satisfy this requirement if the equipment is located on the Transmission Owner's side of the Point of Change of Ownership and if mutually agreed to by the Parties. The phasor measurement equipment shall be installed at the Transmission Owner's side of the Point of Change of Ownership and become part of the Transmission Owner Interconnection Facilities. Phasor measurements shall be streamed in IEEE C37.118 or equivalent format and be provided to the Transmission Provider. This data shall at least be sufficient to determine (i) positive-sequence voltage magnitude and angle, (ii) positive-sequence current magnitude and angle, (iii) frequency, and (iv) rate of change of frequency. Such data shall be transmitted over the data circuit(s) as indicated in Article 8.1.

Each Party will promptly advise the other Parties if it detects or otherwise learns of any metering, telemetry or communications equipment errors or malfunctions that require the attention and/or correction by the applicable Party. The Party owning such equipment shall correct such error or malfunction as soon as reasonably feasible.

ARTICLE 9. OPERATIONS

9.1 General. Each Party shall comply with the Applicable Reliability Council requirements. Each Party shall provide to the other Parties all information that may reasonably be required by the other Parties to comply with Applicable Laws and Regulations and Applicable Reliability Standards.

9.2 Control Area Notification. At least three months before Initial Synchronization Date, Surplus Interconnection Service Customer shall notify Transmission Provider and Transmission Owner in writing of the Control Area in which the Generating Facility will be located. If Surplus Interconnection Service Customer elects to locate the Generating

Facility in a Control Area other than the Control Area in which the Generating Facility is physically located, and if permitted to do so by the relevant transmission tariffs, all necessary arrangements, including but not limited to those set forth in Article 7 and Article 8 of this Surplus Interconnection Service GIA, and remote Control Area generator interchange agreements, if applicable, and the appropriate measures under such agreements, shall be executed and implemented prior to the placement of the Generating Facility in the other Control Area.

9.3 Transmission Provider and Transmission Owner Obligations. Transmission Provider and Transmission Owner shall cause the Transmission System and Transmission Owner's Interconnection Facilities to be operated, maintained and controlled in a safe and reliable manner and in accordance with this Surplus Interconnection Service GIA. Transmission Provider or Transmission Owner may provide operating instructions to Surplus Interconnection Service Customer consistent with this Surplus Interconnection Service GIA and Transmission Owner's operating protocols and procedures as they may change from time to time. Transmission Provider and Transmission Owner will consider changes to its operating protocols and procedures proposed by Surplus Interconnection Service Customer.

9.4 Surplus Interconnection Service Customer Obligations. Surplus Interconnection Service Customer shall at its own expense operate, maintain and control the Generating Facility and the Surplus Interconnection Service Customer's Interconnection Facilities in a safe and reliable manner and in accordance with this Surplus Interconnection Service GIA including the limitations in Appendix A. Surplus Interconnection Service Customer shall operate the Generating Facility and Surplus Interconnection Service Customer's Interconnection Facilities in accordance with all applicable requirements of the Control Area of which it is part, as such requirements are set forth in Appendix C, Interconnection Details, of this Surplus Interconnection Service GIA. Appendix C, Interconnection Details, will be modified to reflect changes to the requirements as they may change from time to time. Any Party may request that another Party provide copies of the requirements set forth in Appendix C, Interconnection Details, of this Surplus Interconnection Service GIA.

9.5 Start-Up and Synchronization. Consistent with the Parties' mutually acceptable procedures, the Surplus Interconnection Service Customer is responsible for the proper synchronization of the Generating Facility to the Transmission System.

9.6 Reactive Power and Primary Frequency Response.

9.6.1 Power Factor Design Criteria.

9.6.1.1 Synchronous Generation. Surplus Interconnection Service Customer shall design the Generating Facility to maintain a composite power delivery at continuous rated power output at the Point of Interconnection at a power factor within the range of 0.95 leading to 0.95 lagging, unless the Transmission Provider has established different requirements that apply to all synchronous generators in the Control Area on a comparable basis.

9.6.1.2 Non-Synchronous Generation. Surplus Interconnection Service Customer shall design the Generating Facility to maintain a composite power delivery at continuous rated power output at the high-side of the generator substation at a power factor within the range of 0.95 leading to 0.95 lagging, unless the Transmission Provider has established a different power factor range that applies to all non-synchronous generators in the Control Area on a comparable basis. This power factor range standard shall be dynamic and can be met using, for example, power electronics designed to supply this level of reactive capability (taking into account any limitations due to voltage level, real power output, etc.) or fixed and switched capacitors, or a combination of the two. This requirement shall only apply to newly interconnecting non-synchronous generators that had not executed an interconnection facilities study agreement as of September 21, 2016.

9.6.2 Voltage Schedules. Once Surplus Interconnection Service Customer has synchronized the Generating Facility with the Transmission System, Transmission Provider and/or Transmission Owner shall require Surplus Interconnection Service Customer to operate the Generating Facility to produce or absorb reactive power within the design limitations of the Generating Facility set forth in Article 9.6.1 (Power Factor Design Criteria). Transmission Owner's voltage schedules shall treat all sources of reactive power in the Control Area in an equitable and not unduly discriminatory manner. Transmission Owner shall exercise Reasonable Efforts to provide Surplus Interconnection Service Customer with such schedules at least one (1) day in advance, and may make changes to such schedules as necessary to maintain the reliability of the Transmission System. Surplus Interconnection Service Customer shall operate the Generating Facility to maintain the specified output voltage or power factor at the Point of Interconnection within the design limitations of the Generating Facility set forth in Article 9.6.1 (Power Factor Design Criteria). If Surplus Interconnection Service Customer is unable to maintain the specified voltage or power factor, it shall promptly notify the Transmission Owner.

9.6.2.1 Voltage Regulators. Whenever the Generating Facility is operated in parallel with the Transmission System and voltage regulators are capable of operation, Surplus Interconnection Service Customer shall operate the Generating Facility with its voltage regulators in automatic operation. If the Generating Facility's speed governors and voltage regulators are not capable of such automatic operation, the Surplus Interconnection Service Customer shall immediately notify Transmission Owner's system operator, or its designated representative, and ensure that such Generating Facility's reactive power production or absorption (measured in Mvars) are within the design capability of the Generating Facility's generating unit(s) and steady state stability limits. Surplus Interconnection Service Customer shall not cause its Generating Facility to disconnect automatically or instantaneously from the Transmission System or trip any generating unit comprising the Generating Facility for an under or over

frequency condition in accordance with Good Utility Practice and Applicable Reliability Standards.

9.6.3 Payment for Reactive Power. Transmission Provider is required to pay Surplus Interconnection Service Customer for reactive power that Surplus Interconnection Service Customer provides or absorbs from the Generating Facility when Transmission Owner requests Surplus Interconnection Service Customer to operate its Generating Facility outside the range specified in Article 9.6.1. Payments shall be pursuant to Article 11.8 or such other agreement to which the Parties have otherwise agreed; provided however, to the extent the Tariff contains a provision providing for such compensation, that Tariff provision shall control.

9.6.4 Primary Frequency Response. Surplus Interconnection Service Customer shall ensure the primary frequency response capability of its Generating Facility by installing, maintaining, and operating a functioning governor or equivalent controls. The term “functioning governor or equivalent controls” as used herein shall mean the required hardware and/or software that provides frequency responsive real power control with the ability to sense changes in system frequency and autonomously adjust the Generating Facility’s real power output in accordance with the droop and deadband parameters and in the direction needed to correct frequency deviations. Surplus Interconnection Service Customer is required to install a governor or equivalent controls with the capability of operating: (1) with a maximum 5 percent droop and ± 0.036 Hz deadband; or (2) in accordance with the relevant droop, deadband, and timely and sustained response settings from an approved NERC Reliability Standard providing for equivalent or more stringent parameters. The droop characteristic shall be: (1) based on the nameplate capacity of the Generating Facility, and shall be linear in the range of frequencies between 59 to 61 Hz that are outside of the deadband parameter; or (2) based on an approved NERC Reliability Standard providing for an equivalent or more stringent parameter. The deadband parameter shall be: the range of frequencies above and below nominal (60 Hz) in which the governor or equivalent controls is not expected to adjust the Generating Facility’s real power output in response to frequency deviations. The deadband shall be implemented: (1) without a step to the droop curve, that is, once the frequency deviation exceeds the deadband parameter, the expected change in the Generating Facility’s real power output in response to frequency deviations shall start from zero and then increase (for under-frequency deviations) or decrease (for over-frequency deviations) linearly in proportion to the magnitude of the frequency deviation; or (2) in accordance with an approved NERC Reliability Standard providing for an equivalent or more stringent parameter. Surplus Interconnection Service Customer shall notify Transmission Provider that the primary frequency response capability of the Generating Facility has been tested and confirmed during commissioning. Once Surplus Interconnection Service Customer has synchronized the Generating Facility with the Transmission System, Surplus Interconnection Service Customer shall operate the Generating Facility consistent with the provisions specified in Sections 9.6.4.1 and 9.6.4.2 of this Agreement.

The primary frequency response requirements contained herein shall apply to both synchronous and non-synchronous Generating Facilities.

9.6.4.1 Governor or Equivalent Controls. Whenever the Generating Facility is operated in parallel with the Transmission System, Surplus Interconnection Service Customer shall operate the Generating Facility with its governor or equivalent controls in service and responsive to frequency. Surplus Interconnection Service Customer shall: (1) in coordination with Transmission Provider and/or the relevant balancing authority, set the deadband parameter to: (1) a maximum of ± 0.036 Hz and set the droop parameter to a maximum of 5 percent; or (2) implement the relevant droop and deadband settings from an approved NERC Reliability Standard that provides for equivalent or more stringent parameters. Surplus Interconnection Service Customer shall be required to provide the status and settings of the governor or equivalent controls to Transmission Provider and/or the relevant balancing authority upon request. If Surplus Interconnection Service Customer needs to operate the Generating Facility with its governor or equivalent controls not in service, Surplus Interconnection Service Customer shall immediately notify Transmission Provider and the relevant balancing authority, and provide both with the following information: (1) the operating status of the governor or equivalent controls (i.e., whether it is currently out of service or when it will be taken out of service); (2) the reasons for removing the governor or equivalent controls from service; and (3) a reasonable estimate of when the governor or equivalent controls will be returned to service. Surplus Interconnection Service Customer shall make Reasonable Efforts to return its governor or equivalent controls into service as soon as practicable. Surplus Interconnection Service Customer shall make Reasonable Efforts to keep outages of the Generating Facility's governor or equivalent controls to a minimum whenever the Generating Facility is operated in parallel with the Transmission System.

9.6.4.2 Timely and Sustained Response. Surplus Interconnection Service Customer shall ensure that the Generating Facility's real power response to sustained frequency deviations outside of the deadband setting is automatically provided and shall begin immediately after frequency deviates outside of the deadband, and to the extent the Generating Facility has operating capability in the direction needed to correct the frequency deviation. Surplus Interconnection Service Customer shall not block or otherwise inhibit the ability of the governor or equivalent controls to respond and shall ensure that the response is not inhibited, except under certain operational constraints including, but not limited to, ambient temperature limitations, physical energy limitations, outages of mechanical equipment, or regulatory requirements. The Generating Facility shall sustain the real power response at least until system frequency returns to a value within the deadband setting of the governor or equivalent controls. A Commission-approved Reliability Standard with

equivalent or more stringent requirements shall supersede the above requirements.

9.6.4.3 Exemptions. Generating Facilities that are regulated by the United States Nuclear Regulatory Commission shall be exempt from Sections 9.6.4, 9.6.4.1, and 9.6.4.2 of this Agreement. Generating Facilities that are behind the meter generation that is sized-to-load (i.e., the thermal load and the generation are near-balanced in real-time operation and the generation is primarily controlled to maintain the unique thermal, chemical, or mechanical output necessary for the operating requirements of its host facility) shall be required to install primary frequency response capability in accordance with the droop and deadband capability requirements specified in Section 9.6.4, but shall be otherwise exempt from the operating requirements in Sections 9.6.4, 9.6.4.1, 9.6.4.2, and 9.6.4.4 of this Agreement.

9.6.4.4 Electric Storage Resources. Surplus Interconnection Service Customer interconnecting an electric storage resource shall establish an operating range in Appendix C of its Surplus Interconnection Service GIA that specifies a minimum state of charge and a maximum state of charge between which the electric storage resource will be required to provide primary frequency response consistent with the conditions set forth in Sections 9.6.4, 9.6.4.1, 9.6.4.2 and 9.6.4.3 of this Agreement. Appendix C shall specify whether the operating range is static or dynamic, and shall consider (1) the expected magnitude of frequency deviations in the interconnection; (2) the expected duration that system frequency will remain outside of the deadband parameter in the interconnection; (3) the expected incidence of frequency deviations outside of the deadband parameter in the interconnection; (4) the physical capabilities of the electric storage resource; (5) operational limitations of the electric storage resource due to manufacturer specifications; and (6) any other relevant factors agreed to by Transmission Provider and Surplus Interconnection Service Customer, and in consultation with the relevant transmission owner or balancing authority as appropriate. If the operating range is dynamic, then Appendix C must establish how frequently the operating range will be reevaluated and the factors that may be considered during its reevaluation.

Surplus Interconnection Service Customer's electric storage resource is required to provide timely and sustained primary frequency response consistent with Section 9.6.4.2 of this Agreement when it is online and dispatched to inject electricity to the Transmission System and/or receive electricity from the Transmission System. This excludes circumstances when the electric storage resource is not dispatched to inject electricity to the Transmission System and/or dispatched to receive electricity from the Transmission System. If Surplus Interconnection Service Customer's electric storage resource is charging at the time of a frequency deviation

outside of its deadband parameter, it is to increase (for over-frequency deviations) or decrease (for under-frequency deviations) the rate at which it is charging in accordance with its droop parameter. Surplus Interconnection Service Customer's electric storage resource is not required to change from charging to discharging, or vice versa, unless the response necessitated by the droop and deadband settings requires it to do so and it is technically capable of making such a transition.

9.7 Outages and Interruptions.

9.7.1 Outages.

9.7.1.1 Outage Authority and Coordination. Each Party may in accordance with Good Utility Practice in coordination with the other Party remove from service any of its respective Interconnection Facilities or Contingent Facilities that may impact the other Party's facilities as necessary to perform maintenance or testing or to install or replace equipment. Absent an Emergency Condition, the Party scheduling a removal of such facility(ies) from service will use Reasonable Efforts to schedule such removal on a date and time mutually acceptable to all Parties. In all circumstances, any Party planning to remove such facility(ies) from service shall use Reasonable Efforts to minimize the effect on the other Parties of such removal.

9.7.1.2 Outage Schedules. Transmission Provider shall post scheduled outages of its transmission facilities on the OASIS. Surplus Interconnection Service Customer shall submit its planned maintenance schedules for the Generating Facility to Transmission Provider for a minimum of a rolling twenty-four month period. Surplus Interconnection Service Customer shall update its planned maintenance schedules as necessary. Transmission Provider may request Surplus Interconnection Service Customer to reschedule its maintenance as necessary to maintain the reliability of the Transmission System; provided, however, adequacy of generation supply shall not be a criterion in determining Transmission System reliability. Transmission Provider shall compensate Surplus Interconnection Service Customer for any additional direct costs that Surplus Interconnection Service Customer incurs as a result of having to reschedule maintenance, including any additional overtime, breaking of maintenance contracts or other costs above and beyond the cost Surplus Interconnection Service Customer would have incurred absent Transmission Provider's request to reschedule maintenance. Surplus Interconnection Service Customer will not be eligible to receive compensation, if during the twelve (12) months prior to the date of the scheduled maintenance, Surplus Interconnection Service Customer had modified its schedule of maintenance activities.

9.7.1.3 Outage Restoration. If an outage on a Party's Interconnection Facilities or Contingent Facilities adversely affects another Party's operations or

facilities, the Party that owns or controls the facility that is out of service shall use Reasonable Efforts to promptly restore such facility(ies) to a normal operating condition consistent with the nature of the outage. The Party that owns or controls the facility that is out of service shall provide the other Parties, to the extent such information is known, information on the nature of the Emergency Condition, an estimated time of restoration, and any corrective actions required. Initial verbal notice shall be followed up as soon as practicable with written notice explaining the nature of the outage.

9.7.2 Interruption of Service. If required by Good Utility Practice to do so, Transmission Provider and/or Transmission Owner may require Surplus Interconnection Service Customer to interrupt or reduce deliveries of electricity if such delivery of electricity could adversely affect Transmission Provider's and/or Transmission Owner's ability to perform such activities as are necessary to safely and reliably operate and maintain the Transmission System. The following provisions shall apply to any interruption or reduction permitted under this Article 9.7.2:

9.7.2.1 The interruption or reduction shall continue only for so long as reasonably necessary under Good Utility Practice;

9.7.2.2 Any such interruption or reduction shall be made on an equitable, non-discriminatory basis with respect to all generating facilities directly connected to the Transmission System;

9.7.2.3 When the interruption or reduction must be made under circumstances which do not allow for advance notice, Transmission Provider or Transmission Owner shall notify Surplus Interconnection Service Customer by telephone as soon as practicable of the reasons for the curtailment, interruption, or reduction, and, if known, its expected duration. Telephone notification shall be followed by written notification as soon as practicable;

9.7.2.4 Except during the existence of an Emergency Condition, when the interruption or reduction can be scheduled without advance notice, Transmission Provider or Transmission Owner shall notify Surplus Interconnection Service Customer in advance regarding the timing of such scheduling and further notify Surplus Interconnection Service Customer of the expected duration. Transmission Provider or Transmission Owner shall coordinate with Surplus Interconnection Service Customer using Good Utility Practice to schedule the interruption or reduction during periods of least impact to Surplus Interconnection Service Customer and Transmission Owner;

9.7.2.5 The Parties shall cooperate and coordinate with each other to the extent necessary in order to restore the Generating Facility, Interconnection

Facilities, and the Transmission System to their normal operating state, consistent with system conditions and Good Utility Practice.

9.7.3 Under-Frequency and Over Frequency Conditions. The Transmission System is designed to automatically activate a load-shed program as required by the Applicable Reliability Council in the event of an under-frequency system disturbance. Surplus Interconnection Service Customer shall implement under-frequency and over-frequency relay set points for the Generating Facility as required by the Applicable Reliability Council to ensure "ride through" capability of the Transmission System. Generating Facility response to frequency deviations of pre-determined magnitudes, both under-frequency and over-frequency deviations, shall be studied and coordinated with Transmission Provider in accordance with Good Utility Practice. The term "ride through" as used herein shall mean the ability of a generating facility to stay connected to and synchronized with the Transmission System during system disturbances within a range of under-frequency and over-frequency conditions, in accordance with Good Utility Practice.

9.7.3.1 Frequency Ride Through and Voltage Ride Through for a Generating Facility no larger than 20 MW. For Generating Facilities no larger than 20 MW, the Surplus Interconnection Service Customer shall ensure "frequency ride through" capability and "voltage ride through" capability of its Generating Facility. The Surplus Interconnection Service Customer shall enable these capabilities such that its Generating Facility shall not disconnect automatically or instantaneously from the system or equipment of the Transmission Provider and any Affected Systems for a defined under-frequency or over-frequency condition, or an under-voltage or over-voltage condition, as tested pursuant to Article 6.1 of this agreement. The defined conditions shall be in accordance with Good Utility Practice and consistent with any standards and guidelines that are applied to other generating facilities in the Balancing Authority Area on a comparable basis. The Generating Facility's protective equipment settings shall comply with the Transmission Provider's automatic load-shed program. The Transmission Provider shall review the protective equipment settings to confirm compliance with the automatic load-shed program. The term "ride through" as used herein shall mean the ability of a Generating Facility to stay connected to and synchronized with the system or equipment of the Transmission Provider and any Affected Systems during system disturbances within a range of conditions, in accordance with Good Utility Practice and consistent with any standards and guidelines that are applied to other generating facilities in the Balancing Authority on a comparable basis. The term "frequency ride through" as used herein shall mean the ability of a Generating Facility to stay connected to and synchronized with the system or equipment of the Transmission Provider and any Affected Systems during system disturbances within a range of under-frequency and over-frequency conditions, in accordance with Good Utility Practice and consistent with

any standards and guidelines that are applied to other generating facilities in the Balancing Authority Area on a comparable basis. The term “voltage ride through” as used herein shall mean the ability of a Generating Facility to stay connected to and synchronized with the system or equipment of the Transmission Provider and any Affected Systems during system disturbances within a range of under-voltage and over-voltage conditions, in accordance with Good Utility Practice and consistent with any standards and guidelines that are applied to other generating facilities in the Balancing Authority Area on a comparable basis.

9.7.4 System Protection and Other Control Requirements.

9.7.4.1 System Protection Facilities. Surplus Interconnection Service Customer shall, at its expense, install, operate and maintain System Protection Facilities and other control equipment as a part of the Generating Facility or Surplus Interconnection Service Customer's Interconnection Facilities to ensure the Generating Facility can be operated in accordance with the limitations in Appendix A. Transmission Owner shall install at Surplus Interconnection Service Customer's expense any System Protection Facilities that may be required on Transmission Owner's Interconnection Facilities or the Transmission System as a result of the interconnection of the Generating Facility and the Surplus Interconnection Service Customer's Interconnection Facilities.

9.7.4.2 Each Party's protection facilities shall be designed and coordinated with other systems in accordance with Good Utility Practice.

9.7.4.3 Each Party shall be responsible for protection of its facilities consistent with Good Utility Practice.

9.7.4.4 Each Party's protective relay design shall incorporate the necessary test switches to perform the tests required in Article 6. The required test switches will be placed such that they allow operation of lockout relays while preventing breaker failure schemes from operating and causing unnecessary breaker operations and/or the tripping of Surplus Interconnection Service Customer's units.

9.7.4.5 Each Party will test, operate and maintain System Protection Facilities in accordance with Good Utility Practice.

9.7.4.6 Prior to the In-Service Date, and again prior to the Commercial Operation Date, each Party or its agent shall perform a complete calibration test and functional trip test of the System Protection Facilities. At intervals suggested by Good Utility Practice and following any apparent malfunction of the System Protection Facilities, each Party shall perform both calibration and functional trip tests of its System Protection Facilities. These tests do not require the tripping of any in-service generation unit.

These tests do, however, require that all protective relays and lockout contacts be activated.

9.7.5 Requirements for Protection. In compliance with Good Utility Practice, Surplus Interconnection Service Customer shall provide, install, own, and maintain relays, circuit breakers and all other devices necessary to remove any fault contribution of the Generating Facility to any short circuit occurring on the Transmission System not otherwise isolated by Transmission Owner's equipment, such that the removal of the fault contribution shall be coordinated with the protective requirements of the Transmission System. Such protective equipment shall include, without limitation, a disconnecting device or switch with load-interrupting capability located between the Generating Facility and the Transmission System at a site selected upon mutual agreement (not to be unreasonably withheld, conditioned or delayed) of the Parties. Surplus Interconnection Service Customer shall be responsible for protection of the Generating Facility and Surplus Interconnection Service Customer's other equipment from such conditions as negative sequence currents, over- or under-frequency, sudden load rejection, over- or under-voltage, and generator loss-of-field. Surplus Interconnection Service Customer shall be solely responsible to disconnect the Generating Facility and Surplus Interconnection Service Customer's other equipment if conditions on the Transmission System could adversely affect the Generating Facility.

9.7.6 Power Quality. No Party's facilities shall cause excessive voltage flicker nor introduce excessive distortion to the sinusoidal voltage or current waves as defined by ANSI Standard C84.1-1989, in accordance with IEEE Standard 519, or any applicable superseding electric industry standard. In the event of a conflict between ANSI Standard C84.1-1989, or any applicable superseding electric industry standard, ANSI Standard C84.1-1989, or the applicable superseding electric industry standard, shall control.

9.8 Switching and Tagging Rules. Each Party shall provide the other Parties a copy of its switching and tagging rules that are applicable to the other Party's activities. Such switching and tagging rules shall be developed on a non-discriminatory basis. The Parties shall comply with applicable switching and tagging rules, as amended from time to time, in obtaining clearances for work or for switching operations on equipment.

9.9 Use of Interconnection Facilities by Third Parties.

9.9.1 Purpose of Interconnection Facilities. Except as may be required by Applicable Laws and Regulations, or as otherwise agreed to among the Parties, the Interconnection Facilities shall be constructed for the sole purpose of interconnecting the Generating Facility to the Transmission System and shall be used for no other purpose.

9.9.2 Third Party Users. If required by Applicable Laws and Regulations or if the Parties mutually agree, such agreement not to be unreasonably withheld, to allow one or more third parties to use Transmission Owner's Interconnection Facilities,

or any part thereof, Surplus Interconnection Service Customer will be entitled to compensation for the capital expenses it incurred in connection with the Interconnection Facilities based upon the pro rata use of the Interconnection Facilities by Transmission Owner, all third party users, and Surplus Interconnection Service Customer, in accordance with Applicable Laws and Regulations or upon some other mutually-agreed upon methodology. In addition, cost responsibility for ongoing costs, including operation and maintenance costs associated with the Interconnection Facilities, will be allocated between Surplus Interconnection Service Customer and any third party users based upon the pro rata use of the Interconnection Facilities by Transmission Owner, all third party users, and Surplus Interconnection Service Customer, in accordance with Applicable Laws and Regulations or upon some other mutually agreed upon methodology. If the issue of such compensation or allocation cannot be resolved through such negotiations, it shall be submitted to FERC for resolution.

- 9.10 Disturbance Analysis Data Exchange.** The Parties will cooperate with one another in the analysis of disturbances to either the Generating Facility or the Transmission System by gathering and providing access to any information relating to any disturbance, including information from oscillography, protective relay targets, breaker operations and sequence of events records, and any disturbance information required by Good Utility Practice.

ARTICLE 10. MAINTENANCE

- 10.1 Transmission Owner Obligations.** Transmission Owner shall maintain the Transmission System and Transmission Owner's Interconnection Facilities in a safe and reliable manner and in accordance with this Surplus Interconnection Service GIA.
- 10.2 Surplus Interconnection Service Customer Obligations.** Surplus Interconnection Service Customer shall maintain the Generating Facility and Surplus Interconnection Service Customer's Interconnection Facilities in a safe and reliable manner and in accordance with this Surplus Interconnection Service GIA.
- 10.3 Coordination.** The Parties shall confer regularly to coordinate the planning, scheduling and performance of preventive and corrective maintenance on the Generating Facility and the Interconnection Facilities.
- 10.4 Secondary Systems.** Each Party shall cooperate with the others in the inspection, maintenance, and testing of control or power circuits that operate below 600 volts, AC or DC, including, but not limited to, any hardware, control or protective devices, cables, conductors, electric raceways, secondary equipment panels, transducers, batteries, chargers, and voltage and current transformers that directly affect the operation of a Party's facilities and equipment which may reasonably be expected to impact another Party. Each Party shall provide advance notice to the other Parties before undertaking any work on such circuits, especially on electrical circuits involving circuit breaker trip and close contacts, current transformers, or potential transformers.

10.5 Operating and Maintenance Expenses. Subject to the provisions herein addressing the use of facilities by others, and except for operations and maintenance expenses associated with modifications made for providing interconnection or transmission service to a third party and such third party pays for such expenses, Surplus Interconnection Service Customer shall be responsible for all reasonable expenses including overheads, associated with: (1) owning, operating, maintaining, repairing, and replacing Surplus Interconnection Service Customer's Interconnection Facilities; and (2) operation, maintenance, repair and replacement of Transmission Owner's Interconnection Facilities.

ARTICLE 11. PERFORMANCE OBLIGATION

11.1 Surplus Interconnection Service Customer Interconnection Facilities. Surplus Interconnection Service Customer shall design, procure, construct, install, own and/or control Surplus Interconnection Service Customer's Interconnection Facilities described in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades, at its sole expense.

11.2 Generating Facility. Surplus Interconnection Service Customer shall install the Generating Facilities described in Appendix C within three (3) years of the Commercial Operation Date(s) specified in Appendix B and shall ensure that its Generating Facility is operated subject to the limitations specified in Appendix A.

11.3 Transmission Owner's Interconnection Facilities. Transmission Owner shall design, procure, construct, install, own and/or control the Transmission Owner's Interconnection Facilities described in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades, at the sole expense of the Surplus Interconnection Service Customer.

11.4 Distribution Upgrades. All Distribution Upgrades described in Appendix A shall be constructed in accordance with the process set forth in Section VI of Attachment O. Transmission Owner shall design, procure, construct, install, and own the Distribution Upgrades described in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades that are associated with that Transmission Owner's system. The Distribution Upgrades described in Appendix A shall be solely funded by Surplus Interconnection Service Customer unless Transmission Owner elects to fund the capital for the Distribution Upgrades.

11.4.1 Reserved

11.4.2 Contingencies Affecting Contingent Facilities, System Protection Facilities and Distribution Upgrades. Contingent Facilities, System Protection Facilities and Distribution Upgrades that are required to accommodate the Generating Facility may be modified because (a) a higher queued Interconnection Request withdrew or was deemed to have withdrawn, (b) the GIA associated with a higher queued Interconnection Request was terminated, or (c) changes occur in equipment design standards or reliability criteria giving rise to the need for restudy. The higher queued Interconnection Requests that could impact the Contingent

Facilities, System Protection Facilities and Distribution Upgrades required to accommodate the Generating Facility, and possible modifications that may result from the above listed events affecting the higher queued Interconnection Requests, to the extent such modifications are reasonably known and can be determined, and estimates of the costs associated with such required Contingent Facilities, System Protection Facilities and Distribution Upgrades, shall be provided in Appendix A.

11.5 Reserved

11.6 Reserved

11.7 Reserved

11.8 Surplus Interconnection Service Customer Compensation. If Transmission Provider or Transmission Owner requests or directs Surplus Interconnection Service Customer to provide a service pursuant to Articles 9.6.3 (Payment for Reactive Power), or 13.5.1 of this Surplus Interconnection Service GIA, Transmission Provider shall compensate Surplus Interconnection Service Customer in accordance with Surplus Interconnection Service Customer's applicable rate schedule then in effect unless the provision of such service(s) is subject to the Tariff. Surplus Interconnection Service Customer shall serve Transmission Provider with any filing of a proposed rate schedule at the time of such filing with FERC. To the extent that no rate schedule is in effect at the time the Surplus Interconnection Service Customer is required to provide or absorb any Reactive Power under this Surplus Interconnection Service GIA, Transmission Provider agrees to compensate Surplus Interconnection Service Customer in such amount as would have been due Surplus Interconnection Service Customer had the rate schedule been in effect at the time service commenced; provided, however, that such rate schedule must be filed at FERC or other appropriate Governmental Authority within sixty (60) Calendar Days of the commencement of service.

11.8.1 Surplus Interconnection Service Customer Compensation for Actions During Emergency Condition. Transmission Provider shall compensate Surplus Interconnection Service Customer for its provision of real and reactive power and other Emergency Condition services that Surplus Interconnection Service Customer provides to support the Transmission System during an Emergency Condition in accordance with Article 11.8.

ARTICLE 12. INVOICE

The terms of this Article 12 apply to billing between the Parties for construction and operation and maintenance charges. All other billing will be handled according to the Tariff.

12.1 General. Each Party shall submit to the other Party, on a monthly basis, invoices of amounts due for the preceding month. Each invoice shall state the month to which the invoice applies and fully describe the services and equipment provided. The Parties may discharge mutual debts and payment obligations due and owing to each other on the same date through netting, in which case all amounts a Party owes to the other Party under this

Surplus Interconnection Service GIA, including interest payments or credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

- 12.2 Final Invoice.** Within six months after completion of the construction of Interconnection Facilities, the Surplus Interconnection Service Customer shall receive an invoice of the final cost due under this Surplus Interconnection Service GIA, including any applicable cost due to termination, which shall set forth such costs in sufficient detail to enable Surplus Interconnection Service Customer to compare the actual costs with the estimates and to ascertain deviations, if any, from the cost estimates. Surplus Interconnection Service Customer shall receive a refund of any amount by which the actual payment by Surplus Interconnection Service Customer for estimated costs exceeds the actual costs of construction within thirty (30) Calendar Days of the issuance of such final construction invoice.
- 12.3 Payment.** Invoices shall be rendered to the paying Party at the address specified in Appendix F. The Party receiving the invoice shall pay the invoice within thirty (30) Calendar Days of receipt. All payments shall be made in immediately available funds payable to the other Party, or by wire transfer to a bank named and account designated by the invoicing Party. Payment of invoices by either Party will not constitute a waiver of any rights or claims either Party may have under this Surplus Interconnection Service GIA.
- 12.4 Disputes.** In the event of a billing dispute between the Parties, Transmission Owner, and Transmission Provider shall continue to provide Interconnection Service under this Surplus Interconnection Service GIA as long as Surplus Interconnection Service Customer: (i) continues to make all payments not in dispute; and (ii) pays to Transmission Owner or into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If Surplus Interconnection Service Customer fails to meet these two requirements for continuation of service, then Transmission Owner may provide notice to Surplus Interconnection Service Customer of a Default pursuant to Article 17. Within thirty (30) Calendar Days after the resolution of the dispute, the Party that owes money to the other Party shall pay the amount due with interest calculated in accord with the methodology set forth in FERC's regulations at 18 C.F.R. § 35.19a(a)(2)(iii).

ARTICLE 13. EMERGENCIES

- 13.1 Definition.** "Emergency Condition" shall mean a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of a Transmission Provider, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to the Transmission System, or the electric systems of others to which the Transmission Provider's Transmission System is directly connected; or (3) that, in the case of Transmission Owner, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, Transmission Owner's Interconnection Facilities; or (4) that, in the case of Surplus Interconnection Service Customer, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, the Generating Facility

or Surplus Interconnection Service Customer's Interconnection Facilities. System restoration and black start shall be considered Emergency Conditions; provided that Surplus Interconnection Service Customer is not obligated by the Generator Interconnection Agreement to possess black start capability.

13.2 Obligations. Each Party shall comply with the Emergency Condition procedures of NERC, the Applicable Reliability Council, Transmission Provider, Applicable Laws and Regulations, and any emergency procedures agreed to by the Joint Operating Committee.

13.3 Notice. Transmission Provider or Transmission Owner shall notify Surplus Interconnection Service Customer promptly when it becomes aware of an Emergency Condition that affects Transmission Owner's Interconnection Facilities or the Transmission System that may reasonably be expected to affect Surplus Interconnection Service Customer's operation of the Generating Facility or Surplus Interconnection Service Customer's Interconnection Facilities. Surplus Interconnection Service Customer shall notify Transmission Provider and Transmission Owner promptly when it becomes aware of an Emergency Condition that affects the Generating Facility or Surplus Interconnection Service Customer's Interconnection Facilities that may reasonably be expected to affect the Transmission System or Transmission Owner's Interconnection Facilities. To the extent information is known, the notification shall describe the Emergency Condition, the extent of the damage or deficiency, the expected effect on the operation of Surplus Interconnection Service Customer's or Transmission Owner's facilities and operations, its anticipated duration and the corrective action taken and/or to be taken. The initial notice shall be followed as soon as practicable with written notice.

13.4 Immediate Action. Unless, in Surplus Interconnection Service Customer's reasonable judgment, immediate action is required, Surplus Interconnection Service Customer shall obtain the consent of Transmission Owner, such consent to not be unreasonably withheld, prior to performing any manual switching operations at the Generating Facility or Surplus Interconnection Service Customer's Interconnection Facilities in response to an Emergency Condition either declared by Transmission Provider or Transmission Owner or otherwise regarding the Transmission System.

13.5 Transmission Provider and Transmission Owner Authority.

13.5.1 General. Transmission Provider and/or Transmission Owner may take whatever actions or inactions with regard to the Transmission System or Transmission Owner's Interconnection Facilities it deems necessary during an Emergency Condition in order to (i) preserve public health and safety, (ii) preserve the reliability of the Transmission System or Transmission Owner's Interconnection Facilities, (iii) limit or prevent damage, and (iv) expedite restoration of service.

Transmission Provider and Transmission Owner shall use Reasonable Efforts to minimize the effect of such actions or inactions on the Generating Facility or Surplus Interconnection Service Customer's Interconnection Facilities. Transmission Provider and/or Transmission Owner may, on the basis of technical considerations and notwithstanding the limitations specified in Appendix A, require the Generating Facility to mitigate an Emergency Condition by taking

actions necessary and limited in scope to remedy the Emergency Condition, including, but not limited to, directing Surplus Interconnection Service Customer to shut-down, start-up, increase or decrease the real or reactive power output of the Generating Facility; implementing a reduction or disconnection pursuant to Article 13.5.2; directing Surplus Interconnection Service Customer to assist with blackstart (if available) or restoration efforts; or altering the outage schedules of the Generating Facility and Surplus Interconnection Service Customer's Interconnection Facilities. Surplus Interconnection Service Customer shall comply with all of Transmission Provider's and Transmission Owner's operating instructions concerning Generating Facility real power and reactive power output within the manufacturer's design limitations of the Generating Facility's equipment that is in service and physically available for operation at the time, in compliance with Applicable Laws and Regulations.

13.5.2 Reduction and Disconnection. Transmission Provider and/or Transmission Owner may reduce Interconnection Service or disconnect the Generating Facility or Surplus Interconnection Service Customer's Interconnection Facilities, when such reduction or disconnection is necessary under Good Utility Practice due to Emergency Conditions. These rights are separate and distinct from any right of curtailment of Transmission Provider pursuant to Transmission Provider's Tariff. When Transmission Provider and/or Transmission Owner can schedule the reduction or disconnection in advance, Transmission Provider and/or Transmission Owner shall notify Surplus Interconnection Service Customer of the reasons, timing and expected duration of the reduction or disconnection. Transmission Provider and/or Transmission Owner shall coordinate with Surplus Interconnection Service Customer using Good Utility Practice to schedule the reduction or disconnection during periods of least impact to Surplus Interconnection Service Customer, Transmission Provider and/or Transmission Owner. Any reduction or disconnection shall continue only for so long as reasonably necessary under Good Utility Practice. The Parties shall cooperate with each other to restore the Generating Facility, the Interconnection Facilities, and the Transmission System to their normal operating state as soon as practicable consistent with Good Utility Practice.

13.6 Surplus Interconnection Service Customer Authority. Consistent with Good Utility Practice and the Surplus Interconnection Service GIA and the GIP, Surplus Interconnection Service Customer may take actions or inactions with regard to the Generating Facility or Surplus Interconnection Service Customer's Interconnection Facilities during an Emergency Condition in order to (i) preserve public health and safety, (ii) preserve the reliability of the Generating Facility or Surplus Interconnection Service Customer's Interconnection Facilities, (iii) limit or prevent damage, and (iv) expedite restoration of service. Surplus Interconnection Service Customer shall use Reasonable Efforts to minimize the effect of such actions or inactions on the Transmission System and Transmission Owner's Interconnection Facilities. Transmission Provider and/or Transmission Owner shall use Reasonable Efforts to assist Surplus Interconnection Service Customer in such actions.

13.7 Limited Liability. Except as otherwise provided in Article 11.8.1 of this Surplus Interconnection Service GIA, no Party shall be liable to the other Parties for any action it takes in responding to an Emergency Condition so long as such action is made in good faith and is consistent with Good Utility Practice.

ARTICLE 14. REGULATORY REQUIREMENTS AND GOVERNING LAW

14.1 Regulatory Requirements. Each Party's obligations under this Surplus Interconnection Service GIA shall be subject to its receipt of any required approval or certificate from one or more Governmental Authorities in the form and substance satisfactory to the applying Party, or the Party making any required filings with, or providing notice to, such Governmental Authorities, and the expiration of any time period associated therewith. Each Party shall in good faith seek and use its Reasonable Efforts to obtain such other approvals. Nothing in this Surplus Interconnection Service GIA shall require Surplus Interconnection Service Customer to take any action that could result in its inability to obtain, or its loss of, status or exemption under the Federal Power Act the Public Utility Holding Company Act of 2005, or the Public Utility Regulatory Policies Act of 1978 as amended by the 2005 Energy Policy Act.

14.2 Governing Law.

14.2.1 The validity, interpretation and performance of this Surplus Interconnection Service GIA and each of its provisions shall be governed by the laws of the state where the Point of Interconnection is located, without regard to its conflicts of law principles.

14.2.2 This Surplus Interconnection Service GIA is subject to all Applicable Laws and Regulations.

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

ARTICLE 15. NOTICES.

15.1 General. Unless otherwise provided in this Surplus Interconnection Service GIA, any notice, demand or request required or permitted to be given by any Party to another and any instrument required or permitted to be tendered or delivered by any Party in writing to another shall be effective when delivered and may be so given, tendered or delivered, by recognized national courier, or by depositing the same with the United States Postal Service with postage prepaid, for delivery by certified or registered mail, addressed to the Party, or personally delivered to the Party, at the address set out in Appendix F, Addresses for Delivery of Notices and Billings.

Any Party may change the notice information in this Surplus Interconnection Service GIA by giving five (5) Business Days written notice prior to the effective date of the change.

- 15.2 Billings and Payments.** Billings and payments shall be sent to the addresses set out in Appendix F.
- 15.3 Alternative Forms of Notice.** Any notice or request required or permitted to be given by any Party to another and not required by this Agreement to be given in writing may be so given by telephone, facsimile or email to the telephone numbers and email addresses set out in Appendix F.
- 15.4 Operations and Maintenance Notice.** Each Party shall notify the other Parties in writing of the identity of the person(s) that it designates as the point(s) of contact with respect to the implementation of Articles 9 and 10.

ARTICLE 16. FORCE MAJEURE

16.1 Force Majeure.

16.1.1 Economic hardship is not considered a Force Majeure event.

16.1.2 No Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 4), other than the obligation to pay money when due, if prevented from fulfilling such obligation by Force Majeure. A Party unable to fulfill any obligation hereunder (other than an obligation to pay money when due) by reason of Force Majeure shall give notice and the full particulars of such Force Majeure to the other Parties in writing or by telephone as soon as reasonably possible after the occurrence of the cause relied upon. Telephone notices given pursuant to this article shall be confirmed in writing as soon as reasonably possible and shall specifically state full particulars of the Force Majeure, the time and date when the Force Majeure occurred and when the Force Majeure is reasonably expected to cease. The Party affected shall exercise due diligence to remove such disability with reasonable dispatch, but shall not be required to accede or agree to any provision not satisfactory to it in order to settle and terminate a strike or other labor disturbance.

ARTICLE 17. DEFAULT

17.1 Default.

17.1.1 General. No Default shall exist where such failure to discharge an obligation (other than the payment of money) is the result of Force Majeure as defined in this Surplus Interconnection Service GIA or the result of an act or omission of another Party. Upon a Breach, the non-breaching Party shall give written notice of such Breach to the breaching Party. Except as provided in Article 17.1.2, the breaching Party shall have thirty (30) Calendar Days from receipt of the Default notice within which to cure such Breach; provided however, if such Breach is not capable of cure within thirty (30) Calendar Days, the breaching Party shall commence such cure within thirty (30) Calendar Days after notice and continuously and diligently complete such cure within ninety (90) Calendar Days

from receipt of the Default notice; and, if cured within such time, the Breach specified in such notice shall cease to exist.

17.1.2 Right to Terminate. If a Breach is not cured as provided in this article, or if a Breach is not capable of being cured within the period provided for herein, the non-breaching Party shall have the right to declare a Default and terminate this Surplus Interconnection Service GIA by written notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not that Party terminates this Surplus Interconnection Service GIA, to recover from the breaching Party all amounts due hereunder, plus all other damages and remedies to which it is entitled at law or in equity. The provisions of this article will survive termination of this Surplus Interconnection Service GIA.

ARTICLE 18. INDEMNITY, CONSEQUENTIAL DAMAGES AND INSURANCE

18.1 Indemnity. The Parties shall at all times indemnify, defend, and hold the other Parties harmless from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the other Parties' action or inactions of its obligations under this Surplus Interconnection Service GIA on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

18.1.1 Indemnified Person. If an indemnified person is entitled to indemnification under this Article 18 as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 18.1, to assume the defense of such claim, such indemnified person may at the expense of the indemnifying Party contest, settle or consent to the entry of any judgment with respect to, or pay in full, such claim.

18.1.2 Indemnifying Party. If an indemnifying Party is obligated to indemnify and hold any indemnified person harmless under this Article 18, the amount owing to the indemnified person shall be the amount of such indemnified person's actual Loss, net of any insurance or other recovery.

18.1.3 Indemnity Procedures. Promptly after receipt by an indemnified person of any claim or notice of the commencement of any action or administrative or legal proceeding or investigation as to which the indemnity provided for in Article 18.1 may apply, the indemnified person shall notify the indemnifying Party of such fact. Any failure of or delay in such notification shall not affect a Party's indemnification obligation unless such failure or delay is materially prejudicial to the indemnifying Party.

The Indemnifying Party shall have the right to assume the defense thereof with counsel designated by such indemnifying Party and reasonably satisfactory to the indemnified person. If the defendants in any such action include one or more indemnified persons and the indemnifying Party and if the indemnified person reasonably concludes that there may be legal defenses available to it and/or other

indemnified persons which are different from or additional to those available to the indemnifying Party, the indemnified person shall have the right to select separate counsel to assert such legal defenses and to otherwise participate in the defense of such action on its own behalf. In such instances, the indemnifying Party shall only be required to pay the fees and expenses of one additional attorney to represent an indemnified person or indemnified persons having such differing or additional legal defenses.

The indemnified person shall be entitled, at its expense, to participate in any such action, suit or proceeding, the defense of which has been assumed by the indemnifying Party. Notwithstanding the foregoing, the indemnifying Party (i) shall not be entitled to assume and control the defense of any such action, suit or proceedings if and to the extent that, in the opinion of the indemnified person and its counsel, such action, suit or proceeding involves the potential imposition of criminal liability on the indemnified person, or there exists a conflict or adversity of interest between the indemnified person and the indemnifying Party, in such event the indemnifying Party shall pay the reasonable expenses of the indemnified person, and (ii) shall not settle or consent to the entry of any judgment in any action, suit or proceeding without the consent of the indemnified person, which shall not be reasonably withheld, conditioned or delayed.

18.2 Consequential Damages. Other than the Liquidated Damages heretofore described, in no event shall any Party be liable to any other Party under any provision of this Surplus Interconnection Service GIA for any losses, damages, costs or expenses for any special, indirect, incidental, consequential, or punitive damages, including but not limited to loss of profit or revenue, loss of the use of equipment, cost of capital, cost of temporary equipment or services, whether based in whole or in part in contract, in tort, including negligence, strict liability, or any other theory of liability; provided, however, that damages for which any Party may be liable to another Party under another agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

18.3 Insurance. Surplus Interconnection Service Customer and Transmission Owner shall at their own expense, maintain in force throughout the period of this Surplus Interconnection Service GIA, and until released by all other Parties, the following minimum insurance coverages, with insurers authorized to do business in the state where the Point of Interconnection is located:

18.3.1 Employers' Liability and Workers' Compensation Insurance providing statutory benefits in accordance with the laws and regulations of the state in which the Point of Interconnection is located. The minimum limits for the Employers' Liability insurance shall be One Million Dollars (\$1,000,000) each accident bodily injury by accident, One Million Dollars (\$1,000,000) each employee bodily injury by disease, and One Million Dollars (\$1,000,000) policy limit bodily injury by disease.

18.3.2 Commercial General Liability Insurance including premises and operations, personal injury, broad form property damage, broad form blanket contractual liability coverage (including coverage for the contractual indemnification)

products and completed operations coverage, coverage for explosion, collapse and underground hazards (if applicable), independent contractors coverage, coverage for pollution (if exposure is present) and punitive or exemplary damages, with minimum limits of One Million Dollars (\$1,000,000) each occurrence/Two Million Dollars (\$2,000,000) general aggregate and Two Million Dollars (\$2,000,000) products and completed operations aggregate combined single limit for personal injury, bodily injury, including death and property damage.

- 18.3.3** Comprehensive Automobile Liability Insurance for coverage of owned and non-owned and hired vehicles, trailers or semi-trailers designed for travel on public roads, with a minimum, combined single limit of One Million Dollars (\$1,000,000) per occurrence for bodily injury, including death, and property damage.
- 18.3.4** Excess Liability Insurance over and above the Employers' Liability Commercial General Liability and Comprehensive Automobile Liability Insurance coverage, with a minimum combined single limit of Twenty Million Dollars (\$20,000,000) each occurrence/Twenty Million Dollars (\$20,000,000) general aggregate.
- 18.3.5** The Commercial General Liability Insurance, Comprehensive Automobile Insurance and Excess Public Liability Insurance policies shall name the other Party, its parent, associated and Affiliate companies and their respective directors, officers, agents, servants and employees ("Other Party Group") as additional insured. All policies shall contain provisions whereby the insurers waive all rights of subrogation in accordance with the provisions of this Surplus Interconnection Service GIA against the Other Party Group and provide thirty (30) Calendar Days advance written notice to the Other Party Group prior to anniversary date of cancellation or any material change in coverage or condition.
- 18.3.6** The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance and Excess Public Liability Insurance policies shall contain provisions that specify that the policies are primary and shall apply to such extent without consideration for other policies separately carried and shall state that each insured is provided coverage as though a separate policy had been issued to each, except the insurer's liability shall not be increased beyond the amount for which the insurer would have been liable had only one insured been covered. Each Party shall be responsible for its respective deductibles or retentions.
- 18.3.7** The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance and Excess Public Liability Insurance policies, if written on a Claims First Made Basis, shall be maintained in full force and effect for two (2) years after termination of this Surplus Interconnection Service GIA, which coverage may be in the form of tail coverage or extended reporting period coverage if agreed to by all Parties.
- 18.3.8** The requirements contained herein as to the types and limits of all insurance to be maintained by the Surplus Interconnection Service Customer and Transmission

Owner are not intended to and shall not in any manner, limit or qualify the liabilities and obligations assumed by the Parties under this Agreement.

18.3.9 Within ten (10) days following execution of this Surplus Interconnection Service GIA, and as soon as practicable after the end of each fiscal year or at the renewal of the insurance policy and in any event within ninety (90) days thereafter, Surplus Interconnection Service Customer and Transmission Owner shall provide certification of all insurance required in this Surplus Interconnection Service GIA, executed by each insurer or by an authorized representative of each insurer to the Other Party Group.

18.3.10 Notwithstanding the foregoing, each Party may self-insure to meet the minimum insurance requirements of Articles 18.3.2 through 18.3.8 to the extent it maintains a self-insurance program; provided that, such Party's senior secured debt is rated at investment grade or better by Standard & Poor's and that its self-insurance program meets the minimum insurance requirements of Articles 18.3.2 through 18.3.8. For any period of time that a Party's senior secured debt is unrated by Standard & Poor's or is rated at less than investment grade by Standard & Poor's, such Party shall comply with the insurance requirements applicable to it under Articles 18.3.2 through 18.3.9. In the event that a Party is permitted to self-insure pursuant to this article, it shall notify the other Party that it meets the requirements to self-insure and that its self-insurance program meets the minimum insurance requirements in a manner consistent with that specified in Article 18.3.9.

18.3.11 The Parties agree to report to each other in writing as soon as practical all accidents or occurrences resulting in injuries to any person, including death, and any property damage arising out of this Surplus Interconnection Service GIA.

ARTICLE 19. ASSIGNMENT

19.1 Assignment. This Surplus Interconnection Service GIA may be assigned by any Party only with the written consent of the other Parties; provided that any Party may assign this Surplus Interconnection Service GIA without the consent of the other Parties to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Surplus Interconnection Service GIA; and provided further that Surplus Interconnection Service Customer shall have the right to assign this Surplus Interconnection Service GIA, without the consent of Transmission Provider or Transmission Owner, for collateral security purposes to aid in providing financing for the Generating Facility, provided that Surplus Interconnection Service Customer will promptly notify Transmission Provider and Transmission Owner of any such assignment. Any financing arrangement entered into by the Surplus Interconnection Service Customer pursuant to this article will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify Transmission Provider and Transmission Owner of the date and particulars of any such exercise of assignment right(s), including providing the Transmission Provider with proof that it meets the requirements of Articles 11.7 and 18.3. Any attempted assignment that violates this

article is void and ineffective. Any assignment under this Surplus Interconnection Service GIA shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

ARTICLE 20. SEVERABILITY

20.1 Severability. If any provision in this Surplus Interconnection Service GIA is determined to be invalid, void or unenforceable by any court or other Governmental Authority having jurisdiction, such determination shall not invalidate, void or make unenforceable any other provision, agreement or covenant of this Surplus Interconnection Service GIA.

ARTICLE 21. COMPARABILITY

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

ARTICLE 22. CONFIDENTIALITY

22.1 Confidentiality. Confidential Information shall include, without limitation, all information relating to a Party's technology, research and development, business affairs, and pricing, and any information supplied by any of the Parties to another prior to the execution of this Surplus Interconnection Service GIA.

Information is Confidential Information only if it is clearly designated or marked in writing as confidential on the face of the document, or, if the information is conveyed orally or by inspection, if the Party providing the information orally informs the Party receiving the information that the information is confidential.

If requested by any Party, a Party shall provide in writing, the basis for asserting that the information referred to in this Article 22 warrants confidential treatment, and the requesting Party may disclose such writing to the appropriate Governmental Authority. Each Party shall be responsible for the costs associated with affording confidential treatment to its information.

22.1.1 Term. During the term of this Surplus Interconnection Service GIA, and for a period of three (3) years after the expiration or termination of this Surplus Interconnection Service GIA, except as otherwise provided in this Article 22, each Party shall hold in confidence and shall not disclose to any person Confidential Information.

22.1.2 Scope. Confidential Information shall not include information that the receiving Party can demonstrate: (1) is generally available to the public other than as a result of a disclosure by the receiving Party; (2) was in the lawful possession of the receiving Party on a non-confidential basis before receiving it from the disclosing Party; (3) was supplied to the receiving Party without restriction by a third party, who, to the knowledge of the receiving Party after due inquiry, was under no obligation to the disclosing Party to keep such information confidential;

(4) was independently developed by the receiving Party without reference to Confidential Information of the disclosing Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or Breach of this Surplus Interconnection Service GIA; or (6) is required, in accordance with Article 22.1.7 of the Surplus Interconnection Service GIA, Order of Disclosure, to be disclosed by any Governmental Authority or is otherwise required to be disclosed by law or subpoena, or is necessary in any legal proceeding establishing rights and obligations under this Surplus Interconnection Service GIA. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the other Party that it no longer is confidential.

22.1.3 Release of Confidential Information. No Party shall release or disclose Confidential Information to any other person, except to its Affiliates (limited by the Standards of Conduct requirements), subcontractors, employees, consultants, or to parties who may be or considering providing financing to or equity participation with Surplus Interconnection Service Customer, or to potential purchasers or assignees of Surplus Interconnection Service Customer, on a need-to-know basis in connection with this Surplus Interconnection Service GIA, unless such person has first been advised of the confidentiality provisions of this Article 22 and has agreed to comply with such provisions. Notwithstanding the foregoing, a Party providing Confidential Information to any person shall remain primarily responsible for any release of Confidential Information in contravention of this Article 22.

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

22.1.5 No Warranties. By providing Confidential Information, no Party makes any warranties or representations as to its accuracy or completeness. In addition, by supplying Confidential Information, no Party obligates itself to provide any particular information or Confidential Information to another Party nor to enter into any further agreements or proceed with any other relationship or joint venture.

22.1.6 Standard of Care. Each Party shall use at least the same standard of care to protect Confidential Information it receives as it uses to protect its own Confidential Information from unauthorized disclosure, publication or dissemination. Each Party may use Confidential Information solely to fulfill its obligations to another Party under this Surplus Interconnection Service GIA or its regulatory requirements.

22.1.7 Order of Disclosure. If a court or a Governmental Authority or entity with the right, power, and apparent authority to do so requests or requires a Party, by subpoena, oral deposition, interrogatories, requests for production of documents,

administrative order, or otherwise, to disclose Confidential Information, that Party shall provide the other Parties with prompt notice of such request(s) or requirement(s) so that the other Parties may seek an appropriate protective order or waive compliance with the terms of this Surplus Interconnection Service GIA. Notwithstanding the absence of a protective order or waiver, the Party may disclose such Confidential Information which, in the opinion of its counsel, the Party is legally compelled to disclose. Each Party will use Reasonable Efforts to obtain reliable assurance that confidential treatment will be accorded any Confidential Information so furnished.

22.1.8 Termination of Agreement. Upon termination of this Surplus Interconnection Service GIA for any reason, each Party shall, within ten (10) Calendar Days of receipt of a written request from another Party, use Reasonable Efforts to destroy, erase, or delete (with such destruction, erasure, and deletion certified in writing to the other Party) or return to the other Party, without retaining copies thereof, any and all written or electronic Confidential Information received from the other Party.

22.1.9 Remedies. In the instance where Transmission Owner is a Federal Power Agency, as specified in the opening paragraph of this Agreement, then this Section 22.1.9 shall not apply to Transmission Owner. The Parties agree that monetary damages would be inadequate to compensate a Party for another Party's Breach of its obligations under this Article 22. Each Party accordingly agrees that the other Parties shall be entitled to equitable relief, by way of injunction or otherwise, if the first Party Breaches or threatens to Breach its obligations under this Article 22, which equitable relief shall be granted without bond or proof of damages, and the receiving Party shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the Breach of this Article 22, but shall be in addition to all other remedies available at law or in equity. The Parties further acknowledge and agree that the covenants contained herein are necessary for the protection of legitimate business interests and are reasonable in scope. No Party, however, shall be liable for indirect, incidental, or consequential or punitive damages of any nature or kind resulting from or arising in connection with this Article 22.

22.1.10 Disclosure to FERC, its Staff, or a State. Notwithstanding anything in this Article 22 to the contrary, and pursuant to 18 C.F.R. Section 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to this Surplus Interconnection Service GIA, the Party shall provide the requested information to FERC or its staff, within the time provided for in the request for information. In providing the information to FERC or its staff, the Party must, consistent with 18 C.F.R. Section 388.112, request that the information be treated as confidential and non-public by FERC and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying another Party to this Surplus Interconnection Service GIA prior to the release of the Confidential Information to FERC or its staff. The Party shall

notify the other Parties to the Surplus Interconnection Service GIA when it is notified by FERC or its staff that a request to release Confidential Information has been received by FERC, at which time any of the Parties may respond before such information would be made public, pursuant to 18 C.F.R. Section 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner, if consistent with the applicable state rules and regulations.

22.1.11 Subject to the exception in Article 22.1.10, any information that a Party claims is competitively sensitive, commercial or financial information under this Surplus Interconnection Service GIA ("Confidential Information") shall not be disclosed by another Party to any person not employed or retained by the other Party, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the other Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this Surplus Interconnection Service GIA or as a transmission service provider or a Control Area operator including disclosing the Confidential Information to an RTO or ISO or to a regional or national reliability organization. The Party asserting confidentiality shall notify the other Party in writing of the information it claims is confidential. Prior to any disclosures of the other Party's Confidential Information under this subparagraph, or if any third party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the disclosing Party agrees to promptly notify the other Party in writing and agrees to assert confidentiality and cooperate with the other Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

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

ARTICLE 23. ENVIRONMENTAL RELEASES

23.1 Each Party shall notify the other Party, first orally and then in writing, of the release of any Hazardous Substances, any asbestos or lead abatement activities, or any type of remediation activities related to the Generating Facility or the Interconnection Facilities, each of which may reasonably be expected to affect the other Party. The notifying Party shall: (i) provide the notice as soon as practicable, provided such Party makes a good faith effort to provide the notice no later than twenty-four hours after such Party becomes aware of the occurrence; and (ii) promptly furnish to the other Party copies of any publicly available reports filed with any Governmental Authorities addressing such events.

ARTICLE 24. INFORMATION REQUIREMENTS

24.1 Information Acquisition. Transmission Provider and Surplus Interconnection Service Customer shall submit specific information regarding the electrical characteristics of their

respective facilities to each other as described below and in accordance with Applicable Reliability Standards.

- 24.2 Information Submission by Transmission Provider.** The initial information submission by Transmission Provider shall occur no later than one hundred eighty (180) Calendar Days prior to Trial Operation and shall include Transmission System information necessary to allow Surplus Interconnection Service Customer to select equipment and meet any system protection and stability requirements, unless otherwise agreed to by the Parties. On a monthly basis Transmission Provider shall provide Surplus Interconnection Service Customer a status report on the construction and installation of Transmission Provider's Interconnection Facilities and Contingent Facilities, including, but not limited to, the following information: (1) progress to date; (2) a description of the activities since the last report (3) a description of the action items for the next period; and (4) the delivery status of equipment ordered.

ARTICLE 25. INFORMATION ACCESS AND AUDIT RIGHTS

- 25.1 Information Access.** Each Party (the "disclosing Party") shall make available to the other Parties information that is in the possession of the disclosing Party and is necessary in order for the other Parties to: (i) verify the costs incurred by the disclosing Party for which the other Parties are responsible under this Surplus Interconnection Service GIA; and (ii) carry out its obligations and responsibilities under this Surplus Interconnection Service GIA. The Parties shall not use such information for purposes other than those set forth in this Article 25.1 and to enforce their rights under this Surplus Interconnection Service GIA.
- 25.2 Reporting of Non-Force Majeure Events.** Each Party (the "notifying Party") shall notify the other Parties when the notifying Party becomes aware of its inability to comply with the provisions of this Surplus Interconnection Service GIA for a reason other than a Force Majeure event. The Parties agree to cooperate with each other and provide necessary information regarding such inability to comply, including the date, duration, reason for the inability to comply, and corrective actions taken or planned to be taken with respect to such inability to comply. Notwithstanding the foregoing, notification, cooperation or information provided under this article shall not entitle the Parties receiving such notification to allege a cause for anticipatory breach of this Surplus Interconnection Service GIA.
- 25.3 Audit Rights.** Subject to the requirements of confidentiality under Article 22 of this Surplus Interconnection Service GIA, each Party shall have the right, during normal business hours, and upon prior reasonable notice to another Party, to audit at its own expense that other Party's accounts and records pertaining to either Party's performance or either Party's satisfaction of obligations under this Surplus Interconnection Service GIA. Such audit rights shall include audits of the other Party's costs, calculation of invoiced amounts, Transmission Provider's efforts to allocate responsibility for the provision of reactive support to the Transmission System, Transmission Provider's efforts to allocate responsibility for interruption or reduction of generation on the Transmission System, and each Party's actions in an Emergency Condition. Any audit authorized by this article shall be performed at the offices where such accounts and records are

maintained and shall be limited to those portions of such accounts and records that relate to each Party's performance and satisfaction of obligations under this Surplus Interconnection Service GIA. Each Party shall keep such accounts and records for a period equivalent to the audit rights periods described in Article 25.4.

25.4 Audit Rights Periods.

25.4.1 Reserved

25.4.2 Audit Rights Period for All Other Accounts and Records. Accounts and records related to any Party's performance or satisfaction of all obligations under this Surplus Interconnection Service GIA other than those described in Article 25.4.1 shall be subject to audit as follows: (i) for an audit relating to cost obligations, the applicable audit rights period shall be twenty-four months after the auditing Party's receipt of an invoice giving rise to such cost obligations; and (ii) for an audit relating to all other obligations, the applicable audit rights period shall be twenty-four months after the event for which the audit is sought.

25.5 Audit Results. If an audit by a Party determines that an overpayment or an underpayment has occurred, a notice of such overpayment or underpayment shall be given to the other Party together with those records from the audit which support such determination.

ARTICLE 26. SUBCONTRACTORS

26.1 General. Nothing in this Surplus Interconnection Service GIA shall prevent a Party from utilizing the services of any subcontractor as it deems appropriate to perform its obligations under this Surplus Interconnection Service GIA; provided, however, that each Party shall require its subcontractors to comply with all applicable terms and conditions of this Surplus Interconnection Service GIA in providing such services and each Party shall remain primarily liable to the other Parties for the performance of such subcontractor.

26.2 Responsibility of Principal. The creation of any subcontract relationship shall not relieve the hiring Party of any of its obligations under this Surplus Interconnection Service GIA. The hiring Party shall be fully responsible to the other Parties for the acts or omissions of any subcontractor the hiring Party hires as if no subcontract had been made; provided, however, that in no event shall Transmission Owner be liable for the actions or inactions of Surplus Interconnection Service Customer or its subcontractors with respect to obligations of Surplus Interconnection Service Customer under Article 5 of this Surplus Interconnection Service GIA. Any applicable obligation imposed by this Surplus Interconnection Service GIA upon the hiring Party shall be equally binding upon, and shall be construed as having application to, any subcontractor of such Party.

26.3 No Limitation by Insurance. The obligations under this Article 26 will not be limited in any way by any limitation of subcontractor's insurance.

ARTICLE 27. DISPUTES

27.1 Submission. In the event any Party has a dispute, or asserts a claim, that arises out of or in connection with this Surplus Interconnection Service GIA or its performance, the Parties agree to resolve such dispute using the dispute resolution procedures of the Generator Interconnection Procedures.

ARTICLE 28. REPRESENTATIONS, WARRANTIES, AND COVENANTS

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

28.1.1 Good Standing. Such Party is duly organized, validly existing and in good standing under the laws of the state in which it is organized, formed, or incorporated, as applicable; that it is qualified to do business in the state or states in which the Generating Facility, Interconnection Facilities and Contingent Facilities owned by such Party, as applicable, are located; and that it has the corporate power and authority to own its properties, to carry on its business as now being conducted and to enter into this Surplus Interconnection Service GIA and carry out the transactions contemplated hereby and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Surplus Interconnection Service GIA.

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

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

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

ARTICLE 29. JOINT OPERATING COMMITTEE

29.1 Joint Operating Committee. At least six (6) months prior to the expected Initial Synchronization Date, Surplus Interconnection Service Customer, Existing Interconnection Customer, Transmission Owner and Transmission Provider shall each

appoint one representative and one alternate to the Joint Operating Committee. Each Party shall notify the other Parties of its appointment in writing. Such appointments may be changed at any time by similar notice. The Joint Operating Committee shall meet as necessary, but not less than once each calendar year, to carry out the duties set forth herein. The Joint Operating Committee shall hold a meeting at the request of any Party, at a time and place agreed upon by the representatives. The Joint Operating Committee shall perform all of its duties consistent with the provisions of this Surplus Interconnection Service GIA. All Parties shall cooperate in providing to the Joint Operating Committee all information required in the performance of the Joint Operating Committee's duties. All decisions and agreements, if any, made by the Joint Operating Committee, shall be evidenced in writing. The duties of the Joint Operating Committee shall include the following:

- 29.1.1** Establish data requirements and operating record requirements.
- 29.1.2** Review the requirements, standards, and procedures for data acquisition equipment, protective equipment, and any other equipment or software.
- 29.1.3** Annually review the one (1) year forecast of maintenance and planned outage schedules of Transmission Owner's and Surplus Interconnection Service Customer's facilities at the Point of Interconnection.
- 29.1.4** Coordinate the scheduling of maintenance and planned outages on the Interconnection Facilities, the Generating Facility and other facilities that impact the normal operation of the interconnection of the Generating Facility to the Transmission System.
- 29.1.5** Ensure that information is being provided by each Party regarding equipment availability.
- 29.1.6** Perform such other duties as may be conferred upon it by mutual agreement of the Parties.

ARTICLE 30. MISCELLANEOUS

- 30.1 Binding Effect.** This Surplus Interconnection Service GIA and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.
- 30.2 Conflicts.** In the event of a conflict between the body of this Surplus Interconnection Service GIA and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this Surplus Interconnection Service GIA shall prevail and be deemed the final intent of the Parties.
- 30.3 Rules of Interpretation.** This Surplus Interconnection Service GIA, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors

and assigns are permitted by this Surplus Interconnection Service GIA, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Surplus Interconnection Service GIA), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder; (5) unless expressly stated otherwise, reference to any Article, Section or Appendix means such Article of this Surplus Interconnection Service GIA or such Appendix to this Surplus Interconnection Service GIA, or such Section to the GIP or such Appendix to the GIP, as the case may be; (6) "hereunder", "hereof", "herein", "hereto" and words of similar import shall be deemed references to this Surplus Interconnection Service GIA as a whole and not to any particular Article or other provision hereof or thereof; (7) "including" (and with correlative meaning "include") means including without limiting the generality of any description preceding such term; and (8) relative to the determination of any period of time, "from" means "from and including", "to" means "to but excluding" and "through" means "through and including".

30.4 Entire Agreement. This Surplus Interconnection Service GIA, including all Appendices and Schedules attached hereto, constitutes the entire agreement among the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, among the Parties with respect to the subject matter of this Surplus Interconnection Service GIA. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, a Party's compliance with its obligations under this Surplus Interconnection Service GIA.

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

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

Any waiver at any time by a Party of its rights with respect to this Surplus Interconnection Service GIA shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Surplus Interconnection Service GIA. Termination or Default of this Surplus Interconnection Service GIA for any reason by Surplus Interconnection Service Customer shall not constitute a waiver of Surplus Interconnection Service Customer's legal rights to obtain an interconnection from Transmission Provider. Any waiver of this Surplus Interconnection Service GIA shall, if requested, be provided in writing.

- 30.7 Headings.** The descriptive headings of the various Articles of this Surplus Interconnection Service GIA have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Surplus Interconnection Service GIA.
- 30.8 Multiple Counterparts.** This Surplus Interconnection Service GIA may be executed in three or more counterparts, each of which is deemed an original but all constitute one and the same instrument.
- 30.9 Amendment.** The Parties may by mutual agreement amend this Surplus Interconnection Service GIA by a written instrument duly executed by each of the Parties.
- 30.10 Modification by the Parties.** The Parties may by mutual agreement amend the Appendices to this Surplus Interconnection Service GIA by a written instrument duly executed by the Parties. Such amendment shall become effective and a part of this Surplus Interconnection Service GIA upon satisfaction of all Applicable Laws and Regulations. Notwithstanding the above, the Parties agree to amend the Appendices to this Surplus Interconnection Service GIA as needed to correspond to any revisions to the EGIA related to or that may impact the Surplus Interconnection Service.
- 30.11 Reservation of Rights.** Transmission Provider shall have the right to make a unilateral filing with FERC to modify this Surplus Interconnection Service GIA with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under Section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Surplus Interconnection Service Customer shall have the right to make a unilateral filing with FERC to modify this Surplus Interconnection Service GIA pursuant to Section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by another Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Surplus Interconnection Service GIA shall limit the rights of the Parties or of FERC under Sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.
- 30.12 No Partnership.** This Surplus Interconnection Service GIA shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership among the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, another Party.

IN WITNESS WHEREOF, the Parties have caused this Surplus Interconnection Service GIA to be executed by their respective authorized officials, and copies delivered to each Party, to become effective as of the Effective Date.

SOUTHWEST POWER POOL, INC.

By: /s/ Lanny Nickell
Printed Name: Lanny Nickell
Title: EVP & COO
Date: May 15, 2024

WESTERN FARMERS ELECTRIC COOPERATIVE (Transmission Owner)

By: /s/ Gary Ray Roulet
Printed Name: Gary R. Roulet
Title: CEO
Date: 5-13-2024

CHOCTAW FIELDS SOLAR PROJECT, LLC (Surplus Interconnection Service Customer)

By: /s/ Chad Craven
Printed Name: Chad Craven
Title: Authorized Person
Date: 4/30/2024

CHOCTAW FIELDS SOLAR PROJECT, LLC (Existing Interconnection Customer)

By: /s/ Chad Craven
Printed Name: Chad Craven
Title: Authorized Person
Date: 4/30/2024

APPENDIX A TO SURPLUS INTERCONNECTION SERVICE GIA

Interconnection Facilities, Network Upgrades and Distribution Upgrades

This is the first amendment to Transmission Provider Service Agreement No. 4132. Service Agreement No. 4132 was originally executed on August 30, 2023 (the “Original Agreement”). This first amendment amends, restates and replaces the Original Agreement in its entirety. For purposes of Sections 2.1, 2.2, 2.3.2, 5.8, and 5.16.1, references to “Effective Date” shall mean the Effective Date of the Original Agreement.

1. Interconnection Facilities:

(a) Surplus Interconnection Service Customer’s Interconnection Facilities: Interconnection facilities to be designed, procured, constructed, installed, maintained, and owned by Surplus Interconnection Service Customer at its sole expense:

- 34.5 kV underground cable collection circuits;
- The project will connect to the existing GEN-2017-023 main collection substation and share its main power transformer to connect to the Point of Interconnection (POI) at the 138 kV bus at existing Transmission Owner substation (Hugo Power Plant 138 kV) that is owned and maintained by Transmission Owner;
- Equipment at the Interconnection Customer’s substation necessary to maintain a composite power delivery at continuous rated power output at the high-side of the generator substation at a power factor within the range of 95% lagging and 95% leading in accordance with FERC Order 827. The Interconnection Customer may use equipment options for providing reactive power under no/reduced generation conditions. The Interconnection Customer will be required to provide documentation and design specifications demonstrating how the requirements are met; and
- All necessary relay, protection, control and communication systems required to protect Interconnection Customer’s Interconnection Facilities and Generating Facility and coordinate with Transmission Owner’s relay, protection, control and communication systems.

(b) Transmission Owner’s Interconnection Facilities: Interconnection facilities that are to be designed, procured, constructed, installed, maintained, owned and/or controlled by Transmission Owner at the Surplus Interconnection Service Customer’s sole expense:

Description	Allocated Cost Estimate
None	\$0
Total TOIF	\$0

2. Network Upgrades:

(a) Stand Alone Network Upgrades: Network Upgrades that a Surplus Interconnection Service Customer may construct without affecting day-to-day operations of the Transmission System during their construction. The Transmission Provider, Transmission Owner and the Surplus Interconnection Service Customer must agree as to what constitutes Stand Alone Network Upgrades. Stand Alone Network Upgrades that are to be designed, procured, constructed, installed and owned by Transmission Owner that are 100% cost responsibility of the Surplus Interconnection Service Customer:

Description	Allocated Cost Estimate
None	\$0
Total Stand-Alone Network Upgrades	\$0

(b) Network Upgrades constructed by Transmission Owner: Network Upgrades to be designed, procured, constructed, installed and owned by the Transmission Owner that are 100% cost responsibility of the Surplus Interconnection Service Customer:

Description	ILTCR	Allocated Cost Estimate
None	N/A	\$0

(c) Contingent Facilities: Network Upgrades that are required for the interconnection of Surplus Interconnection Service Customer’s Generating Facility, but are not the cost responsibility of the Surplus Interconnection Service Customer, subject to restudy:

Description	Estimated In-Service Date
None	N/A

3. Distribution Upgrades:

- None

4. Interconnection Service:

Surplus Interconnection Service Customer has requested the following (from Appendix 15 of the GIP):

50 MW Energy Resource Interconnection Service
50 MW Network Resource Interconnection Service
 Requested Surplus Interconnection Service (MW): 50 MW

Interconnection Service on which the Surplus Interconnection Service depends:

Existing Generating Facility Name: Choctaw Fields Solar Project, LLC

Queue Number – GEN-2017-023

Interconnection Service Limit: 85 MW

Limited Operation Interconnection Service: NA

Interconnection Service Type (ERIS, NRIS, or NA): ERIS / NRIS

Description of periods of time when and conditions under which Surplus Interconnection Service is to be made available by the Existing Interconnection Customer: At any time the existing generating facility is not injecting at maximum capacity, as long as the total injection does not exceed 85 MW.

At no time shall the Surplus Interconnection Service, either alone or when combined with the Existing Generating Facility's Interconnection Service, exceed the level of Interconnection Service permitted under the EGIA.

5. Construction Option Selected by Surplus Interconnection Service Customer:

N/A

6. Permits, Licenses, and Authorizations:

Permit, License, and/or Authorization	Responsible Party	Date Required
Obtain Governmental Authorization (as necessary).	As necessary	As required

7. Description of the Point of Change of Ownership:

The Point of Change of Ownership shall be the point where the Surplus Interconnection Service Customer's 138 kV collector line meets the Existing Interconnection Customer's 138 kV bus at the Existing Generating Facilities substation.

8. Description of the Point of Interconnection:

The Point of Interconnection will be the Existing Generating Facilities 138 kV bus at the Hugo Power Plant Substation.

APPENDIX B TO SURPLUS INTERCONNECTION SERVICE GIA

Milestones

Item	Action	Responsible Party	Completion Date
1	Submit Surplus Interconnection Service Customer's required power flow, short circuit, and dynamic generating facilities modeling data to Transmission Provider's MOD-032-1 Model On Demand Database and Engineering Data Submission Tool (EDST) pursuant to NERC standard MOD-032-1 and in accordance with Transmission Provider MDWG manual requirements.	Surplus Interconnection Service Customer	No Later than 120 Calendar Days after the Surplus Interconnection Service GIA Effective Date
2	Surplus Interconnection Service Customer to complete registration of the Generating Facility as a market asset in the Transmission Provider's Integrated Marketplace in accordance with Attachment AE of the Tariff and the Transmission Provider's Market Protocols and notify Transmission Owner Operational Contact(s) listed in Appendix F.	Surplus Interconnection Service Customer (if applicable)	Registration process must be completed prior to energization of the interconnection and applicable resources for either generation testing or commercial operation
3	If data from Milestone 1 has changed, submit Surplus Interconnection Service Customer's required power flow, short circuit, and dynamic generating facilities modeling data to Transmission Provider's MOD-032-1 Model On Demand Database and EDST for "as built" facilities pursuant to NERC standard MOD-032-1 and in accordance with Transmission Provider MDWG manual requirements.	Surplus Interconnection Service Customer	Within 120 Calendar Days before Initial Synchronization Date
4	Provide to Transmission Provider updated project design per Article 5.6.4.	Surplus Interconnection Service Customer	Six (6) months prior to Initial Synchronization Date

5	Initial Synchronization Date.	Surplus Interconnection Service Customer	2/3/2026
6	Begin trial operation & testing per Article 6.1.	Surplus Interconnection Service Customer and Transmission Owner	2/4/2026
7	Provide to Transmission Provider as-built design per Article 5.6.5.	Surplus Interconnection Service Customer	Prior to Commercial Operation Date, or as soon as possible thereafter
8	Commercial Operation Date. Commercial Operation Date for full Interconnection Service is achievable after completion of Appendix A Item(s) 1.(b), 1.(c), 2.(b), 2.(c), 2.(d), 2.(e), and 2.(f) upgrades (if applicable).	Surplus Interconnection Service Customer	6/1/2026 Note 1
9	Final accounting of costs incurred by Transmission Owner for Transmission Owner's Interconnection Facilities and Network Upgrades constructed by Transmission Owner as per Article 12.2. Surplus Interconnection Service Customer responsible for actual costs identified in Appendix A.	Transmission Owner	Within six (6) months following completion of Transmission Owner's Interconnection Facilities and Network Upgrades
10	Release Letter of Credit and/or unused deposits held (if applicable).	Transmission Provider	Within one (1) month following Commercial Operation Date

Note 1 – The original June 30, 2025 Commercial Operation Date controls for purposes of 1) the termination provision in Section 2.3.2 and 2) the performance obligation in Section 11.2.

APPENDIX C TO SURPLUS INTERCONNECTION SERVICE GIA

Interconnection Details

1. Description of Generating Facility:

Surplus Interconnection Service Customer's Generating Facility consists of 11 x Sungrow SC5000UD Battery Energy Storage System (BESS) inverters operating at 4.7345 MW for a total assumed dispatch of 52.08 MW. The inverters are rated at 5 MW, thus the generating capability of the SGF (55 MW) exceeds its requested Surplus Interconnection Service of 50 MW. The sum of the output from the batteries is limited at the Point of Interconnection by the power plant controller to 50 MW Surplus Interconnection Service granted in this Agreement. The Surplus Interconnection Service Customer is required to meet 0.95 lagging (providing vars) and 0.95 leading (absorbing vars) power factor at the Point of Interconnection. Additionally, the Surplus Interconnection Service Customer will be required to install any equipment necessary to meet the voltage schedule requirements in Article 9.6.2 of this Agreement.

2. Point of Change of Ownership:

Refer to Appendix A, Section 7 for Point of Change of Ownership.

3. Point of Interconnection:

Refer to Appendix A, Section 8 for Point of Interconnection.

4. Transmission Owner Specific Interconnection Requirements:

The unique requirements of each generation interconnection will dictate the establishment of mutually agreeable interconnection guidelines that further define the requirements of this Agreement. The interconnection guidelines will address, but not be limited to, the following:

(a) Auxiliary Power;

Surplus Interconnection Service Customer will arrange for auxiliary power as allowed, for periods when the Generating Facility is not generating.

(b) Capacity determination and verification (including ancillary services and certification);

If Surplus Interconnection Service Customer seeks to provide ancillary services, Surplus Interconnection Service Customer will obtain certification under the requirements of the Transmission Provider.

(c) Data reporting requirements;

As required by NERC Operating Policies, Transmission Provider Criteria, Transmission Provider Integrated Marketplace Protocols, applicable Balancing Authority, and responsible reliability entities. The Surplus Interconnection Service Customer shall provide total production (instantaneous and integrated real and reactive power) data to the Transmission Owner as mutually agreed between the Transmission Owner and the Surplus Interconnection Service Customer. In no case shall the Transmission Owner be

required to provide real-time or integrated total production data or operating data to any party other than the Transmission Provider and the Balancing Authority. Furthermore, the Transmission Owner shall have no obligation to provide any data related to customer-specific allocation of real or reactive power production data to any customers of the Surplus Interconnection Service Customer or any other party.

The Surplus Interconnection Service Customer shall make other operating data available to the SCADA system of the Transmission Owner, utilizing the communications channel connecting the Surplus Interconnection Service Customer's Interconnection Facilities to the Transmission Owner's Interconnection Facilities. Such operating data shall include the status of the transformer breaker(s), transmission level and collector level bus voltages, and the status of any other reactive device switching equipment located at the Surplus Interconnection Service Customer's Interconnection Facilities.

The Surplus Interconnection Service Customer shall register with NERC as a generation owner and generation operator as applicable, and comply with all NERC planning and operating criteria and Transmission Provider Criteria.

(d) Grounding Requirements;

Surplus Interconnection Service Customer shall tie the ground for its transmission line to the ground grid of the Transmission Owner's Point of Interconnection substation at a point provided by the Transmission Owner.

(e) Maintenance and Testing;

Transmission Owner will provide Surplus Interconnection Service Customer 30 days notice for planned maintenance and testing that will affect the ability of the generator to remain interconnected to the transmission system. For emergency maintenance and testing, the Transmission Owner will provide notice as soon as the Transmission Owner is aware of the need for the emergency maintenance and testing. The Surplus Interconnection Service Customer will provide the Transmission Owner 30 days notice of an outage of the Surplus Interconnection Service Customer facilities that will require electrical clearance at the Interconnection Facility. In the event of the need for an emergency outage of the Generator Facilities, the Surplus Interconnection Service Customer will provide the Transmission Owner notice of the need for electrical clearance as soon as the Surplus Interconnection Service Customer is aware of the need for the outage. Nothing in this paragraph prohibits the Transmission Owner or the Surplus Interconnection Service Customer from opening their respective connection facilities without notice in the event of an Emergency Condition.

(f) Provision of ancillary services;

Nothing in this Agreement should be construed as obligating Transmission Owner to provide Ancillary Services to Surplus Interconnection Service Customer. Ancillary Services necessary to deliver the energy produced by the Generator Facilities over the Transmission System, if any, will be provided to Surplus Interconnection Service Customer or any entity purchasing or otherwise acquiring energy generated by the Generator Facilities pursuant to the provisions of the Transmission Provider's Open Access Transmission Tariff or any successor tariff.

(g) Modeling Requirements;

In accordance with Article 5.6.4, the Surplus Interconnection Service Customer agrees to provide updated available detailed wind turbine/generator (individually) models for system planning studies (dynamic, stability, switching, short circuit) to the Transmission Owner 180 days prior to the Initial Synchronization Date set forth in Appendix B Milestones. Surplus Interconnection Service Customer agrees to provide updated information to the Transmission Owner when such information is available.

(h) Meteorological and Wind Data Requirements;

In accordance with Article 8.4, the Surplus Interconnection Service Customer agrees to provide site specific meteorological information and wind turbine/generator availability and capability to the Transmission Provider and Transmission Owner. The provision of this information will be consistent with the final FERC rule for Docket No. RM10-11-000 and any Transmission Provider RTO adopted rules, process, procedures and criteria including Transmission Provider Integrated Marketplace Protocols. All Transmission Providers, market participants, and interconnection customers interconnected to the Transmission System will be expected to meet basic standards for system infrastructure and operational security, including physical, operational, and cyber-security practices.

(i) Wind Generating Facility Output Reduction;

To protect the reliability of the Transmission System, a Generating Facility that is a wind plant shall be capable of reducing its generation output in increments of no more than fifty (50) MW in five (5) minute intervals. The requirements may be met by using: (a) SCADA control of circuit breakers protecting wind farm collector distribution circuits, (b) automatic control of wind turbine power output, or (c) a combination of (a) and (b).

APPENDIX D TO SURPLUS INTERCONNECTION SERVICE GIA

Security Arrangements Details

Infrastructure security of Transmission System equipment and operations and control hardware and software is essential to ensure day-to-day Transmission System reliability and operational security. FERC will expect all Transmission Providers, market participants, and Surplus Interconnection Service Customers interconnected to the Transmission System to comply with the recommendations offered by the President's Critical Infrastructure Protection Board and, eventually, best practice recommendations from the electric reliability authority. All public utilities will be expected to meet basic standards for system infrastructure and operational security, including physical, operational, and cyber-security practices.

APPENDIX E TO SURPLUS INTERCONNECTION SERVICE GIA

Commercial Operation Date

[Date]

Tessie Kentner
Managing Attorney
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936

Manager
Transmission and Distribution Operations
Western Farmers Electric Cooperative
701 N.E. 7th Street
Anadarko, OK 73005

Contracts Manager
Choctaw Fields Solar Project, LLC
c/o Savion, LLC
422 Admiral Boulevard
Kansas City, MO 64106

Re: Choctaw Fields Solar Project, LLC (GEN-2023-SR15) Generating Facility

Dear Ms. Kentner, _____ and _____:

On **[Date]** Choctaw Fields Solar Project, LLC has completed Trial Operation of Unit No. _____. This letter confirms that Choctaw Fields Solar Project, LLC commenced Commercial Operation of Unit No. ____ at the Generating Facility, effective as of **[Date plus one day]**.

Thank you.

[Signature]

Choctaw Fields Solar Project, LLC
c/o Savion, LLC
422 Admiral Boulevard
Kansas City, MO 64106

APPENDIX F TO SURPLUS INTERCONNECTION SERVICE GIA

Addresses for Delivery of Notices And Billings

Notices:

Transmission Provider:

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

Transmission Owner:

Manager, Transmission and Distribution Operations
Western Farmers Electric Cooperative
701 N.E. 7th Street
Anadarko, OK 73005
Phone: 405-247-4262
Email: c_myers@wfec.com

AND

Email: Legal@wfec.com

Surplus Interconnection Service Customer:

Choctaw Fields Solar Project, LLC
c/o Savion LLC
Attn: Chan Yang Lee
Manager of Transmission
422 Admiral Boulevard
Kansas City, MO 64106
Phone: 913-230-0104
Email: clee@savionenergy.com

With a copy to

Choctaw Fields Solar Project, LLC
c/o Savion LLC
Attn: Derek Sunderman
Vice President Transmission
422 Admiral Boulevard
Kansas City, MO 64106

Phone: 785-766-7613
Email: dsunderman@savionenergy.com

AND

Choctaw Fields Solar Project, LLC
c/o Savion LLC
Attn: Chad Craven
Senior Director of Transmission
422 Admiral Boulevard
Kansas City, MO 64106
Phone: 816-604-8458
Email: ccraven@savionenergy.com

Existing Interconnection Customer:

Choctaw Fields Solar Project, LLC
c/o Savion LLC
Attn: Chan Yang Lee
Manager of Transmission
422 Admiral Boulevard
Kansas City, MO 64106
Phone: 913-230-0104
Email: cleee@savionenergy.com

With a copy to

Choctaw Fields Solar Project, LLC
c/o Savion LLC
Attn: Derek Sunderman
Vice President Transmission
422 Admiral Boulevard
Kansas City, MO 64106
Phone: 785-766-7613
Email: dsunderman@savionenergy.com

AND

Choctaw Fields Solar Project, LLC
c/o Savion LLC
Attn: Chad Craven
Senior Director of Transmission
422 Admiral Boulevard
Kansas City, MO 64106
Phone: 816-604-8458
Email: ccraven@savionenergy.com

Billings and Payments: [Specify addresses for construction invoices, O&M invoices and settlement of ancillary services]

Transmission Provider:

Mitch Jackson
Sr. Tariff Services Specialist
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936
Phone: 501-614-3542
Email: mjackson@spp.org

Transmission Owner:

Manager, Transmission and Distribution Operations
Western Farmers Electric Cooperative
701 N.E. 7th Street
Anadarko, OK 73005
Phone: 405-247-4262
Email: c_myers@wfec.com

Surplus Interconnection Service Customer:

Choctaw Fields Solar Project, LLC
c/o Savion, LLC
Attn: Stephanie Candrl, Controller
422 Admiral Boulevard
Kansas City, MO 64106
Phone: 913-522-8618
Email: araccounting@savionenergy.com

With a copy to

Choctaw Fields Solar Project, LLC
c/o Savion LLC
Attn: Chan Yang Lee
Manager of Transmission
422 Admiral Boulevard
Kansas City, MO 64106
Phone: 913-230-0104
Email: clee@savionenergy.com

AND

Choctaw Fields Solar Project, LLC
c/o Savion LLC

Attn: Derek Sunderman
Vice President Transmission
422 Admiral Boulevard
Kansas City, MO 64106
Phone: 785-766-7613
Email: dsunderman@savionenergy.com

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Attn: Chad Craven
Senior Director of Transmission
422 Admiral Boulevard
Kansas City, MO 64106
Phone: 816-604-8458
Email: ccraven@savionenergy.com

Alternative Forms of Delivery of Notices (telephone, facsimile or email):

Transmission Provider:

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

Transmission Owner:

Manager, Transmission and Distribution Operations
Western Farmers Electric Cooperative
701 N.E. 7th Street
Anadarko, OK 73005
Phone: 405-247-4262
Email: c_myers@wfec.com

Surplus Interconnection Service Customer:

Choctaw Fields Solar Project, LLC
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Attn: Chan Yang Lee
Manager of Transmission
422 Admiral Boulevard
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Phone: 913-230-0104
Email: cleee@savionenergy.com

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Senior Director of Transmission
422 Admiral Boulevard
Kansas City, MO 64106
Phone: 816-604-8458
Email: ccraven@savionenergy.com

Operational Communications: [Identify contacts for operations]

Transmission Provider:

Bruce Rew
Sr. Vice President, Operations
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936
Phone: 501-614-3214

Transmission Owner:

Manager, Transmission and Distribution Operations
Western Farmers Electric Cooperative
701 N.E. 7th Street
Anadarko, OK 73005
Phone: 405-247-4262
Email: c_myers@wfec.com

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APPENDIX G TO SURPLUS INTERCONNECTION SERVICE GIA

Requirements Of Generators Relying On Newer Technologies

Appendix G sets forth requirements and provisions specific to a wind generating plant. All other requirements of this Surplus Interconnection Service GIA continue to apply to wind generating plant interconnections.

A. Technical Standards Applicable to a Wind Generating Plant

i. Low Voltage Ride-Through (LVRT) Capability

The following reactive power requirements apply only to a newly interconnecting wind generating plant that has executed a facilities study agreement as of September 21, 2016. A wind generating plant to which this provision applies shall be able to remain online during voltage disturbances up to the time periods and associated voltage levels set forth in the standard below. The LVRT standard provides for a transition period standard and a post-transition period standard.

Transition Period LVRT Standard

The transition period standard applies to wind generating plants subject to FERC Order 661 that have either: (i) interconnection agreements signed and filed with the Commission, filed with the Commission in unexecuted form, or filed with the Commission as non-conforming agreements between January 1, 2006 and December 31, 2006, with a scheduled in-service date no later than December 31, 2007, or (ii) wind generating turbines subject to a wind turbine procurement contract executed prior to December 31, 2005, for delivery through 2007.

1. Wind generating plants are required to remain in-service during three-phase faults with normal clearing (which is a time period of approximately 4 – 9 cycles) and single line to ground faults with delayed clearing, and subsequent post-fault voltage recovery to pre-fault voltage unless clearing the fault effectively disconnects the generator from the system. The clearing time requirement for a three-phase fault will be specific to the wind generating plant substation location, as determined by and documented by the transmission provider. The maximum clearing time the wind generating plant shall be required to withstand for a three-phase fault shall be 9 cycles at a voltage as low as 0.15 p.u., as measured at the high side of the wind generating plant step-up transformer (i.e. the transformer that steps the voltage up to the transmission interconnection voltage or “GSU”), after which, if the fault remains following the location-specific normal clearing

time for three-phase faults, the wind generating plant may disconnect from the transmission system.

2. This requirement does not apply to faults that would occur between the wind generator terminals and the high side of the GSU or to faults that would result in a voltage lower than 0.15 per unit on the high side of the GSU serving the facility.
3. Wind generating plants may be tripped after the fault period if this action is intended as part of a special protection system.
4. Wind generating plants may meet the LVRT requirements of this standard by the performance of the generators or by installing additional equipment (e.g., Static var Compensator, etc.) within the wind generating plant or by a combination of generator performance and additional equipment.
5. Existing individual generator units that are, or have been, interconnected to the Transmission System at the same location at the effective date of the Appendix G LVRT Standard are exempt from meeting the Appendix G LVRT Standard for the remaining life of the existing generation equipment. Existing individual generator units that are replaced are required to meet the Appendix G LVRT Standard.

Post-transition Period LVRT Standard

All wind generating plants subject to FERC Order No. 661 and not covered by the transition period described above must meet the following requirements:

1. Wind generating plants are required to remain in-service during three-phase faults with normal clearing (which is a time period of approximately 4 – 9 cycles) and single line to ground faults with delayed clearing, and subsequent post-fault voltage recovery to prefault voltage unless clearing the fault effectively disconnects the generator from the system. The clearing time requirement for a three-phase fault will be specific to the wind generating plant substation location, as determined by and documented by the transmission provider. The maximum clearing time the wind generating plant shall be required to withstand for a three phase fault shall be 9 cycles after which, if the fault remains following the location-specific normal clearing time for three-phase faults, the wind generating plant may disconnect from the transmission system. A wind generating plant shall remain interconnected during such a fault on the transmission system for a voltage level as low as zero volts, as measured at the high voltage side of the wind GSU.

2. This requirement does not apply to faults that would occur between the wind generator terminals and the high side of the GSU.
3. Wind generating plants may be tripped after the fault period if this action is intended as part of a special protection system.
4. Wind generating plants may meet the LVRT requirements of this standard by the performance of the generators or by installing additional equipment (e.g., Static var Compensator) within the wind generating plant or by a combination of generator performance and additional equipment.
5. Existing individual generator units that are, or have been, interconnected to the Transmission System at the same location at the effective date of the Appendix G LVRT Standard are exempt from meeting the Appendix G LVRT Standard for the remaining life of the existing generation equipment. Existing individual generator units that are replaced are required to meet the Appendix G LVRT Standard.

ii. Power Factor Design Criteria (Reactive Power)

A wind generating plant shall maintain a power factor within the range of 0.95 leading to 0.95 lagging, measured at the Point of Interconnection as defined in this Surplus Interconnection Service GIA, if the Transmission Provider's System Impact Study shows that such a requirement is necessary to ensure safety or reliability. The power factor range standard can be met by using, for example, power electronics designed to supply this level of reactive capability (taking into account any limitations due to voltage level, real power output, etc.) or fixed and switched capacitors if agreed to by the Transmission Provider, or a combination of the two. The Surplus Interconnection Service Customer shall not disable power factor equipment while the wind plant is in operation. Wind plants shall also be able to provide sufficient dynamic voltage support in lieu of the power system stabilizer and automatic voltage regulation at the generator excitation system if the System Impact Study shows this to be required for system safety or reliability.

iii. Supervisory Control and Data Acquisition (SCADA) Capability

The wind plant shall provide SCADA capability to transmit data and receive instructions from the Transmission Provider to protect system reliability. The Transmission Provider and the wind plant Surplus Interconnection Service Customer shall determine what SCADA information is

essential for the proposed wind plant, taking into account the size of the plant and its characteristics, location, and importance in maintaining generation resource adequacy and transmission system reliability in its area.

APPENDIX H TO SURPLUS INTERCONNECTION SERVICE GIA

Interconnection Service Monitoring and Reporting

It is expressly understood and agreed that the Generating Facility and Existing Generating Facility **Interconnection Service limit (MW output) shall not at any time exceed** the then-effective Interconnection Service, including the applicable Limited Operation limit, set forth in Appendix A of the EGIA; and Surplus Interconnection Service Customer by default, unless the Parties mutually agree otherwise, shall monitor and control at all times the net injection at the Point of Interconnection such that the sum of the simultaneous energy output of the Generating Facility and the Existing Generating Facility shall not exceed the Interconnection Service limit in Appendix A of this Agreement. Surplus Interconnection Service Customer shall be responsible for monitoring and reporting costs (including but not limited to construction cost, capital cost, and operating and maintenance costs for any controls, communication, and metering equipment), unless the Parties agree otherwise that the required monitoring and reporting will be provided by another Party.

Surplus Interconnection Service Customer Reporting Requirements

By the seventh Calendar Day in each month, the Surplus Interconnection Service Customer (or another Party if mutually agreed otherwise by the Parties), shall provide a report to the Transmission Provider, in an electronic format as determined by the Transmission Provider, for the prior month's offered and dispatched MW output, on a 5 minute interval granularity, of both the Generating Facility and the Existing Generating Facility. The report shall also include the 5 minute peak MW, MVA and MVAR output of both the Generating Facility and the Existing Generating Facility.

Within 24 hours of an occurrence where the Interconnection Service limit is exceeded (an "Event"), the Surplus Interconnection Service Customer (or another Party if mutually agreed otherwise by the Parties) shall report all pertinent information regarding the Event to the Transmission Provider, Transmission Owner, Transmission Operator and NERC. Each 5 minute interval where the Interconnection Service limit is exceeded shall be defined as a reliability service limit violation event and will trigger remedial action to be taken by the Surplus Interconnection Service Customer as described below.

Remedial Actions Upon Occurrence of an “Event”

Upon occurrence of an Event, the Surplus Interconnection Service Customer shall coordinate the implementation of the interim action plan and a long-term action plan with the Transmission Provider, Transmission Owner and Transmission Operator to prevent future occurrences of the Interconnection Service limit being exceeded.

Interim Action Plan:

Upon becoming aware of the occurrence of an Event, the Transmission Provider, in coordination with the Transmission Owner and Transmission Operator, will require the Surplus Interconnection Service Customer to implement the interim action plan. To implement the interim action plan, the Transmission Provider will direct that one of the following actions be implemented. The choice of action will be at the discretion of the Transmission Provider.

- a) Surplus Interconnection Service Customer shall curtail the Generating Facility output to zero injection until the Surplus Interconnection Service Customer demonstrates that it has taken sufficient remedial actions to prevent the recurrence of an Event and is subsequently authorized by the Transmission Provider that it may resume normal operations.
- b) Surplus Interconnection Service Customer shall open the breakers or comparable physical disconnection devices connecting the Generating Facility to the Transmission System until the Surplus Interconnection Service Customer demonstrates that it has taken sufficient remedial actions to prevent the recurrence of an Event and is subsequently authorized by the Transmission Provider that it may resume normal operations.

Long-term Action Plan:

If the Surplus Interconnection Service Customer is unable to demonstrate that it is able to take sufficient remedial actions to prevent recurrence or upon the recurrence of an Event following the first Event, Surplus Interconnection Service Customer, in coordination with

the Transmission Owner and Existing Interconnection Customer, shall develop and propose to the Transmission Provider a design for installation of the additional controls necessary to prevent a reoccurrence of an Event. The expense for such controls will be borne by the Surplus Interconnection Service Customer and may include, but are not limited to, additional physical equipment, enhanced procedures, and operator monitoring tools.

If an Event occurs after the implementation of the long-term action plan, the Transmission Owner or Transmission Provider may immediately direct the implementation of the interim action plan and request that the Surplus Interconnection Service Customer submit a cure to ensure the effectiveness of the long-term action plan within fifteen (15) Business Days of the failure of the long-term action plan. If the Surplus Interconnection Service Customer submits documentation demonstrating the cure of the deficient long-term action plan and such cure is acceptable to Transmission Owner and Transmission Provider, then Transmission Owner and Transmission Provider will request the Surplus Interconnection Service Customer remove the implementation of the interim action plan and implement the cured long-term action plan. If the Surplus Interconnection Service Customer fails to provide documentation demonstrating the cure of the deficient long-term action plan within fifteen (15) Business Days of the failure of the long-term action plan or if an Event occurs after the cured long-term action plan has been implemented, the Transmission Provider may file for termination of this Surplus Interconnection Service GIA with FERC.

Southwest Power Pool, Inc.
First Revised Service Agreement No. 4132

AMENDED AND RESTATED
**SURPLUS INTERCONNECTION SERVICE GENERATOR
INTERCONNECTION AGREEMENT (GIA)**

entered into by the

Southwest Power Pool, Inc.,

Western Farmers Electric Cooperative
(as Transmission Owner),

Choctaw Fields Solar Project, LLC
(as Surplus Interconnection Service Customer),

and

Choctaw Fields Solar Project, LLC
(as Existing Interconnection Customer)

entered into on the ~~30th~~15th day of ~~August, 2023~~May, 2024

GEN-2023-SR15

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SURPLUS INTERCONNECTION SERVICE GENERATOR INTERCONNECTION AGREEMENT

This Surplus Interconnection Service Generator Interconnection Agreement (“Agreement” or “Surplus Interconnection Service GIA”) is made and entered into this ~~30th~~^{15th} day of ~~August~~^{May} ~~2023~~²⁰²⁴, by and among Choctaw Fields Solar Project, LLC, a limited liability company organized and existing under the laws of the State of Delaware (“Surplus Interconnection Service Customer” with a Generating Facility), Choctaw Fields Solar Project, LLC, a limited liability company organized and existing under the laws of the State of Delaware (“Existing Interconnection Customer”), Southwest Power Pool, Inc., a corporation organized and existing under the laws of the State of Arkansas (“Transmission Provider”) and Western Farmers Electric Cooperative, a corporation organized and existing under the laws of the State of Oklahoma (“Transmission Owner”). Existing Interconnection Customer, Surplus Interconnection Service Customer, Transmission Provider and Transmission Owner each may be referred to as a “Party” or collectively as the “Parties.”

RECITALS

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

WHEREAS, Existing Interconnection Customer owns, leases and/or controls and operates the Existing Generating Facility identified in Appendix A to this Agreement which connects to the Transmission System at the Point of Interconnection identified in Appendix A to this Agreement;

WHEREAS, Surplus Interconnection Service Customer intends to own, lease, and/or control and operate a Generating Facility at the same Point of Interconnection as the Existing Interconnection Customer;

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

WHEREAS, Existing Interconnection Customer agrees to make Surplus Interconnection Service available to the Surplus Interconnection Service Customer at the Point of Interconnection identified in Appendix A to this Agreement;

WHEREAS, Surplus Interconnection Service Customer agrees to take the Surplus Interconnection Service subject to the parameters and limitations specified in Appendix A to this Agreement; and,

WHEREAS, Surplus Interconnection Service Customer, Existing Interconnection Customer, Transmission Provider and Transmission Owner have agreed to enter into this Agreement for the purpose of interconnecting the Generating Facility with the Transmission System and Surplus Interconnection Service Customer agrees to the monitoring and reporting requirements set forth in Appendix H to this Agreement.

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein, it is agreed:

When used in this Surplus Interconnection Service Generator Interconnection Agreement, terms with initial capitalization that are not defined in Article 1 shall have the meanings specified in the Article in which they are used or the Open Access Transmission Tariff (Tariff).

ARTICLE 1. DEFINITIONS

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

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

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

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

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

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

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

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

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

Breach shall mean the failure of a Party to perform or observe any material term or condition of the Surplus Interconnection Service GIA.

Breaching Party shall mean a Party that is in Breach of the Surplus Interconnection Service GIA.

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

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

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

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

Commercial Operation Date of a unit shall mean the date on which the Generating Facility commences Commercial Operation as agreed to by the Parties pursuant to Appendix E to the Surplus Interconnection Service GIA.

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

Contingent Facilities shall mean those unbuilt Interconnection Facilities and Network Upgrades upon which the Interconnection Request's costs, timing, and study findings are dependent, and if delayed or not built, could cause a need for restudies of the Interconnection Request or a reassessment of the Interconnection Facilities and/or Network Upgrades and/or costs and timing. Contingent Facilities are identified in Appendix A of the Surplus Interconnection Service GIA.

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

Default shall mean the failure of a Breaching Party to cure its Breach in accordance with Article 17 of the Surplus Interconnection Service GIA.

Definitive Interconnection System Impact Study shall mean an engineering study that evaluates the impact of the proposed interconnection on the safety and reliability of Transmission System and, if applicable, an Affected System. The study shall identify and detail the system impacts that would result if the Generating Facility were interconnected without project modifications or system modifications, or that may be caused by the withdrawal or addition of an Interconnection Request, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Generator Interconnection Procedures. The Definitive Interconnection System Impact Study is conducted in two phases.

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

Dispute Resolution shall mean the procedure in Section 13.5 of the Generator Interconnection Procedures for resolution of a dispute between the Parties in which they will first attempt to resolve the dispute on an informal basis.

Distribution System shall mean the Transmission Owner's facilities and equipment that are not included in the Transmission System. The voltage levels at which Distribution Systems operate differ among areas.

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

Effective Date shall mean the date on which the Surplus Interconnection Service GIA becomes effective as specified by FERC.

Emergency Condition shall mean a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of Transmission Provider, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to the Transmission System or the electric systems of others to which the Transmission System is directly connected; or (3) that, in the case of Transmission Owner, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to Transmission Owner's Interconnection Facilities; or (4) that, in the case of Surplus Interconnection Service Customer, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, the Generating Facility or Surplus Interconnection Service Customer's Interconnection Facilities. System restoration and black start shall be considered Emergency Conditions; provided, that Surplus Interconnection Service Customer is not obligated by the Surplus Interconnection Service GIA to possess black start capability.

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

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

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

Existing Generating Facility shall mean the Generating Facility identified in Appendix A that is currently interconnected to the Transmission System of the Transmission Provider and on which the Surplus Interconnection Service provided under this Agreement is premised.

Existing Interconnection Customer shall mean the entity that owns, leases and/or controls and operates the Existing Generating Facility identified in Appendix A to this Agreement;

Existing Generator Interconnection Agreement (EGIA) shall mean the interconnection agreement applicable to the Existing Generating Facility.

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

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

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

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

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

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

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

Generator Interconnection Procedures (GIP) shall mean the interconnection procedures that are included in the Transmission Provider's Tariff.

Good Utility Practice shall mean any of the practices, methods and acts engaged in or approved by a significant portion of the electric industry during the relevant time period, or any

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

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

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

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

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

Interconnection Facilities shall mean the Transmission Owner's Interconnection Facilities and the Surplus Interconnection Service Customer's Interconnection Facilities. Collectively, Interconnection Facilities include all facilities and equipment between the Generating Facility and the Point of Interconnection, including any modification, additions or upgrades that are necessary to physically and electrically interconnect the Generating Facility to the Transmission System. Interconnection Facilities are sole use facilities and shall not include Distribution Upgrades, Stand Alone Network Upgrades or Network Upgrades.

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

IRS shall mean the Internal Revenue Service.

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

Loss shall mean any and all losses relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from another Party's performance, or non-performance of its obligations under the Generator Interconnection Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnifying Party.

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

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

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

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

Network Resource Interconnection Service (NRIS) shall mean an Interconnection Service that allows the Surplus Interconnection Service Customer to integrate its Generating Facility with the Transmission System in a manner comparable to that in which the Transmission Owner integrates its generating facilities to serve Native Load Customers as a Network Resource. Network Resource Interconnection Service in and of itself does not convey transmission service.

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

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

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

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

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

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

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

Site Control shall mean documentation reasonably demonstrating: (1) ownership of, a leasehold interest in, or a right to develop a site of sufficient size for the purpose of constructing the Generating Facility; (2) an option to purchase or acquire a leasehold site of sufficient size for such purpose; or (3) an exclusivity or other business relationship between Surplus Interconnection Service Customer and the entity having the right to sell, lease or grant Surplus Interconnection Service Customer the right to possess or occupy a site of sufficient size for such purpose.

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

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

Surplus Interconnection Service Customer shall mean the entity that wants to utilize Surplus Interconnection Service.

Surplus Interconnection Service Customer's Interconnection Facilities shall mean all facilities and equipment, as identified in Appendix A of the Surplus Interconnection Service

Generator Interconnection Agreement, that are located between the Generating Facility and the Point of Change of Ownership, including any modification, addition, or upgrades to such facilities and equipment necessary to physically and electrically interconnect the Generating Facility to the Transmission System. Surplus Interconnection Service Customer's Interconnection Facilities are sole use facilities.

Surplus Interconnection Service Facilities Queue Position shall mean the position assigned by the Transmission Provider in accordance with Section 3.3.4.2 of the GIP.

Surplus Interconnection Service Facilities Study shall mean the study performed in situations where additional Interconnection Facilities are identified by the Transmission Provider as being required to support the requested Surplus Interconnection Service.

Surplus Interconnection Service Facilities Study Agreement shall mean the form of agreement contained in Appendix 16 of the Generator Interconnection Procedures for conducting the Surplus Interconnection Service Facilities Study.

Surplus Interconnection Service Generator Interconnection Agreement (GIA) shall mean the interconnection agreement applicable to a Surplus Interconnection Service Request.

Surplus Interconnection Service Impact Study shall mean a study conducted by the Transmission Provider consisting of reactive power, short circuit/fault duty, stability analyses, and any other appropriate studies necessary for the Transmission Provider to demonstrate reliable operation of the Surplus Interconnection Service on the Transmission System.

Surplus Interconnection Service Impact Study Agreement shall mean the form of agreement contained in Appendix 15 of the Generator Interconnection Procedures for conducting the Surplus Interconnection Service Impact Study.

Surplus Interconnection Service Queue Position shall mean the position assigned by the Transmission Provider upon receipt of a request for Surplus Interconnection Service based upon the date and time of receipt of the request.

Surplus Interconnection Service Request shall mean a request for Surplus Interconnection Service submitted by a Surplus Interconnection Service Customer.

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

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

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

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

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

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

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

Variable Energy Resource shall mean a device for the production of electricity that is characterized by an energy source that: (1) is renewable; (2) cannot be stored by the facility owner or operator; and (3) has variability that is beyond the control of the facility owner or operator.

ARTICLE 2. EFFECTIVE DATE, TERM, AND TERMINATION

2.1 Effective Date. This Surplus Interconnection Service GIA shall become effective on the date specified by FERC. Transmission Provider shall promptly file this Surplus Interconnection Service GIA with FERC upon execution in accordance with Article 3.1.

2.2 Term of Agreement. Subject to the provisions of Article 2.3, this Surplus Interconnection Service GIA shall remain in effect for a period of ten (10) years from the Effective Date and shall be automatically renewed for each successive one-year period thereafter.

2.3 Termination Procedures.

2.3.1 Written Notice. This Surplus Interconnection Service GIA may be terminated by Surplus Interconnection Service Customer after giving Transmission Provider and Transmission Owner ninety (90) Calendar Days advance written notice, or by Transmission Provider notifying FERC after the Generating Facility permanently ceases Commercial Operation.

- 2.3.2** If the Generating Facility fails to achieve Commercial Operation for three (3) consecutive years following the Commercial Operation Date, this Surplus Interconnection Service GIA may be terminated by the Transmission Provider after giving the Surplus Interconnection Service Customer ninety (90) Calendar Days advance written notice. Where a portion of the Generating Facility fails to achieve Commercial Operation for three (3) consecutive years following the Commercial Operation Date, the Transmission Provider shall issue a revised Surplus Interconnection Service GIA to reflect the amount of the Generating Facility Capacity that achieved Commercial Operation. The revised Surplus Interconnection Service GIA shall be consistent with the GIP in effect on the Effective Date of the GIA.
- 2.3.3 Default.** Any Party may terminate this Surplus Interconnection Service GIA in accordance with Article 17.
- 2.3.4** If Existing Interconnection Customer retires and ceases Commercial Operation of its Generating Facility or terminates its EGIA prior to reaching Commercial Operation, the Surplus Interconnection Service provided under this Surplus Interconnection Service GIA shall no longer be available and this Surplus Interconnection Service GIA shall terminate, even if such date is prior to the end of the Term provided in Article 2.2. Surplus Interconnection Service Customer is permitted a limited continuation of Surplus Interconnection Service, not to exceed one year, following the retirement and cessation of Commercial Operation of the Existing Interconnection Customer's Generating Facility provided that: (i) the Surplus Interconnection Service Customer's Generating Facility has been studied by the Transmission Provider for sole operation at the Point of Interconnection at the time of the interconnection of the Surplus Service Interconnection Customer; and (ii) the Existing Interconnection Customer agrees in writing that the Surplus Interconnection Service Customer may continue to operate at either its limited share of the Existing Interconnection Customer's Generating Facility capacity in the Existing Interconnection Customer's GIA, as reflected in this Surplus Interconnection Service Agreement, or at any level below such limit upon the retirement and permanent cessation of commercial operation of the Existing Interconnection Customer's Generating Facility.
- 2.3.5** Notwithstanding Articles 2.3.1, 2.3.2, 2.3.3 and 2.3.4, no termination shall become effective until the Parties have complied with all Applicable Laws and Regulations applicable to such termination, including the filing with FERC of a notice of termination of this Surplus Interconnection Service GIA, which notice has been accepted for filing by FERC.
- 2.4 Termination Costs.** If a Party elects to terminate this Agreement pursuant to Article 2.3 above, Surplus Interconnection Service Customer and Transmission Owner shall pay all costs incurred (including any cancellation costs relating to orders or contracts for Interconnection Facilities and equipment) or charges assessed by any other Party, as of the date of such Party's receipt of such notice of termination, that are the responsibility of the Terminating Party under this Surplus Interconnection Service GIA. In the event of termination by any Party, all Parties shall use Commercially Reasonable Efforts to

mitigate the costs, damages and charges arising as a consequence of termination. Upon termination of this Surplus Interconnection Service GIA, unless otherwise ordered or approved by FERC:

2.4.1 With respect to any portion of Transmission Owner's Interconnection Facilities that have not yet been constructed or installed, Transmission Owner shall to the extent possible and with Surplus Interconnection Service Customer's authorization cancel any pending orders of, or return, any materials or equipment for, or contracts for construction of, such facilities; provided that in the event Surplus Interconnection Service Customer elects not to authorize such cancellation, Surplus Interconnection Service Customer shall assume all payment obligations with respect to such materials, equipment, and contracts, and Transmission Owner shall deliver such material and equipment, and, if necessary, assign such contracts, to Surplus Interconnection Service Customer as soon as practicable, at Surplus Interconnection Service Customer's expense. To the extent that Surplus Interconnection Service Customer has already paid Transmission Owner for any or all such costs of materials or equipment not taken by Surplus Interconnection Service Customer, Transmission Owner shall promptly refund such amounts to Surplus Interconnection Service Customer, less any costs, including penalties incurred by Transmission Owner to cancel any pending orders of or return such materials, equipment, or contracts.

If a Surplus Interconnection Service Customer terminates this Surplus Interconnection Service GIA, it shall be responsible for all costs incurred in association with that Surplus Interconnection Service Customer's interconnection, including any cancellation costs relating to orders or contracts for Interconnection Facilities and equipment, and other expenses including any upgrades for which Transmission Owner has incurred expenses and has not been reimbursed by Surplus Interconnection Service Customer.

2.4.2 Transmission Owner may, at its option, retain any portion of such materials, equipment, or facilities that Surplus Interconnection Service Customer chooses not to accept delivery of, in which case Transmission Owner shall be responsible for all costs associated with procuring such materials, equipment, or facilities.

2.4.3 With respect to any portion of the Interconnection Facilities, and any other facilities already installed or constructed pursuant to the terms of this Surplus Interconnection Service GIA, Surplus Interconnection Service Customer shall be responsible for all costs associated with the removal, relocation or other disposition or retirement of such materials, equipment, or facilities.

2.5 Disconnection. Upon termination of this Surplus Interconnection Service GIA, the Parties will take all appropriate steps to disconnect the Generating Facility from the Transmission System. All costs required to effectuate such disconnection shall be borne by the terminating Party, unless such termination resulted from the non-terminating Party's Default of this Surplus Interconnection Service GIA or such non-terminating Party otherwise is responsible for these costs under this Surplus Interconnection Service GIA.

- 2.6 Survival.** This Surplus Interconnection Service GIA shall continue in effect after termination to the extent necessary to provide for final billings and payments and for costs incurred hereunder, including billings and payments pursuant to this Surplus Interconnection Service GIA; to permit payments for any credits under this Surplus Interconnection Service GIA; to permit the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this Surplus Interconnection Service GIA was in effect; and to permit each Party to have access to the lands of another Party pursuant to this Surplus Interconnection Service GIA or other applicable agreements, to disconnect, remove or salvage its own facilities and equipment.

ARTICLE 3. REGULATORY FILINGS

- 3.1 Filing.** Transmission Provider shall file this Surplus Interconnection Service GIA (and any amendment hereto) with the appropriate Governmental Authority, if required. Surplus Interconnection Service Customer may request that any information so provided be subject to the confidentiality provisions of Article 22. If Surplus Interconnection Service Customer has executed this Surplus Interconnection Service GIA, or any amendment thereto, Surplus Interconnection Service Customer shall reasonably cooperate with Transmission Provider with respect to such filing and to provide any information reasonably requested by Transmission Provider needed to comply with applicable regulatory requirements.

ARTICLE 4. SCOPE OF SERVICE

- 4.0 Surplus Interconnection Service.** Existing Interconnection Customer has agreed to make Surplus Interconnection Service available to the Surplus Interconnection Service Customer as described in Appendix A to this Agreement. Surplus Interconnection Service Customer agrees to utilize the Surplus Interconnection Service subject to the limitations in this Agreement.
- 4.1 Interconnection Product.** Surplus Interconnection Service Customer is limited to the type of Interconnection Service provided to the Existing Interconnection Customer in its EGIA, provided the Existing Interconnection Customer was provided ERIS. If Existing Interconnection Customer was provided NRIS, then Surplus Interconnection Service Customer may select either NRIS or ERIS. Accordingly, the Surplus Interconnection Service Customer has selected the type of Surplus Interconnection Service indicated in Appendix A.
- 4.2 Provision of Service.** Transmission Provider shall provide Surplus Interconnection Service for the Generating Facility at the Point of Interconnection subject to the limitations specified in Appendix A. However, in no event shall the Generating Facility begin Commercial Operation in advance of the Existing Generating Facility beginning Commercial Operation.
- 4.3 Performance Standards.** Each Party shall perform all of its obligations under this Surplus Interconnection Service GIA in accordance with Applicable Laws and Regulations, Applicable Reliability Standards, and Good Utility Practice, and to the

extent a Party is required or prevented or limited in taking any action by such regulations and standards, such Party shall not be deemed to be in Breach of this Surplus Interconnection Service GIA for its compliance therewith. If such Party is a Transmission Provider or Transmission Owner, then that Party shall amend the Surplus Interconnection Service GIA and submit the amendment to FERC for approval.

4.4 No Transmission Delivery Service. The execution of this Surplus Interconnection Service GIA does not constitute a request for, nor the provision of, any transmission delivery service under Transmission Provider's Tariff, and does not convey any right to deliver electricity to any specific customer or Point of Delivery.

4.5 Surplus Interconnection Service Customer Provided Services. The services provided by Surplus Interconnection Service Customer under this Surplus Interconnection Service GIA are set forth in Article 9.6 and Article 13.5.1. Surplus Interconnection Service Customer shall be paid for such services in accordance with Article 11.8.

ARTICLE 5. INTERCONNECTION FACILITIES ENGINEERING, PROCUREMENT, AND CONSTRUCTION

5.1 Options. Unless otherwise mutually agreed to between the Parties, Surplus Interconnection Service Customer shall select the In-Service Date, Initial Synchronization Date, and Commercial Operation Date and such dates shall be set forth in Appendix B, Milestones. Provided, however, the Generating Facility shall not begin Commercial Operation in advance of the Existing Generating Facility beginning Commercial Operation.

5.2 Reserved

5.3 Reserved

5.4 Power System Stabilizers. The Surplus Interconnection Service Customer shall procure, install, maintain and operate Power System Stabilizers in accordance with the guidelines and procedures established by the Applicable Reliability Council. Transmission Provider reserves the right to reasonably establish minimum acceptable settings for any installed Power System Stabilizers, subject to the design and operating limitations of the Generating Facility. If the Generating Facility's Power System Stabilizers are removed from service or not capable of automatic operation, Surplus Interconnection Service Customer shall immediately notify Transmission Owner's system operator, or its designated representative. The requirements of this paragraph shall not apply to non-synchronous generators.

5.5 Reserved

5.6 Reserved

5.7 Work Progress. The Parties will keep each other advised periodically as to the progress of their respective design, procurement and construction efforts. Parties may, at any time, request a progress report from other Parties. If, at any time, Surplus

Interconnection Service Customer determines that the completion of Transmission Owner's Interconnection Facilities will not be required until after the specified In-Service Date, Surplus Interconnection Service Customer will provide written notice to Transmission Provider and Transmission Owner of such later date upon which the completion of Transmission Owner's Interconnection Facilities will be required.

5.8 Information Exchange. As soon as reasonably practicable after the Effective Date, the Parties shall exchange information regarding the design and compatibility of the Parties' Interconnection Facilities and compatibility of the Interconnection Facilities with the Transmission System, and shall work diligently and in good faith to make any necessary design changes.

5.9 Reserved

5.10 Surplus Interconnection Service Customer's Interconnection Facilities ('ICIF'). Surplus Interconnection Service Customer shall, at its expense, design, procure, construct, own and install the ICIF, as set forth in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades.

5.10.1 Surplus Interconnection Service Customer's Interconnection Facility Specifications. Surplus Interconnection Service Customer shall submit initial specifications for the ICIF, including System Protection Facilities, to Transmission Owner at least one hundred eighty (180) Calendar Days prior to the Initial Synchronization Date; and final specifications for review and comment at least ninety (90) Calendar Days prior to the Initial Synchronization Date. Transmission Owner shall review such specifications to ensure that the ICIF are compatible with the technical specifications, operational control, and safety requirements of Transmission Owner and comment on such specifications within thirty (30) Calendar Days of Surplus Interconnection Service Customer's submission. All specifications provided hereunder shall be deemed confidential.

5.10.2 Transmission Owner's Review. Transmission Owner's review of Surplus Interconnection Service Customer's final specifications shall not be construed as confirming, endorsing, or providing a warranty as to the design, fitness, safety, durability or reliability of the Generating Facility, or the ICIF. Surplus Interconnection Service Customer shall make such changes to the ICIF as may reasonably be required by Transmission Owner, in accordance with Good Utility Practice, to ensure that the ICIF are compatible with the technical specifications, operational control, and safety requirements of Transmission Owner.

5.10.3 ICIF Construction. The ICIF shall be designed and constructed in accordance with Good Utility Practice. Within one hundred twenty (120) Calendar Days after the Commercial Operation Date, unless the Parties agree on another mutually acceptable deadline, Surplus Interconnection Service Customer shall deliver to Transmission Owner "as-built" drawings, information and documents for the ICIF, such as: a one-line diagram, a site plan showing the Generating Facility and the ICIF, plan and elevation drawings showing the layout of the ICIF, a relay functional diagram, relaying AC and DC schematic wiring diagrams and relay

settings for all facilities associated with Surplus Interconnection Service Customer's step-up transformers, the facilities connecting the Generating Facility to the step-up transformers and the ICIF, and the impedances (determined by factory tests) for the associated step-up transformers and the Generating Facility. The Surplus Interconnection Service Customer shall provide Transmission Owner specifications for the excitation system, automatic voltage regulator, Generating Facility control and protection settings, transformer tap settings, and communications, if applicable.

5.10.4 Updated Information Submission by Surplus Interconnection Service Customer. The updated information submission by the Surplus Interconnection Service Customer, including manufacturer information, shall occur no later than one hundred eighty (180) Calendar Days prior to the Initial Synchronization Date. Surplus Interconnection Service Customer shall submit a completed copy of the Generating Facility data requirements contained in Attachment A to Appendix 15 to the GIP. It shall also include any additional information provided to Transmission Provider for the Surplus Interconnection Service Facilities Study. Information in this submission shall be the most current Generating Facility design or expected performance data. Information submitted for stability models shall be compatible with Transmission Provider standard models. If there is no compatible model, the Surplus Interconnection Service Customer will work with a consultant mutually agreed to by the Parties to develop and supply a standard model and associated information.

If the Surplus Interconnection Service Customer's data is materially different from what was originally provided to Transmission Provider pursuant to the Surplus Interconnection Service Impact Study Agreement or the Surplus Interconnection Service Facilities Study Agreement between Transmission Provider and Surplus Interconnection Service Customer, then Transmission Provider will conduct appropriate studies to determine the impact on the Transmission System based on the actual data submitted pursuant to this Article 5.10.4. The Surplus Interconnection Service Customer shall not begin Trial Operation until such studies are completed.

5.10.5 Information Supplementation. Prior to the Commercial Operation Date, or as soon as possible thereafter, the Parties shall supplement their information submissions described above in this Article 5 with any and all “as-built” Generating Facility information or “as-tested” performance information that differs from the initial submissions or, alternatively, written confirmation that no such differences exist. The Surplus Interconnection Service Customer shall conduct tests on the Generating Facility as required by Good Utility Practice such as an open circuit “step voltage” test on the Generating Facility to verify proper operation of the Generating Facility's automatic voltage regulator.

Unless otherwise agreed, the test conditions shall include: (1) Generating Facility at synchronous speed; (2) automatic voltage regulator on and in voltage control mode; and (3) a five percent (5 percent) change in

Generating Facility terminal voltage initiated by a change in the voltage regulators reference voltage. Surplus Interconnection Service Customer shall provide validated test recordings showing the responses of Generating Facility terminal and field voltages. In the event that direct recordings of these voltages is impractical, recordings of other voltages or currents that mirror the response of the Generating Facility's terminal or field voltage are acceptable if information necessary to translate these alternate quantities to actual Generating Facility terminal or field voltages is provided. Generating Facility testing shall be conducted and results provided to the Transmission Provider for each individual generating unit in a station.

Subsequent to the Commercial Operation Date, the Surplus Interconnection Service Customer shall provide Transmission Owner and Transmission Provider any information changes due to equipment replacement, repair, or adjustment. Transmission Owner shall provide the Surplus Interconnection Service Customer and Transmission Provider any information changes due to equipment replacement, repair or adjustment in the directly connected substation or any adjacent Transmission Owner-owned substation that may affect the Surplus Interconnection Service Customer's Interconnection Facilities equipment ratings, protection or operating requirements. The Parties shall provide such information no later than thirty (30) Calendar Days after the date of the equipment replacement, repair or adjustment.

5.11 Reserved

5.12 Access Rights. Upon reasonable notice and supervision by a Party, and subject to any required or necessary regulatory approvals, a Party ("Granting Party") shall furnish at no cost to any other Party ("Access Party") any rights of use, licenses, rights of way and easements with respect to lands owned or controlled by the Granting Party, its agents (if allowed under the applicable agency agreement), or any Affiliate, that are necessary to enable the Access Party to obtain ingress and egress to construct, operate, maintain, repair, test (or witness testing), inspect, replace or remove facilities and equipment to: (i) interconnect the Generating Facility with the Transmission System; (ii) operate and maintain the Generating Facility, the Interconnection Facilities and the Transmission System; and (iii) disconnect or remove the Access Party's facilities and equipment upon termination of this Surplus Interconnection Service GIA. In exercising such licenses, rights of way and easements, the Access Party shall not unreasonably disrupt or interfere with normal operation of the Granting Party's business and shall adhere to the safety rules and procedures established in advance, as may be changed from time to time, by the Granting Party and provided to the Access Party.

5.13 Lands of Other Property Owners. If any part of Transmission Owner's Interconnection Facilities is to be installed on property owned by persons other than Surplus Interconnection Service Customer or Transmission Owner, Transmission Owner shall at Surplus Interconnection Service Customer's expense use efforts, similar in nature and extent to those that it typically undertakes on its own behalf or on behalf of its Affiliates,

including use of its eminent domain authority, and to the extent consistent with state law, to procure from such persons any rights of use, licenses, rights of way and easements that are necessary to construct, operate, maintain, test, inspect, replace or remove Transmission Owner's Interconnection Facilities and/or Network Upgrades upon such property.

5.14 Permits. Transmission Provider or Transmission Owner and Surplus Interconnection Service Customer shall cooperate with each other in good faith in obtaining all permits, licenses, and authorizations that are necessary to accomplish the interconnection in compliance with Applicable Laws and Regulations. With respect to this paragraph, Transmission Provider or Transmission Owner shall provide permitting assistance to Surplus Interconnection Service Customer comparable to that provided to Transmission Provider's own, or an Affiliate's generation.

5.15 Early Construction of Base Case Facilities. Surplus Interconnection Service Customer may request Transmission Owner to construct, and Transmission Owner shall construct, using Reasonable Efforts to accommodate Surplus Interconnection Service Customer's In-Service Date, all or any portion of any Contingent Facilities required for Surplus Interconnection Service Customer to be interconnected to the Transmission System which are included in the Base Case of the Facilities Study for Surplus Interconnection Service Customer, and which also are required to be constructed for another interconnection customer, but where such construction is not scheduled to be completed in time to achieve Surplus Interconnection Service Customer's In-Service Date.

5.16 Suspension.

5.16.1 Surplus Interconnection Service Customer, upon written notice to Transmission Provider and Transmission Owner, may suspend, for a period not to exceed 18 months, work by Transmission Owner associated with the construction and installation of Transmission Owner's Interconnection Facilities required under this Surplus Interconnection Service GIA under the following terms and conditions:

- i. Reserved
- ii. If the suspension period begins later than or extends beyond six months following the Effective Date of the Surplus Interconnection Service GIA, the Surplus Interconnection Service Customer shall provide to the Transmission Provider security in the form described under Article 11.7 in an amount equal to the greater of:
 - a. Reserved
 - b. \$5,000,000 if the Generating Facility is greater than or equal to 100 MW; or
 - c. \$2,500,000 if the Generating Facility is greater than or equal to 50 MW and less than 100 MW; or
 - d. \$1,000,000 if the Generating Facility is less than 50 MW; or

- e. \$500,000 if the Generating Facility is less than or equal to 2 MW.
- iii. In the event that this Surplus Interconnection Service GIA is terminated under this Article 5.16, the Transmission Provider shall retain the security provided pursuant to Article 5.16.1.ii in the amount required to meet Surplus Interconnection Service Customer's obligations pursuant to this Surplus Interconnection Service GIA. Any difference between the security provided and Surplus Interconnection Service Customer's obligations shall be settled pursuant to Article 12.
- iv. In the event Surplus Interconnection Service Customer suspends work by Transmission Owner required under this Surplus Interconnection Service GIA pursuant to this Article 5.16 and has not requested Transmission Owner to resume the work required under this Surplus Interconnection Service GIA on or before the expiration of 18 months from the date of suspension, this Surplus Interconnection Service GIA shall be deemed terminated unless Article 16 applies.
- v. In the event Surplus Interconnection Service Customer suspends work by Transmission Owner required under this Surplus Interconnection Service GIA pursuant to this Article 5.16 and has not complied with requirements of Article 5.16.1.ii on or before the later of the expiration of 6 months following the effective date of the GIA or the date the suspension is requested, this Surplus Interconnection Service GIA shall be deemed terminated by the Surplus Interconnection Service Customer.
- vi. In the event Surplus Interconnection Service Customer suspends work by Transmission Owner required under this Surplus Interconnection Service GIA pursuant to this Article 5.16, the Transmission System shall be left in a safe and reliable condition in accordance with Good Utility Practice and Transmission Owner's safety and reliability criteria. Surplus Interconnection Service Customer shall be responsible for all reasonable and necessary costs which Transmission Owner and Transmission Provider (i) have incurred pursuant to this Surplus Interconnection Service GIA prior to the suspension and (ii) incur in suspending such work, including any costs incurred to perform such work as may be necessary to ensure the safety of persons and property and the integrity of the Transmission System during such suspension and, if applicable, any costs incurred in connection with the cancellation or suspension of material, equipment and labor contracts which Transmission Owner cannot reasonably avoid; provided, however, that prior to canceling or suspending any such material, equipment or labor contract, Transmission Owner shall obtain Surplus Interconnection Service Customer's authorization to do so. Transmission Owner and Transmission Provider shall invoice Surplus Interconnection Service Customer for such costs pursuant to Article 12 and shall use due diligence to minimize its costs.
- vii. In the event Surplus Interconnection Service Customer provides written notice to resume work for those facilities for which work has been suspended pursuant to this

Article 5.16.1, the Surplus Interconnection Service Customer shall receive a refund, including interest, of any payments provided in accordance with Article 5.16.1.ii in excess of the sum of Surplus Interconnection Service Customer's allocated share of any costs incurred under Article 5.16.1.vi within 30 days of the date of such notice.

5.16.2 Exemptions. The Surplus Interconnection Service Customer shall be exempt from the payments described under Article 5.16.1.ii.b, 5.16.1.ii.c and 5.16.1.ii.d if the following occurs or Suspension is requested for the following reasons:

- i. Construction of a Contingent Facility or the Generating Facility is prevented by order of a Governmental Authority; or
- ii. Transmission Provider determines through an Interconnection Study that the Suspension does not qualify as a modification that has an impact on the cost or timing of any Interconnection Request with an equal or later Queue priority date (Material Modification); or
- iii. Transmission Owner or Transmission Provider determines that a Force Majeure event prevents construction of a Contingent Facility.

5.17 Taxes.

5.17.1 Surplus Interconnection Service Customer Payments Not Taxable. The Parties intend that all payments or property transfers made by Surplus Interconnection Service Customer to Transmission Owner for the installation of Transmission Owner's Interconnection Facilities shall be non-taxable, either as contributions to capital, or as an advance, in accordance with the Internal Revenue Code and any applicable state income tax laws and shall not be taxable as contributions in aid of construction or otherwise under the Internal Revenue Code and any applicable state income tax laws.

5.17.2 Representations and Covenants. In accordance with IRS Notice 2001-82 and IRS Notice 88-129, Surplus Interconnection Service Customer represents and covenants that (i) ownership of the electricity generated at the Generating Facility will pass to another party prior to the transmission of the electricity on the Transmission System, (ii) for income tax purposes, the amount of any payments and the cost of any property transferred to Transmission Owner for Transmission Owner's Interconnection Facilities will be capitalized by Surplus Interconnection Service Customer as an intangible asset and recovered using the straight-line method over a useful life of twenty (20) years, and (iii) any portion of Transmission Owner's Interconnection Facilities that is a "dual-use intertie," within the meaning of IRS Notice 88-129, is reasonably expected to carry only a de minimis amount of electricity in the direction of the Generating Facility. For this purpose, "de minimis amount" means no more than 5 percent of the total power flows in both directions, calculated in accordance with the "5 percent test" set forth in IRS Notice 88-129. This is not intended to be an exclusive list of the

relevant conditions that must be met to conform to IRS requirements for non-taxable treatment.

At Transmission Owner's request, Surplus Interconnection Service Customer shall provide Transmission Owner with a report from an independent engineer confirming its representation in clause (iii), above. Transmission Owner represents and covenants that the cost of Transmission Owner's Interconnection Facilities paid for by Surplus Interconnection Service Customer will have no net effect on the base upon which rates are determined.

5.17.3 Indemnification for the Cost Consequences of Current Tax Liability Imposed Upon the Transmission Owner. Notwithstanding Article 5.17.1, Surplus Interconnection Service Customer shall protect, indemnify and hold harmless Transmission Owner from the cost consequences of any current tax liability imposed against Transmission Owner as the result of payments or property transfers made by Surplus Interconnection Service Customer to Transmission Owner under this Surplus Interconnection Service GIA for Interconnection Facilities, as well as any interest and penalties, other than interest and penalties attributable to any delay caused by Transmission Owner.

Transmission Owner shall not include a gross-up for the cost consequences of any current tax liability in the amounts it charges Surplus Interconnection Service Customer under this Surplus Interconnection Service GIA unless (i) Transmission Owner has determined, in good faith, that the payments or property transfers made by Surplus Interconnection Service Customer to Transmission Owner should be reported as income subject to taxation or (ii) any Governmental Authority directs Transmission Owner to report payments or property as income subject to taxation; provided, however, that Transmission Owner may require Surplus Interconnection Service Customer to provide security for Interconnection Facilities, in a form reasonably acceptable to Transmission Owner (such as a parental guarantee or a letter of credit), in an amount equal to the cost consequences of any current tax liability under this Article 5.17. Surplus Interconnection Service Customer shall reimburse Transmission Owner for such costs on a fully grossed-up basis, in accordance with Article 5.17.4, within thirty (30) Calendar Days of receiving written notification from Transmission Owner of the amount due, including detail about how the amount was calculated.

The indemnification obligation shall terminate at the earlier of (1) the expiration of the ten year testing period and the applicable statute of limitation, as it may be extended by Transmission Owner upon request of the IRS, to keep these years open for audit or adjustment, or (2) the occurrence of a subsequent taxable event and the payment of any related indemnification obligations as contemplated by this Article 5.17.

5.17.4 Tax Gross-Up Amount. Surplus Interconnection Service Customer's liability for the cost consequences of any current tax liability under this Article 5.17 shall be calculated on a fully grossed-up basis. Except as may otherwise be agreed to by the Parties, this means that Surplus Interconnection Service Customer will pay

Transmission Owner, in addition to the amount paid for the Interconnection Facilities, an amount equal to (1) the current taxes imposed on Transmission Owner ("Current Taxes") on the excess of (a) the gross income realized by Transmission Owner as a result of payments or property transfers made by Surplus Interconnection Service Customer to Transmission Owner under this Surplus Interconnection Service GIA (without regard to any payments under this Article 5.17) (the "Gross Income Amount") over (b) the present value of future tax deductions for depreciation that will be available as a result of such payments or property transfers (the "Present Value Depreciation Amount"), plus (2) an additional amount sufficient to permit Transmission Owner to receive and retain, after the payment of all Current Taxes, an amount equal to the net amount described in clause (1).

For this purpose, (i) Current Taxes shall be computed based on Transmission Owner's composite federal and state tax rates at the time the payments or property transfers are received and Transmission Owner will be treated as being subject to tax at the highest marginal rates in effect at that time (the "Current Tax Rate"), and (ii) the Present Value Depreciation Amount shall be computed by discounting Transmission Owner's anticipated tax depreciation deductions as a result of such payments or property transfers by Transmission Owner's current weighted average cost of capital. Thus, the formula for calculating Surplus Interconnection Service Customer's liability to Transmission Owner pursuant to this Article 5.17.4 can be expressed as follows: $(\text{Current Tax Rate} \times (\text{Gross Income Amount} - \text{Present Value of Tax Depreciation})) / (1 - \text{Current Tax Rate})$. Surplus Interconnection Service Customer's estimated tax liability in the event taxes are imposed shall be stated in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades.

5.17.5 Private Letter Ruling or Change or Clarification of Law. At Surplus Interconnection Service Customer's request and expense, Transmission Owner shall file with the IRS a request for a private letter ruling as to whether any property transferred or sums paid, or to be paid, by Surplus Interconnection Service Customer to Transmission Owner under this Surplus Interconnection Service GIA are subject to federal income taxation. Surplus Interconnection Service Customer will prepare the initial draft of the request for a private letter ruling, and will certify under penalties of perjury that all facts represented in such request are true and accurate to the best of Surplus Interconnection Service Customer's knowledge. Transmission Owner and Surplus Interconnection Service Customer shall cooperate in good faith with respect to the submission of such request.

Transmission Owner shall keep Surplus Interconnection Service Customer fully informed of the status of such request for a private letter ruling and shall execute either a privacy act waiver or a limited power of attorney, in a form acceptable to the IRS, that authorizes Surplus Interconnection Service Customer to participate in all discussions with the IRS regarding such request for a private letter ruling. Transmission Owner shall allow Surplus Interconnection Service Customer to

attend all meetings with IRS officials about the request and shall permit Surplus Interconnection Service Customer to prepare the initial drafts of any follow-up letters in connection with the request.

5.17.6 Subsequent Taxable Events. If, within 10 years from the date on which the relevant Transmission Owner's Interconnection Facilities are placed in service, (i) Surplus Interconnection Service Customer Breaches the covenants contained in Article 5.17.2, (ii) a "disqualification event" occurs within the meaning of IRS Notice 88-129, or (iii) this Surplus Interconnection Service GIA terminates and Transmission Owner retains ownership of the Interconnection Facilities, Surplus Interconnection Service Customer shall pay a tax gross-up for the cost consequences of any current tax liability imposed on Transmission Owner, calculated using the methodology described in Article 5.17.4 and in accordance with IRS Notice 90-60.

5.17.7 Contests. In the event any Governmental Authority determines that Transmission Owner's receipt of payments or property constitutes income that is subject to taxation, Transmission Owner shall notify Surplus Interconnection Service Customer, in writing, within thirty (30) Calendar Days of receiving notification of such determination by a Governmental Authority. Upon the timely written request by Surplus Interconnection Service Customer and at Surplus Interconnection Service Customer's sole expense, Transmission Owner may appeal, protest, seek abatement of, or otherwise oppose such determination. Upon Surplus Interconnection Service Customer's written request and sole expense, Transmission Owner may file a claim for refund with respect to any taxes paid under this Article 5.17, whether or not it has received such a determination. Transmission Owner reserves the right to make all decisions with regard to the prosecution of such appeal, protest, abatement or other contest, including the selection of counsel and compromise or settlement of the claim, but Transmission Owner shall keep Surplus Interconnection Service Customer informed, shall consider in good faith suggestions from Surplus Interconnection Service Customer about the conduct of the contest, and shall reasonably permit Surplus Interconnection Service Customer or an Surplus Interconnection Service Customer representative to attend contest proceedings.

Surplus Interconnection Service Customer shall pay to Transmission Owner on a periodic basis, as invoiced by Transmission Owner, Transmission Owner's documented reasonable costs of prosecuting such appeal, protest, abatement or other contest. At any time during the contest, Transmission Owner may agree to a settlement either with Surplus Interconnection Service Customer's consent or after obtaining written advice from nationally-recognized tax counsel, selected by Transmission Owner, but reasonably acceptable to Surplus Interconnection Service Customer, that the proposed settlement represents a reasonable settlement given the hazards of litigation. Surplus Interconnection Service Customer's obligation shall be based on the amount of the settlement agreed to by Surplus Interconnection Service Customer, or if a higher amount, so much of the settlement that is supported by the written advice from nationally-recognized tax

counsel selected under the terms of the preceding sentence. The settlement amount shall be calculated on a fully grossed-up basis to cover any related cost consequences of the current tax liability. Any settlement without Surplus Interconnection Service Customer's consent or such written advice will relieve Surplus Interconnection Service Customer from any obligation to indemnify Transmission Owner for the tax at issue in the contest.

5.17.8 Refund. In the event that (a) a private letter ruling is issued to Transmission Owner which holds that any amount paid or the value of any property transferred by Surplus Interconnection Service Customer to Transmission Owner under the terms of this Surplus Interconnection Service GIA is not subject to federal income taxation, (b) any legislative change or administrative announcement, notice, ruling or other determination makes it reasonably clear to Transmission Owner in good faith that any amount paid or the value of any property transferred by Surplus Interconnection Service Customer to Transmission Owner under the terms of this Surplus Interconnection Service GIA is not taxable to Transmission Owner, (c) any abatement, appeal, protest, or other contest results in a determination that any payments or transfers made by Surplus Interconnection Service Customer to Transmission Owner are not subject to federal income tax, or (d) if Transmission Owner receives a refund from any taxing authority for any overpayment of tax attributable to any payment or property transfer made by Surplus Interconnection Service Customer to Transmission Owner pursuant to this Surplus Interconnection Service GIA, Transmission Owner shall promptly refund to Surplus Interconnection Service Customer the following:

- (i) any payment made by Surplus Interconnection Service Customer under this Article 5.17 for taxes that is attributable to the amount determined to be non-taxable, together with interest thereon,
- (ii) interest on any amount paid by Surplus Interconnection Service Customer to Transmission Owner for such taxes which Transmission Owner did not submit to the taxing authority, calculated in accordance with the methodology set forth in FERC's regulations at 18 CFR §35.19a(a)(2)(iii) from the date payment was made by Surplus Interconnection Service Customer to the date Transmission Owner refunds such payment to Surplus Interconnection Service Customer, and
- (iii) with respect to any such taxes paid by Transmission Owner, any refund or credit Transmission Owner receives or to which it may be entitled from any Governmental Authority, interest (or that portion thereof attributable to the payment described in clause (i), above) owed to Transmission Owner for such overpayment of taxes (including any reduction in interest otherwise payable by Transmission Owner to any Governmental Authority resulting from an offset or credit); provided, however, that Transmission Owner will remit such amount promptly to Surplus Interconnection Service Customer only after and to the extent that Transmission Owner has received a tax refund, credit or offset from any Governmental

Authority for any applicable overpayment of income tax related to Transmission Owner's Interconnection Facilities.

The intent of this provision is to leave the Parties, to the extent practicable, in the event that no taxes are due with respect to any payment for Interconnection Facilities hereunder, in the same position they would have been in had no such tax payments been made.

5.17.9 Taxes Other Than Income Taxes. Upon the timely request by Surplus Interconnection Service Customer, and at Surplus Interconnection Service Customer's sole expense, Transmission Owner may appeal, protest, seek abatement of, or otherwise contest any tax (other than federal or state income tax) asserted or assessed against Transmission Owner for which Surplus Interconnection Service Customer may be required to reimburse Transmission Owner under the terms of this Surplus Interconnection Service GIA. Surplus Interconnection Service Customer shall pay to Transmission Owner on a periodic basis, as invoiced by Transmission Owner, Transmission Owner's documented reasonable costs of prosecuting such appeal, protest, abatement, or other contest. Surplus Interconnection Service Customer and Transmission Owner shall cooperate in good faith with respect to any such contest. Unless the payment of such taxes is a prerequisite to an appeal or abatement or cannot be deferred, no amount shall be payable by Surplus Interconnection Service Customer to Transmission Owner for such taxes until they are assessed by a final, non-appealable order by any court or agency of competent jurisdiction. In the event that a tax payment is withheld and ultimately due and payable after appeal, Surplus Interconnection Service Customer will be responsible for all taxes, interest and penalties, other than penalties attributable to any delay caused by Transmission Owner.

5.18 Tax Status. All Parties shall cooperate with each other to maintain their tax status. Nothing in this Surplus Interconnection Service GIA is intended to adversely affect any Party's tax exempt status with respect to the issuance of bonds including, but not limited to, local furnishing bonds.

5.19 Modification.

5.19.1 General. Each Party may undertake modifications to its facilities. If a Party plans to undertake a modification that reasonably may be expected to affect another Party's facilities, that Party shall provide to the other Parties sufficient information regarding such modification so that the other Parties may evaluate the potential impact of such modification prior to commencement of the work. Such information shall be deemed to be confidential hereunder and shall include information concerning the timing of such modifications and whether such modifications are expected to interrupt the flow of electricity from the Generating Facility. The Party desiring to perform such work shall provide the relevant drawings, plans, and specifications to the other Parties at least ninety (90) Calendar Days in advance of the commencement of the work or such shorter

period upon which the Parties may agree, which agreement shall not unreasonably be withheld, conditioned or delayed.

In the case of Generating Facility modifications that do not require Surplus Interconnection Service Customer to submit an Interconnection Request, Transmission Owner shall provide, within thirty (30) Calendar Days (or such other time as the Parties may agree), an estimate of any additional modifications to the Transmission System or Transmission Owner's Interconnection Facilities necessitated by such Surplus Interconnection Service Customer modification and a good faith estimate of the costs thereof.

5.19.2 Standards. Any additions, modifications, or replacements made to a Party's facilities shall be designed, constructed and operated in accordance with this Surplus Interconnection Service GIA and Good Utility Practice.

5.19.3 Modification Costs. Surplus Interconnection Service Customer shall not be directly assigned for the costs of any additions, modifications, or replacements that Transmission Owner makes to Transmission Owner's Interconnection Facilities or the Transmission System to facilitate the interconnection of a third party to Transmission Owner's Interconnection Facilities or the Transmission System, or to provide transmission service to a third party under Transmission Provider's Tariff. Surplus Interconnection Service Customer shall be responsible for the costs of any additions, modifications, or replacements to Surplus Interconnection Service Customer's Interconnection Facilities that may be necessary to maintain or upgrade such Surplus Interconnection Service Customer's Interconnection Facilities consistent with Applicable Laws and Regulations, Applicable Reliability Standards or Good Utility Practice.

5.20 Delays. If a Contingent Facility(ies) identified in Appendix A is delayed during the construction process and the Commercial Operation Date for the Generating Facility identified in Appendix B is no longer feasible, the Commercial Operation Date in Appendix B may be modified to no later than six (6) months following the in-service date for the last Contingent Facility identified in Appendix A.

ARTICLE 6. TESTING AND INSPECTION

6.1 Pre-Commercial Operation Date Testing and Modifications. Prior to the Commercial Operation Date, Transmission Owner shall test Transmission Owner's Interconnection Facilities and Surplus Interconnection Service Customer shall test the Generating Facility and Surplus Interconnection Service Customer's Interconnection Facilities to ensure their safe and reliable operation. Similar testing may be required after initial operation. Each Party shall make any modifications to its facilities that are found to be necessary as a result of such testing. Surplus Interconnection Service Customer shall bear the cost of all such testing and modifications. Surplus Interconnection Service Customer shall generate test energy at the Generating Facility only if it has arranged for the delivery of such test energy.

- 6.2 Post-Commercial Operation Date Testing and Modifications.** Each Party shall at its own expense perform routine inspection and testing of its facilities and equipment in accordance with Good Utility Practice as may be necessary to ensure the continued interconnection of the Generating Facility with the Transmission System in a safe and reliable manner. Each Party shall have the right, upon advance written notice, to require reasonable additional testing of the other Party's facilities, at the requesting Party's expense, as may be in accordance with Good Utility Practice.
- 6.3 Right to Observe Testing.** Each Party shall notify the other Parties in advance of its performance of tests of its Interconnection Facilities. The other Parties have the right, at its own expense, to observe such testing.
- 6.4 Right to Inspect.** Each Party shall have the right, but shall have no obligation to: (i) observe another Parties' tests and/or inspection of any of its System Protection Facilities and other protective equipment, including power system stabilizers; (ii) review the settings of the other Parties' System Protection Facilities and other protective equipment; and (iii) review another Parties' maintenance records relative to the Interconnection Facilities, the System Protection Facilities and other protective equipment. Any Party may exercise these rights from time to time as it deems necessary upon reasonable notice to the other Parties. The exercise or non-exercise by another Party of any such rights shall not be construed as an endorsement or confirmation of any element or condition of the Interconnection Facilities or the System Protection Facilities or other protective equipment or the operation thereof, or as a warranty as to the fitness, safety, desirability, or reliability of same. Any information that any Party obtains through the exercise of any of its rights under this Article 6.4 shall be deemed to be Confidential Information and treated pursuant to Article 22 of this Surplus Interconnection Service GIA.

ARTICLE 7. METERING

- 7.1 General.** Each Party shall comply with the Applicable Reliability Council requirements. Unless otherwise agreed by the Parties, Transmission Owner shall install Metering Equipment at the Point of Interconnection prior to any operation of the Generating Facility and shall own, operate, test and maintain such Metering Equipment. Power flows to and from the Generating Facility shall be measured at or, at Transmission Owner's option, compensated to, the Point of Interconnection. Transmission Owner shall provide metering quantities, in analog and/or digital form, to Surplus Interconnection Service Customer and Transmission Provider on a same-time basis using communication as provided in Article 8. Surplus Interconnection Service Customer shall bear all reasonable documented costs associated with the purchase, installation, operation, testing and maintenance of the Metering Equipment.
- 7.2 Check Meters.** Surplus Interconnection Service Customer, at its option and expense, may install and operate, on its premises and on its side of the Point of Interconnection, one or more check meters to check Transmission Owner's meters. Such check meters shall be for check purposes only and shall not be used for the measurement of power flows for purposes of this Surplus Interconnection Service GIA, except as provided in Article 7.4 below. The check meters shall be subject at all reasonable times to inspection

and examination by Transmission Owner or its designee. The installation, operation and maintenance thereof shall be performed entirely by Surplus Interconnection Service Customer in accordance with Good Utility Practice.

7.3 Standards. Transmission Owner shall install, calibrate, and test revenue quality Metering Equipment in accordance with applicable ANSI standards.

7.4 Testing of Metering Equipment. Transmission Owner shall inspect and test all Transmission Owner-owned Metering Equipment upon installation and at least once every two (2) years thereafter. If requested to do so by Surplus Interconnection Service Customer, Transmission Owner shall, at Surplus Interconnection Service Customer's expense, inspect or test Metering Equipment more frequently than every two (2) years. Transmission Owner shall give reasonable notice of the time when any inspection or test shall take place, and Surplus Interconnection Service Customer may have representatives present at the test or inspection. If at any time Metering Equipment is found to be inaccurate or defective, it shall be adjusted, repaired or replaced at Surplus Interconnection Service Customer's expense, in order to provide accurate metering, unless the inaccuracy or defect is due to Transmission Owner's failure to maintain, then Transmission Owner shall pay. If Metering Equipment fails to register, or if the measurement made by Metering Equipment during a test varies by more than two percent from the measurement made by the standard meter used in the test, Transmission Owner shall adjust the measurements by correcting all measurements for the period during which Metering Equipment was in error by using Surplus Interconnection Service Customer's check meters, if installed. If no such check meters are installed or if the period cannot be reasonably ascertained, the adjustment shall be for the period immediately preceding the test of the Metering Equipment equal to one-half the time from the date of the last previous test of the Metering Equipment.

7.5 Metering Data. At Surplus Interconnection Service Customer's expense, the metered data shall be telemetered to one or more locations designated by Transmission Owner and one or more locations designated by Surplus Interconnection Service Customer. Such telemetered data shall be used, under normal operating conditions, as the official measurement of the amount of energy delivered from the Generating Facility to the Point of Interconnection.

ARTICLE 8. COMMUNICATIONS

8.1 Surplus Interconnection Service Customer Obligations. Surplus Interconnection Service Customer shall maintain satisfactory operating communications with Transmission Owner's Transmission System dispatcher or representative designated by Transmission Owner. Surplus Interconnection Service Customer shall provide standard voice line, dedicated voice line and facsimile communications at its Generating Facility control room or central dispatch facility through use of either the public telephone system, or a voice communications system that does not rely on the public telephone system. Surplus Interconnection Service Customer shall also provide the dedicated data circuit(s) necessary to provide Surplus Interconnection Service Customer data to Transmission Owner as set forth in Appendix D, Security Arrangements Details. The data circuit(s) shall extend from the Generating Facility to the location(s) specified by

Transmission Owner. Any required maintenance of such communications equipment shall be performed by Surplus Interconnection Service Customer. Operational communications shall be activated and maintained under, but not be limited to, the following events: system paralleling or separation, scheduled and unscheduled shutdowns, equipment clearances, and hourly and daily load data.

- 8.2 Remote Terminal Unit.** Prior to the Initial Synchronization Date of the Generating Facility, a Remote Terminal Unit, or equivalent data collection and transfer equipment acceptable to the Parties, shall be installed by Surplus Interconnection Service Customer, or by Transmission Owner at Surplus Interconnection Service Customer's expense, to gather accumulated and instantaneous data to be telemetered to the location(s) designated by Transmission Owner through use of a dedicated point-to-point data circuit(s) as indicated in Article 8.1. The communication protocol for the data circuit(s) shall be specified by Transmission Owner. Instantaneous bi-directional analog real power and reactive power flow information must be telemetered directly to the location(s) specified by Transmission Owner.

Each Party will promptly advise the other Party if it detects or otherwise learns of any metering, telemetry or communications equipment errors or malfunctions that require the attention and/or correction by the other Party. The Party owning such equipment shall correct such error or malfunction as soon as reasonably feasible.

- 8.3 No Annexation.** Any and all equipment placed on the premises of a Party shall be and remain the property of the Party providing such equipment regardless of the mode and manner of annexation or attachment to real property, unless otherwise mutually agreed by the Parties.

- 8.4 Provision of Data from a Variable Energy Resource.** The Surplus Interconnection Service Customer whose Generating Facility is a Variable Energy Resource shall provide meteorological and forced outage data to the Transmission Provider to the extent necessary for the Transmission Provider's development and deployment of power production forecasts for that class of Variable Energy Resources. The Surplus Interconnection Service Customer with a Variable Energy Resource having wind as the energy source, at a minimum, will be required to provide the Transmission Provider with (i) site-specific meteorological data including: temperature, wind speed, wind direction, relative humidity and atmospheric pressure and (ii) site specific geographic data including location (latitude and longitude) of the Variable Energy Resource and location (latitude and longitude) and height of the facility that will contain the equipment necessary to provide the meteorological data for such resource. The Surplus Interconnection Service Customer with a Variable Energy Resource having solar as the energy source, at a minimum, will be required to provide the Transmission Provider with site-specific meteorological data including: temperature, atmospheric pressure, and irradiance. The Transmission Provider and Surplus Interconnection Service Customer whose Generating Facility is a Variable Energy Resource shall mutually agree to any additional meteorological data that are required for the development and deployment of a power production forecast. The Surplus Interconnection Service Customer whose Generating Facility is a Variable Energy Resource also shall submit data to the Transmission Provider regarding all forced outages to the extent necessary for the

Transmission Provider's development and deployment of power production forecasts for that class of Variable Energy Resources. The exact specifications of the meteorological and forced outage data to be provided by the Surplus Interconnection Service Customer to the Transmission Provider, including the frequency and timing of data submittals, shall be made taking into account the size and configuration of the Variable Energy Resource, its characteristics, location, and its importance in maintaining generation resource adequacy and transmission system reliability in its area. All requirements for meteorological, geographical and forced outage data must be commensurate with the power production forecasting employed by the Transmission Provider. Such requirements for meteorological, geographical and forced outage data are set forth in Appendix C, Interconnection Details, of this Surplus Interconnection Service GIA, as they may change from time to time.

8.5 Phasor Measurement Unit (PMU) Recording Equipment. Prior to the Initial Synchronization Date of a Generating Facility having a Generating Facility Capacity equal to or greater than 50 MW, phasor measurement recording and communications equipment shall be installed by the Transmission Owner at Surplus Interconnection Service Customer's expense that is capable of gathering phasor measurements as specified in the PMU Communications Handbook. To the extent similar quality equipment is being added or already exists, such as relays or digital fault recorders, that can collect data at least at the same rate as PMUs and which data is synchronized via a high-accuracy satellite clock, such equipment can be utilized to satisfy this requirement if the equipment is located on the Transmission Owner's side of the Point of Change of Ownership and if mutually agreed to by the Parties. The phasor measurement equipment shall be installed at the Transmission Owner's side of the Point of Change of Ownership and become part of the Transmission Owner Interconnection Facilities. Phasor measurements shall be streamed in IEEE C37.118 or equivalent format and be provided to the Transmission Provider. This data shall at least be sufficient to determine (i) positive-sequence voltage magnitude and angle, (ii) positive-sequence current magnitude and angle, (iii) frequency, and (iv) rate of change of frequency. Such data shall be transmitted over the data circuit(s) as indicated in Article 8.1.

Each Party will promptly advise the other Parties if it detects or otherwise learns of any metering, telemetry or communications equipment errors or malfunctions that require the attention and/or correction by the applicable Party. The Party owning such equipment shall correct such error or malfunction as soon as reasonably feasible.

ARTICLE 9. OPERATIONS

9.1 General. Each Party shall comply with the Applicable Reliability Council requirements. Each Party shall provide to the other Parties all information that may reasonably be required by the other Parties to comply with Applicable Laws and Regulations and Applicable Reliability Standards.

9.2 Control Area Notification. At least three months before Initial Synchronization Date, Surplus Interconnection Service Customer shall notify Transmission Provider and Transmission Owner in writing of the Control Area in which the Generating Facility will be located. If Surplus Interconnection Service Customer elects to locate the Generating

Facility in a Control Area other than the Control Area in which the Generating Facility is physically located, and if permitted to do so by the relevant transmission tariffs, all necessary arrangements, including but not limited to those set forth in Article 7 and Article 8 of this Surplus Interconnection Service GIA, and remote Control Area generator interchange agreements, if applicable, and the appropriate measures under such agreements, shall be executed and implemented prior to the placement of the Generating Facility in the other Control Area.

9.3 Transmission Provider and Transmission Owner Obligations. Transmission Provider and Transmission Owner shall cause the Transmission System and Transmission Owner's Interconnection Facilities to be operated, maintained and controlled in a safe and reliable manner and in accordance with this Surplus Interconnection Service GIA. Transmission Provider or Transmission Owner may provide operating instructions to Surplus Interconnection Service Customer consistent with this Surplus Interconnection Service GIA and Transmission Owner's operating protocols and procedures as they may change from time to time. Transmission Provider and Transmission Owner will consider changes to its operating protocols and procedures proposed by Surplus Interconnection Service Customer.

9.4 Surplus Interconnection Service Customer Obligations. Surplus Interconnection Service Customer shall at its own expense operate, maintain and control the Generating Facility and the Surplus Interconnection Service Customer's Interconnection Facilities in a safe and reliable manner and in accordance with this Surplus Interconnection Service GIA including the limitations in Appendix A. Surplus Interconnection Service Customer shall operate the Generating Facility and Surplus Interconnection Service Customer's Interconnection Facilities in accordance with all applicable requirements of the Control Area of which it is part, as such requirements are set forth in Appendix C, Interconnection Details, of this Surplus Interconnection Service GIA. Appendix C, Interconnection Details, will be modified to reflect changes to the requirements as they may change from time to time. Any Party may request that another Party provide copies of the requirements set forth in Appendix C, Interconnection Details, of this Surplus Interconnection Service GIA.

9.5 Start-Up and Synchronization. Consistent with the Parties' mutually acceptable procedures, the Surplus Interconnection Service Customer is responsible for the proper synchronization of the Generating Facility to the Transmission System.

9.6 Reactive Power and Primary Frequency Response.

9.6.1 Power Factor Design Criteria.

9.6.1.1 Synchronous Generation. Surplus Interconnection Service Customer shall design the Generating Facility to maintain a composite power delivery at continuous rated power output at the Point of Interconnection at a power factor within the range of 0.95 leading to 0.95 lagging, unless the Transmission Provider has established different requirements that apply to all synchronous generators in the Control Area on a comparable basis.

9.6.1.2 Non-Synchronous Generation. Surplus Interconnection Service Customer shall design the Generating Facility to maintain a composite power delivery at continuous rated power output at the high-side of the generator substation at a power factor within the range of 0.95 leading to 0.95 lagging, unless the Transmission Provider has established a different power factor range that applies to all non-synchronous generators in the Control Area on a comparable basis. This power factor range standard shall be dynamic and can be met using, for example, power electronics designed to supply this level of reactive capability (taking into account any limitations due to voltage level, real power output, etc.) or fixed and switched capacitors, or a combination of the two. This requirement shall only apply to newly interconnecting non-synchronous generators that had not executed an interconnection facilities study agreement as of September 21, 2016.

9.6.2 Voltage Schedules. Once Surplus Interconnection Service Customer has synchronized the Generating Facility with the Transmission System, Transmission Provider and/or Transmission Owner shall require Surplus Interconnection Service Customer to operate the Generating Facility to produce or absorb reactive power within the design limitations of the Generating Facility set forth in Article 9.6.1 (Power Factor Design Criteria). Transmission Owner's voltage schedules shall treat all sources of reactive power in the Control Area in an equitable and not unduly discriminatory manner. Transmission Owner shall exercise Reasonable Efforts to provide Surplus Interconnection Service Customer with such schedules at least one (1) day in advance, and may make changes to such schedules as necessary to maintain the reliability of the Transmission System. Surplus Interconnection Service Customer shall operate the Generating Facility to maintain the specified output voltage or power factor at the Point of Interconnection within the design limitations of the Generating Facility set forth in Article 9.6.1 (Power Factor Design Criteria). If Surplus Interconnection Service Customer is unable to maintain the specified voltage or power factor, it shall promptly notify the Transmission Owner.

9.6.2.1 Voltage Regulators. Whenever the Generating Facility is operated in parallel with the Transmission System and voltage regulators are capable of operation, Surplus Interconnection Service Customer shall operate the Generating Facility with its voltage regulators in automatic operation. If the Generating Facility's speed governors and voltage regulators are not capable of such automatic operation, the Surplus Interconnection Service Customer shall immediately notify Transmission Owner's system operator, or its designated representative, and ensure that such Generating Facility's reactive power production or absorption (measured in Mvars) are within the design capability of the Generating Facility's generating unit(s) and steady state stability limits. Surplus Interconnection Service Customer shall not cause its Generating Facility to disconnect automatically or instantaneously from the Transmission System or trip any generating unit comprising the Generating Facility for an under or over

frequency condition in accordance with Good Utility Practice and Applicable Reliability Standards.

9.6.3 Payment for Reactive Power. Transmission Provider is required to pay Surplus Interconnection Service Customer for reactive power that Surplus Interconnection Service Customer provides or absorbs from the Generating Facility when Transmission Owner requests Surplus Interconnection Service Customer to operate its Generating Facility outside the range specified in Article 9.6.1. Payments shall be pursuant to Article 11.8 or such other agreement to which the Parties have otherwise agreed; provided however, to the extent the Tariff contains a provision providing for such compensation, that Tariff provision shall control.

9.6.4 Primary Frequency Response. Surplus Interconnection Service Customer shall ensure the primary frequency response capability of its Generating Facility by installing, maintaining, and operating a functioning governor or equivalent controls. The term “functioning governor or equivalent controls” as used herein shall mean the required hardware and/or software that provides frequency responsive real power control with the ability to sense changes in system frequency and autonomously adjust the Generating Facility’s real power output in accordance with the droop and deadband parameters and in the direction needed to correct frequency deviations. Surplus Interconnection Service Customer is required to install a governor or equivalent controls with the capability of operating: (1) with a maximum 5 percent droop and ± 0.036 Hz deadband; or (2) in accordance with the relevant droop, deadband, and timely and sustained response settings from an approved NERC Reliability Standard providing for equivalent or more stringent parameters. The droop characteristic shall be: (1) based on the nameplate capacity of the Generating Facility, and shall be linear in the range of frequencies between 59 to 61 Hz that are outside of the deadband parameter; or (2) based on an approved NERC Reliability Standard providing for an equivalent or more stringent parameter. The deadband parameter shall be: the range of frequencies above and below nominal (60 Hz) in which the governor or equivalent controls is not expected to adjust the Generating Facility’s real power output in response to frequency deviations. The deadband shall be implemented: (1) without a step to the droop curve, that is, once the frequency deviation exceeds the deadband parameter, the expected change in the Generating Facility’s real power output in response to frequency deviations shall start from zero and then increase (for under-frequency deviations) or decrease (for over-frequency deviations) linearly in proportion to the magnitude of the frequency deviation; or (2) in accordance with an approved NERC Reliability Standard providing for an equivalent or more stringent parameter. Surplus Interconnection Service Customer shall notify Transmission Provider that the primary frequency response capability of the Generating Facility has been tested and confirmed during commissioning. Once Surplus Interconnection Service Customer has synchronized the Generating Facility with the Transmission System, Surplus Interconnection Service Customer shall operate the Generating Facility consistent with the provisions specified in Sections 9.6.4.1 and 9.6.4.2 of this Agreement.

The primary frequency response requirements contained herein shall apply to both synchronous and non-synchronous Generating Facilities.

9.6.4.1 Governor or Equivalent Controls. Whenever the Generating Facility is operated in parallel with the Transmission System, Surplus Interconnection Service Customer shall operate the Generating Facility with its governor or equivalent controls in service and responsive to frequency. Surplus Interconnection Service Customer shall: (1) in coordination with Transmission Provider and/or the relevant balancing authority, set the deadband parameter to: (1) a maximum of ± 0.036 Hz and set the droop parameter to a maximum of 5 percent; or (2) implement the relevant droop and deadband settings from an approved NERC Reliability Standard that provides for equivalent or more stringent parameters. Surplus Interconnection Service Customer shall be required to provide the status and settings of the governor or equivalent controls to Transmission Provider and/or the relevant balancing authority upon request. If Surplus Interconnection Service Customer needs to operate the Generating Facility with its governor or equivalent controls not in service, Surplus Interconnection Service Customer shall immediately notify Transmission Provider and the relevant balancing authority, and provide both with the following information: (1) the operating status of the governor or equivalent controls (i.e., whether it is currently out of service or when it will be taken out of service); (2) the reasons for removing the governor or equivalent controls from service; and (3) a reasonable estimate of when the governor or equivalent controls will be returned to service. Surplus Interconnection Service Customer shall make Reasonable Efforts to return its governor or equivalent controls into service as soon as practicable. Surplus Interconnection Service Customer shall make Reasonable Efforts to keep outages of the Generating Facility's governor or equivalent controls to a minimum whenever the Generating Facility is operated in parallel with the Transmission System.

9.6.4.2 Timely and Sustained Response. Surplus Interconnection Service Customer shall ensure that the Generating Facility's real power response to sustained frequency deviations outside of the deadband setting is automatically provided and shall begin immediately after frequency deviates outside of the deadband, and to the extent the Generating Facility has operating capability in the direction needed to correct the frequency deviation. Surplus Interconnection Service Customer shall not block or otherwise inhibit the ability of the governor or equivalent controls to respond and shall ensure that the response is not inhibited, except under certain operational constraints including, but not limited to, ambient temperature limitations, physical energy limitations, outages of mechanical equipment, or regulatory requirements. The Generating Facility shall sustain the real power response at least until system frequency returns to a value within the deadband setting of the governor or equivalent controls. A Commission-approved Reliability Standard with

equivalent or more stringent requirements shall supersede the above requirements.

9.6.4.3 Exemptions. Generating Facilities that are regulated by the United States Nuclear Regulatory Commission shall be exempt from Sections 9.6.4, 9.6.4.1, and 9.6.4.2 of this Agreement. Generating Facilities that are behind the meter generation that is sized-to-load (i.e., the thermal load and the generation are near-balanced in real-time operation and the generation is primarily controlled to maintain the unique thermal, chemical, or mechanical output necessary for the operating requirements of its host facility) shall be required to install primary frequency response capability in accordance with the droop and deadband capability requirements specified in Section 9.6.4, but shall be otherwise exempt from the operating requirements in Sections 9.6.4, 9.6.4.1, 9.6.4.2, and 9.6.4.4 of this Agreement.

9.6.4.4 Electric Storage Resources. Surplus Interconnection Service Customer interconnecting an electric storage resource shall establish an operating range in Appendix C of its Surplus Interconnection Service GIA that specifies a minimum state of charge and a maximum state of charge between which the electric storage resource will be required to provide primary frequency response consistent with the conditions set forth in Sections 9.6.4, 9.6.4.1, 9.6.4.2 and 9.6.4.3 of this Agreement. Appendix C shall specify whether the operating range is static or dynamic, and shall consider (1) the expected magnitude of frequency deviations in the interconnection; (2) the expected duration that system frequency will remain outside of the deadband parameter in the interconnection; (3) the expected incidence of frequency deviations outside of the deadband parameter in the interconnection; (4) the physical capabilities of the electric storage resource; (5) operational limitations of the electric storage resource due to manufacturer specifications; and (6) any other relevant factors agreed to by Transmission Provider and Surplus Interconnection Service Customer, and in consultation with the relevant transmission owner or balancing authority as appropriate. If the operating range is dynamic, then Appendix C must establish how frequently the operating range will be reevaluated and the factors that may be considered during its reevaluation.

Surplus Interconnection Service Customer's electric storage resource is required to provide timely and sustained primary frequency response consistent with Section 9.6.4.2 of this Agreement when it is online and dispatched to inject electricity to the Transmission System and/or receive electricity from the Transmission System. This excludes circumstances when the electric storage resource is not dispatched to inject electricity to the Transmission System and/or dispatched to receive electricity from the Transmission System. If Surplus Interconnection Service Customer's electric storage resource is charging at the time of a frequency deviation

outside of its deadband parameter, it is to increase (for over-frequency deviations) or decrease (for under-frequency deviations) the rate at which it is charging in accordance with its droop parameter. Surplus Interconnection Service Customer's electric storage resource is not required to change from charging to discharging, or vice versa, unless the response necessitated by the droop and deadband settings requires it to do so and it is technically capable of making such a transition.

9.7 Outages and Interruptions.

9.7.1 Outages.

9.7.1.1 Outage Authority and Coordination. Each Party may in accordance with Good Utility Practice in coordination with the other Party remove from service any of its respective Interconnection Facilities or Contingent Facilities that may impact the other Party's facilities as necessary to perform maintenance or testing or to install or replace equipment. Absent an Emergency Condition, the Party scheduling a removal of such facility(ies) from service will use Reasonable Efforts to schedule such removal on a date and time mutually acceptable to all Parties. In all circumstances, any Party planning to remove such facility(ies) from service shall use Reasonable Efforts to minimize the effect on the other Parties of such removal.

9.7.1.2 Outage Schedules. Transmission Provider shall post scheduled outages of its transmission facilities on the OASIS. Surplus Interconnection Service Customer shall submit its planned maintenance schedules for the Generating Facility to Transmission Provider for a minimum of a rolling twenty-four month period. Surplus Interconnection Service Customer shall update its planned maintenance schedules as necessary. Transmission Provider may request Surplus Interconnection Service Customer to reschedule its maintenance as necessary to maintain the reliability of the Transmission System; provided, however, adequacy of generation supply shall not be a criterion in determining Transmission System reliability. Transmission Provider shall compensate Surplus Interconnection Service Customer for any additional direct costs that Surplus Interconnection Service Customer incurs as a result of having to reschedule maintenance, including any additional overtime, breaking of maintenance contracts or other costs above and beyond the cost Surplus Interconnection Service Customer would have incurred absent Transmission Provider's request to reschedule maintenance. Surplus Interconnection Service Customer will not be eligible to receive compensation, if during the twelve (12) months prior to the date of the scheduled maintenance, Surplus Interconnection Service Customer had modified its schedule of maintenance activities.

9.7.1.3 Outage Restoration. If an outage on a Party's Interconnection Facilities or Contingent Facilities adversely affects another Party's operations or

facilities, the Party that owns or controls the facility that is out of service shall use Reasonable Efforts to promptly restore such facility(ies) to a normal operating condition consistent with the nature of the outage. The Party that owns or controls the facility that is out of service shall provide the other Parties, to the extent such information is known, information on the nature of the Emergency Condition, an estimated time of restoration, and any corrective actions required. Initial verbal notice shall be followed up as soon as practicable with written notice explaining the nature of the outage.

9.7.2 Interruption of Service. If required by Good Utility Practice to do so, Transmission Provider and/or Transmission Owner may require Surplus Interconnection Service Customer to interrupt or reduce deliveries of electricity if such delivery of electricity could adversely affect Transmission Provider's and/or Transmission Owner's ability to perform such activities as are necessary to safely and reliably operate and maintain the Transmission System. The following provisions shall apply to any interruption or reduction permitted under this Article 9.7.2:

9.7.2.1 The interruption or reduction shall continue only for so long as reasonably necessary under Good Utility Practice;

9.7.2.2 Any such interruption or reduction shall be made on an equitable, non-discriminatory basis with respect to all generating facilities directly connected to the Transmission System;

9.7.2.3 When the interruption or reduction must be made under circumstances which do not allow for advance notice, Transmission Provider or Transmission Owner shall notify Surplus Interconnection Service Customer by telephone as soon as practicable of the reasons for the curtailment, interruption, or reduction, and, if known, its expected duration. Telephone notification shall be followed by written notification as soon as practicable;

9.7.2.4 Except during the existence of an Emergency Condition, when the interruption or reduction can be scheduled without advance notice, Transmission Provider or Transmission Owner shall notify Surplus Interconnection Service Customer in advance regarding the timing of such scheduling and further notify Surplus Interconnection Service Customer of the expected duration. Transmission Provider or Transmission Owner shall coordinate with Surplus Interconnection Service Customer using Good Utility Practice to schedule the interruption or reduction during periods of least impact to Surplus Interconnection Service Customer and Transmission Owner;

9.7.2.5 The Parties shall cooperate and coordinate with each other to the extent necessary in order to restore the Generating Facility, Interconnection

Facilities, and the Transmission System to their normal operating state, consistent with system conditions and Good Utility Practice.

9.7.3 Under-Frequency and Over Frequency Conditions. The Transmission System is designed to automatically activate a load-shed program as required by the Applicable Reliability Council in the event of an under-frequency system disturbance. Surplus Interconnection Service Customer shall implement under-frequency and over-frequency relay set points for the Generating Facility as required by the Applicable Reliability Council to ensure "ride through" capability of the Transmission System. Generating Facility response to frequency deviations of pre-determined magnitudes, both under-frequency and over-frequency deviations, shall be studied and coordinated with Transmission Provider in accordance with Good Utility Practice. The term "ride through" as used herein shall mean the ability of a generating facility to stay connected to and synchronized with the Transmission System during system disturbances within a range of under-frequency and over-frequency conditions, in accordance with Good Utility Practice.

9.7.3.1 Frequency Ride Through and Voltage Ride Through for a Generating Facility no larger than 20 MW. For Generating Facilities no larger than 20 MW, the Surplus Interconnection Service Customer shall ensure "frequency ride through" capability and "voltage ride through" capability of its Generating Facility. The Surplus Interconnection Service Customer shall enable these capabilities such that its Generating Facility shall not disconnect automatically or instantaneously from the system or equipment of the Transmission Provider and any Affected Systems for a defined under-frequency or over-frequency condition, or an under-voltage or over-voltage condition, as tested pursuant to Article 6.1 of this agreement. The defined conditions shall be in accordance with Good Utility Practice and consistent with any standards and guidelines that are applied to other generating facilities in the Balancing Authority Area on a comparable basis. The Generating Facility's protective equipment settings shall comply with the Transmission Provider's automatic load-shed program. The Transmission Provider shall review the protective equipment settings to confirm compliance with the automatic load-shed program. The term "ride through" as used herein shall mean the ability of a Generating Facility to stay connected to and synchronized with the system or equipment of the Transmission Provider and any Affected Systems during system disturbances within a range of conditions, in accordance with Good Utility Practice and consistent with any standards and guidelines that are applied to other generating facilities in the Balancing Authority on a comparable basis. The term "frequency ride through" as used herein shall mean the ability of a Generating Facility to stay connected to and synchronized with the system or equipment of the Transmission Provider and any Affected Systems during system disturbances within a range of under-frequency and over-frequency conditions, in accordance with Good Utility Practice and consistent with any standards and guidelines that are

applied to other generating facilities in the Balancing Authority Area on a comparable basis. The term “voltage ride through” as used herein shall mean the ability of a Generating Facility to stay connected to and synchronized with the system or equipment of the Transmission Provider and any Affected Systems during system disturbances within a range of under-voltage and over-voltage conditions, in accordance with Good Utility Practice and consistent with any standards and guidelines that are applied to other generating facilities in the Balancing Authority Area on a comparable basis.

9.7.4 System Protection and Other Control Requirements.

9.7.4.1 System Protection Facilities. Surplus Interconnection Service Customer shall, at its expense, install, operate and maintain System Protection Facilities and other control equipment as a part of the Generating Facility or Surplus Interconnection Service Customer's Interconnection Facilities to ensure the Generating Facility can be operated in accordance with the limitations in Appendix A. Transmission Owner shall install at Surplus Interconnection Service Customer's expense any System Protection Facilities that may be required on Transmission Owner's Interconnection Facilities or the Transmission System as a result of the interconnection of the Generating Facility and the Surplus Interconnection Service Customer's Interconnection Facilities.

9.7.4.2 Each Party's protection facilities shall be designed and coordinated with other systems in accordance with Good Utility Practice.

9.7.4.3 Each Party shall be responsible for protection of its facilities consistent with Good Utility Practice.

9.7.4.4 Each Party's protective relay design shall incorporate the necessary test switches to perform the tests required in Article 6. The required test switches will be placed such that they allow operation of lockout relays while preventing breaker failure schemes from operating and causing unnecessary breaker operations and/or the tripping of Surplus Interconnection Service Customer's units.

9.7.4.5 Each Party will test, operate and maintain System Protection Facilities in accordance with Good Utility Practice.

9.7.4.6 Prior to the In-Service Date, and again prior to the Commercial Operation Date, each Party or its agent shall perform a complete calibration test and functional trip test of the System Protection Facilities. At intervals suggested by Good Utility Practice and following any apparent malfunction of the System Protection Facilities, each Party shall perform both calibration and functional trip tests of its System Protection Facilities. These tests do not require the tripping of any in-service generation unit.

These tests do, however, require that all protective relays and lockout contacts be activated.

9.7.5 Requirements for Protection. In compliance with Good Utility Practice, Surplus Interconnection Service Customer shall provide, install, own, and maintain relays, circuit breakers and all other devices necessary to remove any fault contribution of the Generating Facility to any short circuit occurring on the Transmission System not otherwise isolated by Transmission Owner's equipment, such that the removal of the fault contribution shall be coordinated with the protective requirements of the Transmission System. Such protective equipment shall include, without limitation, a disconnecting device or switch with load-interrupting capability located between the Generating Facility and the Transmission System at a site selected upon mutual agreement (not to be unreasonably withheld, conditioned or delayed) of the Parties. Surplus Interconnection Service Customer shall be responsible for protection of the Generating Facility and Surplus Interconnection Service Customer's other equipment from such conditions as negative sequence currents, over- or under-frequency, sudden load rejection, over- or under-voltage, and generator loss-of-field. Surplus Interconnection Service Customer shall be solely responsible to disconnect the Generating Facility and Surplus Interconnection Service Customer's other equipment if conditions on the Transmission System could adversely affect the Generating Facility.

9.7.6 Power Quality. No Party's facilities shall cause excessive voltage flicker nor introduce excessive distortion to the sinusoidal voltage or current waves as defined by ANSI Standard C84.1-1989, in accordance with IEEE Standard 519, or any applicable superseding electric industry standard. In the event of a conflict between ANSI Standard C84.1-1989, or any applicable superseding electric industry standard, ANSI Standard C84.1-1989, or the applicable superseding electric industry standard, shall control.

9.8 Switching and Tagging Rules. Each Party shall provide the other Parties a copy of its switching and tagging rules that are applicable to the other Party's activities. Such switching and tagging rules shall be developed on a non-discriminatory basis. The Parties shall comply with applicable switching and tagging rules, as amended from time to time, in obtaining clearances for work or for switching operations on equipment.

9.9 Use of Interconnection Facilities by Third Parties.

9.9.1 Purpose of Interconnection Facilities. Except as may be required by Applicable Laws and Regulations, or as otherwise agreed to among the Parties, the Interconnection Facilities shall be constructed for the sole purpose of interconnecting the Generating Facility to the Transmission System and shall be used for no other purpose.

9.9.2 Third Party Users. If required by Applicable Laws and Regulations or if the Parties mutually agree, such agreement not to be unreasonably withheld, to allow one or more third parties to use Transmission Owner's Interconnection Facilities,

or any part thereof, Surplus Interconnection Service Customer will be entitled to compensation for the capital expenses it incurred in connection with the Interconnection Facilities based upon the pro rata use of the Interconnection Facilities by Transmission Owner, all third party users, and Surplus Interconnection Service Customer, in accordance with Applicable Laws and Regulations or upon some other mutually-agreed upon methodology. In addition, cost responsibility for ongoing costs, including operation and maintenance costs associated with the Interconnection Facilities, will be allocated between Surplus Interconnection Service Customer and any third party users based upon the pro rata use of the Interconnection Facilities by Transmission Owner, all third party users, and Surplus Interconnection Service Customer, in accordance with Applicable Laws and Regulations or upon some other mutually agreed upon methodology. If the issue of such compensation or allocation cannot be resolved through such negotiations, it shall be submitted to FERC for resolution.

- 9.10 Disturbance Analysis Data Exchange.** The Parties will cooperate with one another in the analysis of disturbances to either the Generating Facility or the Transmission System by gathering and providing access to any information relating to any disturbance, including information from oscillography, protective relay targets, breaker operations and sequence of events records, and any disturbance information required by Good Utility Practice.

ARTICLE 10. MAINTENANCE

- 10.1 Transmission Owner Obligations.** Transmission Owner shall maintain the Transmission System and Transmission Owner's Interconnection Facilities in a safe and reliable manner and in accordance with this Surplus Interconnection Service GIA.
- 10.2 Surplus Interconnection Service Customer Obligations.** Surplus Interconnection Service Customer shall maintain the Generating Facility and Surplus Interconnection Service Customer's Interconnection Facilities in a safe and reliable manner and in accordance with this Surplus Interconnection Service GIA.
- 10.3 Coordination.** The Parties shall confer regularly to coordinate the planning, scheduling and performance of preventive and corrective maintenance on the Generating Facility and the Interconnection Facilities.
- 10.4 Secondary Systems.** Each Party shall cooperate with the others in the inspection, maintenance, and testing of control or power circuits that operate below 600 volts, AC or DC, including, but not limited to, any hardware, control or protective devices, cables, conductors, electric raceways, secondary equipment panels, transducers, batteries, chargers, and voltage and current transformers that directly affect the operation of a Party's facilities and equipment which may reasonably be expected to impact another Party. Each Party shall provide advance notice to the other Parties before undertaking any work on such circuits, especially on electrical circuits involving circuit breaker trip and close contacts, current transformers, or potential transformers.

10.5 Operating and Maintenance Expenses. Subject to the provisions herein addressing the use of facilities by others, and except for operations and maintenance expenses associated with modifications made for providing interconnection or transmission service to a third party and such third party pays for such expenses, Surplus Interconnection Service Customer shall be responsible for all reasonable expenses including overheads, associated with: (1) owning, operating, maintaining, repairing, and replacing Surplus Interconnection Service Customer's Interconnection Facilities; and (2) operation, maintenance, repair and replacement of Transmission Owner's Interconnection Facilities.

ARTICLE 11. PERFORMANCE OBLIGATION

11.1 Surplus Interconnection Service Customer Interconnection Facilities. Surplus Interconnection Service Customer shall design, procure, construct, install, own and/or control Surplus Interconnection Service Customer's Interconnection Facilities described in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades, at its sole expense.

11.2 Generating Facility. Surplus Interconnection Service Customer shall install the Generating Facilities described in Appendix C within three (3) years of the Commercial Operation Date(s) specified in Appendix B and shall ensure that its Generating Facility is operated subject to the limitations specified in Appendix A.

11.3 Transmission Owner's Interconnection Facilities. Transmission Owner shall design, procure, construct, install, own and/or control the Transmission Owner's Interconnection Facilities described in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades, at the sole expense of the Surplus Interconnection Service Customer.

11.4 Distribution Upgrades. All Distribution Upgrades described in Appendix A shall be constructed in accordance with the process set forth in Section VI of Attachment O. Transmission Owner shall design, procure, construct, install, and own the Distribution Upgrades described in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades that are associated with that Transmission Owner's system. The Distribution Upgrades described in Appendix A shall be solely funded by Surplus Interconnection Service Customer unless Transmission Owner elects to fund the capital for the Distribution Upgrades.

11.4.1 Reserved

11.4.2 Contingencies Affecting Contingent Facilities, System Protection Facilities and Distribution Upgrades. Contingent Facilities, System Protection Facilities and Distribution Upgrades that are required to accommodate the Generating Facility may be modified because (a) a higher queued Interconnection Request withdrew or was deemed to have withdrawn, (b) the GIA associated with a higher queued Interconnection Request was terminated, or (c) changes occur in equipment design standards or reliability criteria giving rise to the need for restudy. The higher queued Interconnection Requests that could impact the Contingent

Facilities, System Protection Facilities and Distribution Upgrades required to accommodate the Generating Facility, and possible modifications that may result from the above listed events affecting the higher queued Interconnection Requests, to the extent such modifications are reasonably known and can be determined, and estimates of the costs associated with such required Contingent Facilities, System Protection Facilities and Distribution Upgrades, shall be provided in Appendix A.

11.5 Reserved

11.6 Reserved

11.7 Reserved

11.8 Surplus Interconnection Service Customer Compensation. If Transmission Provider or Transmission Owner requests or directs Surplus Interconnection Service Customer to provide a service pursuant to Articles 9.6.3 (Payment for Reactive Power), or 13.5.1 of this Surplus Interconnection Service GIA, Transmission Provider shall compensate Surplus Interconnection Service Customer in accordance with Surplus Interconnection Service Customer's applicable rate schedule then in effect unless the provision of such service(s) is subject to the Tariff. Surplus Interconnection Service Customer shall serve Transmission Provider with any filing of a proposed rate schedule at the time of such filing with FERC. To the extent that no rate schedule is in effect at the time the Surplus Interconnection Service Customer is required to provide or absorb any Reactive Power under this Surplus Interconnection Service GIA, Transmission Provider agrees to compensate Surplus Interconnection Service Customer in such amount as would have been due Surplus Interconnection Service Customer had the rate schedule been in effect at the time service commenced; provided, however, that such rate schedule must be filed at FERC or other appropriate Governmental Authority within sixty (60) Calendar Days of the commencement of service.

11.8.1 Surplus Interconnection Service Customer Compensation for Actions During Emergency Condition. Transmission Provider shall compensate Surplus Interconnection Service Customer for its provision of real and reactive power and other Emergency Condition services that Surplus Interconnection Service Customer provides to support the Transmission System during an Emergency Condition in accordance with Article 11.8.

ARTICLE 12. INVOICE

The terms of this Article 12 apply to billing between the Parties for construction and operation and maintenance charges. All other billing will be handled according to the Tariff.

12.1 General. Each Party shall submit to the other Party, on a monthly basis, invoices of amounts due for the preceding month. Each invoice shall state the month to which the invoice applies and fully describe the services and equipment provided. The Parties may discharge mutual debts and payment obligations due and owing to each other on the same date through netting, in which case all amounts a Party owes to the other Party under this

Surplus Interconnection Service GIA, including interest payments or credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

- 12.2 Final Invoice.** Within six months after completion of the construction of Interconnection Facilities, the Surplus Interconnection Service Customer shall receive an invoice of the final cost due under this Surplus Interconnection Service GIA, including any applicable cost due to termination, which shall set forth such costs in sufficient detail to enable Surplus Interconnection Service Customer to compare the actual costs with the estimates and to ascertain deviations, if any, from the cost estimates. Surplus Interconnection Service Customer shall receive a refund of any amount by which the actual payment by Surplus Interconnection Service Customer for estimated costs exceeds the actual costs of construction within thirty (30) Calendar Days of the issuance of such final construction invoice.
- 12.3 Payment.** Invoices shall be rendered to the paying Party at the address specified in Appendix F. The Party receiving the invoice shall pay the invoice within thirty (30) Calendar Days of receipt. All payments shall be made in immediately available funds payable to the other Party, or by wire transfer to a bank named and account designated by the invoicing Party. Payment of invoices by either Party will not constitute a waiver of any rights or claims either Party may have under this Surplus Interconnection Service GIA.
- 12.4 Disputes.** In the event of a billing dispute between the Parties, Transmission Owner, and Transmission Provider shall continue to provide Interconnection Service under this Surplus Interconnection Service GIA as long as Surplus Interconnection Service Customer: (i) continues to make all payments not in dispute; and (ii) pays to Transmission Owner or into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If Surplus Interconnection Service Customer fails to meet these two requirements for continuation of service, then Transmission Owner may provide notice to Surplus Interconnection Service Customer of a Default pursuant to Article 17. Within thirty (30) Calendar Days after the resolution of the dispute, the Party that owes money to the other Party shall pay the amount due with interest calculated in accord with the methodology set forth in FERC's regulations at 18 C.F.R. § 35.19a(a)(2)(iii).

ARTICLE 13. EMERGENCIES

- 13.1 Definition.** "Emergency Condition" shall mean a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of a Transmission Provider, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to the Transmission System, or the electric systems of others to which the Transmission Provider's Transmission System is directly connected; or (3) that, in the case of Transmission Owner, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, Transmission Owner's Interconnection Facilities; or (4) that, in the case of Surplus Interconnection Service Customer, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, the Generating Facility

or Surplus Interconnection Service Customer's Interconnection Facilities. System restoration and black start shall be considered Emergency Conditions; provided that Surplus Interconnection Service Customer is not obligated by the Generator Interconnection Agreement to possess black start capability.

13.2 Obligations. Each Party shall comply with the Emergency Condition procedures of NERC, the Applicable Reliability Council, Transmission Provider, Applicable Laws and Regulations, and any emergency procedures agreed to by the Joint Operating Committee.

13.3 Notice. Transmission Provider or Transmission Owner shall notify Surplus Interconnection Service Customer promptly when it becomes aware of an Emergency Condition that affects Transmission Owner's Interconnection Facilities or the Transmission System that may reasonably be expected to affect Surplus Interconnection Service Customer's operation of the Generating Facility or Surplus Interconnection Service Customer's Interconnection Facilities. Surplus Interconnection Service Customer shall notify Transmission Provider and Transmission Owner promptly when it becomes aware of an Emergency Condition that affects the Generating Facility or Surplus Interconnection Service Customer's Interconnection Facilities that may reasonably be expected to affect the Transmission System or Transmission Owner's Interconnection Facilities. To the extent information is known, the notification shall describe the Emergency Condition, the extent of the damage or deficiency, the expected effect on the operation of Surplus Interconnection Service Customer's or Transmission Owner's facilities and operations, its anticipated duration and the corrective action taken and/or to be taken. The initial notice shall be followed as soon as practicable with written notice.

13.4 Immediate Action. Unless, in Surplus Interconnection Service Customer's reasonable judgment, immediate action is required, Surplus Interconnection Service Customer shall obtain the consent of Transmission Owner, such consent to not be unreasonably withheld, prior to performing any manual switching operations at the Generating Facility or Surplus Interconnection Service Customer's Interconnection Facilities in response to an Emergency Condition either declared by Transmission Provider or Transmission Owner or otherwise regarding the Transmission System.

13.5 Transmission Provider and Transmission Owner Authority.

13.5.1 General. Transmission Provider and/or Transmission Owner may take whatever actions or inactions with regard to the Transmission System or Transmission Owner's Interconnection Facilities it deems necessary during an Emergency Condition in order to (i) preserve public health and safety, (ii) preserve the reliability of the Transmission System or Transmission Owner's Interconnection Facilities, (iii) limit or prevent damage, and (iv) expedite restoration of service.

Transmission Provider and Transmission Owner shall use Reasonable Efforts to minimize the effect of such actions or inactions on the Generating Facility or Surplus Interconnection Service Customer's Interconnection Facilities. Transmission Provider and/or Transmission Owner may, on the basis of technical considerations and notwithstanding the limitations specified in Appendix A, require the Generating Facility to mitigate an Emergency Condition by taking

actions necessary and limited in scope to remedy the Emergency Condition, including, but not limited to, directing Surplus Interconnection Service Customer to shut-down, start-up, increase or decrease the real or reactive power output of the Generating Facility; implementing a reduction or disconnection pursuant to Article 13.5.2; directing Surplus Interconnection Service Customer to assist with blackstart (if available) or restoration efforts; or altering the outage schedules of the Generating Facility and Surplus Interconnection Service Customer's Interconnection Facilities. Surplus Interconnection Service Customer shall comply with all of Transmission Provider's and Transmission Owner's operating instructions concerning Generating Facility real power and reactive power output within the manufacturer's design limitations of the Generating Facility's equipment that is in service and physically available for operation at the time, in compliance with Applicable Laws and Regulations.

13.5.2 Reduction and Disconnection. Transmission Provider and/or Transmission Owner may reduce Interconnection Service or disconnect the Generating Facility or Surplus Interconnection Service Customer's Interconnection Facilities, when such reduction or disconnection is necessary under Good Utility Practice due to Emergency Conditions. These rights are separate and distinct from any right of curtailment of Transmission Provider pursuant to Transmission Provider's Tariff. When Transmission Provider and/or Transmission Owner can schedule the reduction or disconnection in advance, Transmission Provider and/or Transmission Owner shall notify Surplus Interconnection Service Customer of the reasons, timing and expected duration of the reduction or disconnection. Transmission Provider and/or Transmission Owner shall coordinate with Surplus Interconnection Service Customer using Good Utility Practice to schedule the reduction or disconnection during periods of least impact to Surplus Interconnection Service Customer, Transmission Provider and/or Transmission Owner. Any reduction or disconnection shall continue only for so long as reasonably necessary under Good Utility Practice. The Parties shall cooperate with each other to restore the Generating Facility, the Interconnection Facilities, and the Transmission System to their normal operating state as soon as practicable consistent with Good Utility Practice.

13.6 Surplus Interconnection Service Customer Authority. Consistent with Good Utility Practice and the Surplus Interconnection Service GIA and the GIP, Surplus Interconnection Service Customer may take actions or inactions with regard to the Generating Facility or Surplus Interconnection Service Customer's Interconnection Facilities during an Emergency Condition in order to (i) preserve public health and safety, (ii) preserve the reliability of the Generating Facility or Surplus Interconnection Service Customer's Interconnection Facilities, (iii) limit or prevent damage, and (iv) expedite restoration of service. Surplus Interconnection Service Customer shall use Reasonable Efforts to minimize the effect of such actions or inactions on the Transmission System and Transmission Owner's Interconnection Facilities. Transmission Provider and/or Transmission Owner shall use Reasonable Efforts to assist Surplus Interconnection Service Customer in such actions.

13.7 Limited Liability. Except as otherwise provided in Article 11.8.1 of this Surplus Interconnection Service GIA, no Party shall be liable to the other Parties for any action it takes in responding to an Emergency Condition so long as such action is made in good faith and is consistent with Good Utility Practice.

ARTICLE 14. REGULATORY REQUIREMENTS AND GOVERNING LAW

14.1 Regulatory Requirements. Each Party's obligations under this Surplus Interconnection Service GIA shall be subject to its receipt of any required approval or certificate from one or more Governmental Authorities in the form and substance satisfactory to the applying Party, or the Party making any required filings with, or providing notice to, such Governmental Authorities, and the expiration of any time period associated therewith. Each Party shall in good faith seek and use its Reasonable Efforts to obtain such other approvals. Nothing in this Surplus Interconnection Service GIA shall require Surplus Interconnection Service Customer to take any action that could result in its inability to obtain, or its loss of, status or exemption under the Federal Power Act the Public Utility Holding Company Act of 2005, or the Public Utility Regulatory Policies Act of 1978 as amended by the 2005 Energy Policy Act.

14.2 Governing Law.

14.2.1 The validity, interpretation and performance of this Surplus Interconnection Service GIA and each of its provisions shall be governed by the laws of the state where the Point of Interconnection is located, without regard to its conflicts of law principles.

14.2.2 This Surplus Interconnection Service GIA is subject to all Applicable Laws and Regulations.

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

ARTICLE 15. NOTICES.

15.1 General. Unless otherwise provided in this Surplus Interconnection Service GIA, any notice, demand or request required or permitted to be given by any Party to another and any instrument required or permitted to be tendered or delivered by any Party in writing to another shall be effective when delivered and may be so given, tendered or delivered, by recognized national courier, or by depositing the same with the United States Postal Service with postage prepaid, for delivery by certified or registered mail, addressed to the Party, or personally delivered to the Party, at the address set out in Appendix F, Addresses for Delivery of Notices and Billings.

Any Party may change the notice information in this Surplus Interconnection Service GIA by giving five (5) Business Days written notice prior to the effective date of the change.

- 15.2 Billings and Payments.** Billings and payments shall be sent to the addresses set out in Appendix F.
- 15.3 Alternative Forms of Notice.** Any notice or request required or permitted to be given by any Party to another and not required by this Agreement to be given in writing may be so given by telephone, facsimile or email to the telephone numbers and email addresses set out in Appendix F.
- 15.4 Operations and Maintenance Notice.** Each Party shall notify the other Parties in writing of the identity of the person(s) that it designates as the point(s) of contact with respect to the implementation of Articles 9 and 10.

ARTICLE 16. FORCE MAJEURE

16.1 Force Majeure.

16.1.1 Economic hardship is not considered a Force Majeure event.

16.1.2 No Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 4), other than the obligation to pay money when due, if prevented from fulfilling such obligation by Force Majeure. A Party unable to fulfill any obligation hereunder (other than an obligation to pay money when due) by reason of Force Majeure shall give notice and the full particulars of such Force Majeure to the other Parties in writing or by telephone as soon as reasonably possible after the occurrence of the cause relied upon. Telephone notices given pursuant to this article shall be confirmed in writing as soon as reasonably possible and shall specifically state full particulars of the Force Majeure, the time and date when the Force Majeure occurred and when the Force Majeure is reasonably expected to cease. The Party affected shall exercise due diligence to remove such disability with reasonable dispatch, but shall not be required to accede or agree to any provision not satisfactory to it in order to settle and terminate a strike or other labor disturbance.

ARTICLE 17. DEFAULT

17.1 Default.

17.1.1 General. No Default shall exist where such failure to discharge an obligation (other than the payment of money) is the result of Force Majeure as defined in this Surplus Interconnection Service GIA or the result of an act or omission of another Party. Upon a Breach, the non-breaching Party shall give written notice of such Breach to the breaching Party. Except as provided in Article 17.1.2, the breaching Party shall have thirty (30) Calendar Days from receipt of the Default notice within which to cure such Breach; provided however, if such Breach is not capable of cure within thirty (30) Calendar Days, the breaching Party shall commence such cure within thirty (30) Calendar Days after notice and continuously and diligently complete such cure within ninety (90) Calendar Days

from receipt of the Default notice; and, if cured within such time, the Breach specified in such notice shall cease to exist.

17.1.2 Right to Terminate. If a Breach is not cured as provided in this article, or if a Breach is not capable of being cured within the period provided for herein, the non-breaching Party shall have the right to declare a Default and terminate this Surplus Interconnection Service GIA by written notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not that Party terminates this Surplus Interconnection Service GIA, to recover from the breaching Party all amounts due hereunder, plus all other damages and remedies to which it is entitled at law or in equity. The provisions of this article will survive termination of this Surplus Interconnection Service GIA.

ARTICLE 18. INDEMNITY, CONSEQUENTIAL DAMAGES AND INSURANCE

18.1 Indemnity. The Parties shall at all times indemnify, defend, and hold the other Parties harmless from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the other Parties' action or inactions of its obligations under this Surplus Interconnection Service GIA on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

18.1.1 Indemnified Person. If an indemnified person is entitled to indemnification under this Article 18 as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 18.1, to assume the defense of such claim, such indemnified person may at the expense of the indemnifying Party contest, settle or consent to the entry of any judgment with respect to, or pay in full, such claim.

18.1.2 Indemnifying Party. If an indemnifying Party is obligated to indemnify and hold any indemnified person harmless under this Article 18, the amount owing to the indemnified person shall be the amount of such indemnified person's actual Loss, net of any insurance or other recovery.

18.1.3 Indemnity Procedures. Promptly after receipt by an indemnified person of any claim or notice of the commencement of any action or administrative or legal proceeding or investigation as to which the indemnity provided for in Article 18.1 may apply, the indemnified person shall notify the indemnifying Party of such fact. Any failure of or delay in such notification shall not affect a Party's indemnification obligation unless such failure or delay is materially prejudicial to the indemnifying Party.

The Indemnifying Party shall have the right to assume the defense thereof with counsel designated by such indemnifying Party and reasonably satisfactory to the indemnified person. If the defendants in any such action include one or more indemnified persons and the indemnifying Party and if the indemnified person reasonably concludes that there may be legal defenses available to it and/or other

indemnified persons which are different from or additional to those available to the indemnifying Party, the indemnified person shall have the right to select separate counsel to assert such legal defenses and to otherwise participate in the defense of such action on its own behalf. In such instances, the indemnifying Party shall only be required to pay the fees and expenses of one additional attorney to represent an indemnified person or indemnified persons having such differing or additional legal defenses.

The indemnified person shall be entitled, at its expense, to participate in any such action, suit or proceeding, the defense of which has been assumed by the indemnifying Party. Notwithstanding the foregoing, the indemnifying Party (i) shall not be entitled to assume and control the defense of any such action, suit or proceedings if and to the extent that, in the opinion of the indemnified person and its counsel, such action, suit or proceeding involves the potential imposition of criminal liability on the indemnified person, or there exists a conflict or adversity of interest between the indemnified person and the indemnifying Party, in such event the indemnifying Party shall pay the reasonable expenses of the indemnified person, and (ii) shall not settle or consent to the entry of any judgment in any action, suit or proceeding without the consent of the indemnified person, which shall not be reasonably withheld, conditioned or delayed.

18.2 Consequential Damages. Other than the Liquidated Damages heretofore described, in no event shall any Party be liable to any other Party under any provision of this Surplus Interconnection Service GIA for any losses, damages, costs or expenses for any special, indirect, incidental, consequential, or punitive damages, including but not limited to loss of profit or revenue, loss of the use of equipment, cost of capital, cost of temporary equipment or services, whether based in whole or in part in contract, in tort, including negligence, strict liability, or any other theory of liability; provided, however, that damages for which any Party may be liable to another Party under another agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

18.3 Insurance. Surplus Interconnection Service Customer and Transmission Owner shall at their own expense, maintain in force throughout the period of this Surplus Interconnection Service GIA, and until released by all other Parties, the following minimum insurance coverages, with insurers authorized to do business in the state where the Point of Interconnection is located:

18.3.1 Employers' Liability and Workers' Compensation Insurance providing statutory benefits in accordance with the laws and regulations of the state in which the Point of Interconnection is located. The minimum limits for the Employers' Liability insurance shall be One Million Dollars (\$1,000,000) each accident bodily injury by accident, One Million Dollars (\$1,000,000) each employee bodily injury by disease, and One Million Dollars (\$1,000,000) policy limit bodily injury by disease.

18.3.2 Commercial General Liability Insurance including premises and operations, personal injury, broad form property damage, broad form blanket contractual liability coverage (including coverage for the contractual indemnification)

products and completed operations coverage, coverage for explosion, collapse and underground hazards (if applicable), independent contractors coverage, coverage for pollution (if exposure is present) and punitive or exemplary damages, with minimum limits of One Million Dollars (\$1,000,000) each occurrence/Two Million Dollars (\$2,000,000) general aggregate and Two Million Dollars (\$2,000,000) products and completed operations aggregate combined single limit for personal injury, bodily injury, including death and property damage.

- 18.3.3** Comprehensive Automobile Liability Insurance for coverage of owned and non-owned and hired vehicles, trailers or semi-trailers designed for travel on public roads, with a minimum, combined single limit of One Million Dollars (\$1,000,000) per occurrence for bodily injury, including death, and property damage.
- 18.3.4** Excess Liability Insurance over and above the Employers' Liability Commercial General Liability and Comprehensive Automobile Liability Insurance coverage, with a minimum combined single limit of Twenty Million Dollars (\$20,000,000) each occurrence/Twenty Million Dollars (\$20,000,000) general aggregate.
- 18.3.5** The Commercial General Liability Insurance, Comprehensive Automobile Insurance and Excess Public Liability Insurance policies shall name the other Party, its parent, associated and Affiliate companies and their respective directors, officers, agents, servants and employees ("Other Party Group") as additional insured. All policies shall contain provisions whereby the insurers waive all rights of subrogation in accordance with the provisions of this Surplus Interconnection Service GIA against the Other Party Group and provide thirty (30) Calendar Days advance written notice to the Other Party Group prior to anniversary date of cancellation or any material change in coverage or condition.
- 18.3.6** The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance and Excess Public Liability Insurance policies shall contain provisions that specify that the policies are primary and shall apply to such extent without consideration for other policies separately carried and shall state that each insured is provided coverage as though a separate policy had been issued to each, except the insurer's liability shall not be increased beyond the amount for which the insurer would have been liable had only one insured been covered. Each Party shall be responsible for its respective deductibles or retentions.
- 18.3.7** The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance and Excess Public Liability Insurance policies, if written on a Claims First Made Basis, shall be maintained in full force and effect for two (2) years after termination of this Surplus Interconnection Service GIA, which coverage may be in the form of tail coverage or extended reporting period coverage if agreed to by all Parties.
- 18.3.8** The requirements contained herein as to the types and limits of all insurance to be maintained by the Surplus Interconnection Service Customer and Transmission

Owner are not intended to and shall not in any manner, limit or qualify the liabilities and obligations assumed by the Parties under this Agreement.

18.3.9 Within ten (10) days following execution of this Surplus Interconnection Service GIA, and as soon as practicable after the end of each fiscal year or at the renewal of the insurance policy and in any event within ninety (90) days thereafter, Surplus Interconnection Service Customer and Transmission Owner shall provide certification of all insurance required in this Surplus Interconnection Service GIA, executed by each insurer or by an authorized representative of each insurer to the Other Party Group.

18.3.10 Notwithstanding the foregoing, each Party may self-insure to meet the minimum insurance requirements of Articles 18.3.2 through 18.3.8 to the extent it maintains a self-insurance program; provided that, such Party's senior secured debt is rated at investment grade or better by Standard & Poor's and that its self-insurance program meets the minimum insurance requirements of Articles 18.3.2 through 18.3.8. For any period of time that a Party's senior secured debt is unrated by Standard & Poor's or is rated at less than investment grade by Standard & Poor's, such Party shall comply with the insurance requirements applicable to it under Articles 18.3.2 through 18.3.9. In the event that a Party is permitted to self-insure pursuant to this article, it shall notify the other Party that it meets the requirements to self-insure and that its self-insurance program meets the minimum insurance requirements in a manner consistent with that specified in Article 18.3.9.

18.3.11 The Parties agree to report to each other in writing as soon as practical all accidents or occurrences resulting in injuries to any person, including death, and any property damage arising out of this Surplus Interconnection Service GIA.

ARTICLE 19. ASSIGNMENT

19.1 Assignment. This Surplus Interconnection Service GIA may be assigned by any Party only with the written consent of the other Parties; provided that any Party may assign this Surplus Interconnection Service GIA without the consent of the other Parties to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Surplus Interconnection Service GIA; and provided further that Surplus Interconnection Service Customer shall have the right to assign this Surplus Interconnection Service GIA, without the consent of Transmission Provider or Transmission Owner, for collateral security purposes to aid in providing financing for the Generating Facility, provided that Surplus Interconnection Service Customer will promptly notify Transmission Provider and Transmission Owner of any such assignment. Any financing arrangement entered into by the Surplus Interconnection Service Customer pursuant to this article will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify Transmission Provider and Transmission Owner of the date and particulars of any such exercise of assignment right(s), including providing the Transmission Provider with proof that it meets the requirements of Articles 11.7 and 18.3. Any attempted assignment that violates this

article is void and ineffective. Any assignment under this Surplus Interconnection Service GIA shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

ARTICLE 20. SEVERABILITY

20.1 Severability. If any provision in this Surplus Interconnection Service GIA is determined to be invalid, void or unenforceable by any court or other Governmental Authority having jurisdiction, such determination shall not invalidate, void or make unenforceable any other provision, agreement or covenant of this Surplus Interconnection Service GIA.

ARTICLE 21. COMPARABILITY

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

ARTICLE 22. CONFIDENTIALITY

22.1 Confidentiality. Confidential Information shall include, without limitation, all information relating to a Party's technology, research and development, business affairs, and pricing, and any information supplied by any of the Parties to another prior to the execution of this Surplus Interconnection Service GIA.

Information is Confidential Information only if it is clearly designated or marked in writing as confidential on the face of the document, or, if the information is conveyed orally or by inspection, if the Party providing the information orally informs the Party receiving the information that the information is confidential.

If requested by any Party, a Party shall provide in writing, the basis for asserting that the information referred to in this Article 22 warrants confidential treatment, and the requesting Party may disclose such writing to the appropriate Governmental Authority. Each Party shall be responsible for the costs associated with affording confidential treatment to its information.

22.1.1 Term. During the term of this Surplus Interconnection Service GIA, and for a period of three (3) years after the expiration or termination of this Surplus Interconnection Service GIA, except as otherwise provided in this Article 22, each Party shall hold in confidence and shall not disclose to any person Confidential Information.

22.1.2 Scope. Confidential Information shall not include information that the receiving Party can demonstrate: (1) is generally available to the public other than as a result of a disclosure by the receiving Party; (2) was in the lawful possession of the receiving Party on a non-confidential basis before receiving it from the disclosing Party; (3) was supplied to the receiving Party without restriction by a third party, who, to the knowledge of the receiving Party after due inquiry, was under no obligation to the disclosing Party to keep such information confidential;

(4) was independently developed by the receiving Party without reference to Confidential Information of the disclosing Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or Breach of this Surplus Interconnection Service GIA; or (6) is required, in accordance with Article 22.1.7 of the Surplus Interconnection Service GIA, Order of Disclosure, to be disclosed by any Governmental Authority or is otherwise required to be disclosed by law or subpoena, or is necessary in any legal proceeding establishing rights and obligations under this Surplus Interconnection Service GIA. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the other Party that it no longer is confidential.

22.1.3 Release of Confidential Information. No Party shall release or disclose Confidential Information to any other person, except to its Affiliates (limited by the Standards of Conduct requirements), subcontractors, employees, consultants, or to parties who may be or considering providing financing to or equity participation with Surplus Interconnection Service Customer, or to potential purchasers or assignees of Surplus Interconnection Service Customer, on a need-to-know basis in connection with this Surplus Interconnection Service GIA, unless such person has first been advised of the confidentiality provisions of this Article 22 and has agreed to comply with such provisions. Notwithstanding the foregoing, a Party providing Confidential Information to any person shall remain primarily responsible for any release of Confidential Information in contravention of this Article 22.

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

22.1.5 No Warranties. By providing Confidential Information, no Party makes any warranties or representations as to its accuracy or completeness. In addition, by supplying Confidential Information, no Party obligates itself to provide any particular information or Confidential Information to another Party nor to enter into any further agreements or proceed with any other relationship or joint venture.

22.1.6 Standard of Care. Each Party shall use at least the same standard of care to protect Confidential Information it receives as it uses to protect its own Confidential Information from unauthorized disclosure, publication or dissemination. Each Party may use Confidential Information solely to fulfill its obligations to another Party under this Surplus Interconnection Service GIA or its regulatory requirements.

22.1.7 Order of Disclosure. If a court or a Governmental Authority or entity with the right, power, and apparent authority to do so requests or requires a Party, by subpoena, oral deposition, interrogatories, requests for production of documents,

administrative order, or otherwise, to disclose Confidential Information, that Party shall provide the other Parties with prompt notice of such request(s) or requirement(s) so that the other Parties may seek an appropriate protective order or waive compliance with the terms of this Surplus Interconnection Service GIA. Notwithstanding the absence of a protective order or waiver, the Party may disclose such Confidential Information which, in the opinion of its counsel, the Party is legally compelled to disclose. Each Party will use Reasonable Efforts to obtain reliable assurance that confidential treatment will be accorded any Confidential Information so furnished.

22.1.8 Termination of Agreement. Upon termination of this Surplus Interconnection Service GIA for any reason, each Party shall, within ten (10) Calendar Days of receipt of a written request from another Party, use Reasonable Efforts to destroy, erase, or delete (with such destruction, erasure, and deletion certified in writing to the other Party) or return to the other Party, without retaining copies thereof, any and all written or electronic Confidential Information received from the other Party.

22.1.9 Remedies. In the instance where Transmission Owner is a Federal Power Agency, as specified in the opening paragraph of this Agreement, then this Section 22.1.9 shall not apply to Transmission Owner. The Parties agree that monetary damages would be inadequate to compensate a Party for another Party's Breach of its obligations under this Article 22. Each Party accordingly agrees that the other Parties shall be entitled to equitable relief, by way of injunction or otherwise, if the first Party Breaches or threatens to Breach its obligations under this Article 22, which equitable relief shall be granted without bond or proof of damages, and the receiving Party shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the Breach of this Article 22, but shall be in addition to all other remedies available at law or in equity. The Parties further acknowledge and agree that the covenants contained herein are necessary for the protection of legitimate business interests and are reasonable in scope. No Party, however, shall be liable for indirect, incidental, or consequential or punitive damages of any nature or kind resulting from or arising in connection with this Article 22.

22.1.10 Disclosure to FERC, its Staff, or a State. Notwithstanding anything in this Article 22 to the contrary, and pursuant to 18 C.F.R. Section 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to this Surplus Interconnection Service GIA, the Party shall provide the requested information to FERC or its staff, within the time provided for in the request for information. In providing the information to FERC or its staff, the Party must, consistent with 18 C.F.R. Section 388.112, request that the information be treated as confidential and non-public by FERC and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying another Party to this Surplus Interconnection Service GIA prior to the release of the Confidential Information to FERC or its staff. The Party shall

notify the other Parties to the Surplus Interconnection Service GIA when it is notified by FERC or its staff that a request to release Confidential Information has been received by FERC, at which time any of the Parties may respond before such information would be made public, pursuant to 18 C.F.R. Section 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner, if consistent with the applicable state rules and regulations.

22.1.11 Subject to the exception in Article 22.1.10, any information that a Party claims is competitively sensitive, commercial or financial information under this Surplus Interconnection Service GIA ("Confidential Information") shall not be disclosed by another Party to any person not employed or retained by the other Party, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the other Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this Surplus Interconnection Service GIA or as a transmission service provider or a Control Area operator including disclosing the Confidential Information to an RTO or ISO or to a regional or national reliability organization. The Party asserting confidentiality shall notify the other Party in writing of the information it claims is confidential. Prior to any disclosures of the other Party's Confidential Information under this subparagraph, or if any third party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the disclosing Party agrees to promptly notify the other Party in writing and agrees to assert confidentiality and cooperate with the other Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

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

ARTICLE 23. ENVIRONMENTAL RELEASES

23.1 Each Party shall notify the other Party, first orally and then in writing, of the release of any Hazardous Substances, any asbestos or lead abatement activities, or any type of remediation activities related to the Generating Facility or the Interconnection Facilities, each of which may reasonably be expected to affect the other Party. The notifying Party shall: (i) provide the notice as soon as practicable, provided such Party makes a good faith effort to provide the notice no later than twenty-four hours after such Party becomes aware of the occurrence; and (ii) promptly furnish to the other Party copies of any publicly available reports filed with any Governmental Authorities addressing such events.

ARTICLE 24. INFORMATION REQUIREMENTS

24.1 Information Acquisition. Transmission Provider and Surplus Interconnection Service Customer shall submit specific information regarding the electrical characteristics of their

respective facilities to each other as described below and in accordance with Applicable Reliability Standards.

- 24.2 Information Submission by Transmission Provider.** The initial information submission by Transmission Provider shall occur no later than one hundred eighty (180) Calendar Days prior to Trial Operation and shall include Transmission System information necessary to allow Surplus Interconnection Service Customer to select equipment and meet any system protection and stability requirements, unless otherwise agreed to by the Parties. On a monthly basis Transmission Provider shall provide Surplus Interconnection Service Customer a status report on the construction and installation of Transmission Provider's Interconnection Facilities and Contingent Facilities, including, but not limited to, the following information: (1) progress to date; (2) a description of the activities since the last report (3) a description of the action items for the next period; and (4) the delivery status of equipment ordered.

ARTICLE 25. INFORMATION ACCESS AND AUDIT RIGHTS

- 25.1 Information Access.** Each Party (the "disclosing Party") shall make available to the other Parties information that is in the possession of the disclosing Party and is necessary in order for the other Parties to: (i) verify the costs incurred by the disclosing Party for which the other Parties are responsible under this Surplus Interconnection Service GIA; and (ii) carry out its obligations and responsibilities under this Surplus Interconnection Service GIA. The Parties shall not use such information for purposes other than those set forth in this Article 25.1 and to enforce their rights under this Surplus Interconnection Service GIA.
- 25.2 Reporting of Non-Force Majeure Events.** Each Party (the "notifying Party") shall notify the other Parties when the notifying Party becomes aware of its inability to comply with the provisions of this Surplus Interconnection Service GIA for a reason other than a Force Majeure event. The Parties agree to cooperate with each other and provide necessary information regarding such inability to comply, including the date, duration, reason for the inability to comply, and corrective actions taken or planned to be taken with respect to such inability to comply. Notwithstanding the foregoing, notification, cooperation or information provided under this article shall not entitle the Parties receiving such notification to allege a cause for anticipatory breach of this Surplus Interconnection Service GIA.
- 25.3 Audit Rights.** Subject to the requirements of confidentiality under Article 22 of this Surplus Interconnection Service GIA, each Party shall have the right, during normal business hours, and upon prior reasonable notice to another Party, to audit at its own expense that other Party's accounts and records pertaining to either Party's performance or either Party's satisfaction of obligations under this Surplus Interconnection Service GIA. Such audit rights shall include audits of the other Party's costs, calculation of invoiced amounts, Transmission Provider's efforts to allocate responsibility for the provision of reactive support to the Transmission System, Transmission Provider's efforts to allocate responsibility for interruption or reduction of generation on the Transmission System, and each Party's actions in an Emergency Condition. Any audit authorized by this article shall be performed at the offices where such accounts and records are

maintained and shall be limited to those portions of such accounts and records that relate to each Party's performance and satisfaction of obligations under this Surplus Interconnection Service GIA. Each Party shall keep such accounts and records for a period equivalent to the audit rights periods described in Article 25.4.

25.4 Audit Rights Periods.

25.4.1 Reserved

25.4.2 Audit Rights Period for All Other Accounts and Records. Accounts and records related to any Party's performance or satisfaction of all obligations under this Surplus Interconnection Service GIA other than those described in Article 25.4.1 shall be subject to audit as follows: (i) for an audit relating to cost obligations, the applicable audit rights period shall be twenty-four months after the auditing Party's receipt of an invoice giving rise to such cost obligations; and (ii) for an audit relating to all other obligations, the applicable audit rights period shall be twenty-four months after the event for which the audit is sought.

25.5 Audit Results. If an audit by a Party determines that an overpayment or an underpayment has occurred, a notice of such overpayment or underpayment shall be given to the other Party together with those records from the audit which support such determination.

ARTICLE 26. SUBCONTRACTORS

26.1 General. Nothing in this Surplus Interconnection Service GIA shall prevent a Party from utilizing the services of any subcontractor as it deems appropriate to perform its obligations under this Surplus Interconnection Service GIA; provided, however, that each Party shall require its subcontractors to comply with all applicable terms and conditions of this Surplus Interconnection Service GIA in providing such services and each Party shall remain primarily liable to the other Parties for the performance of such subcontractor.

26.2 Responsibility of Principal. The creation of any subcontract relationship shall not relieve the hiring Party of any of its obligations under this Surplus Interconnection Service GIA. The hiring Party shall be fully responsible to the other Parties for the acts or omissions of any subcontractor the hiring Party hires as if no subcontract had been made; provided, however, that in no event shall Transmission Owner be liable for the actions or inactions of Surplus Interconnection Service Customer or its subcontractors with respect to obligations of Surplus Interconnection Service Customer under Article 5 of this Surplus Interconnection Service GIA. Any applicable obligation imposed by this Surplus Interconnection Service GIA upon the hiring Party shall be equally binding upon, and shall be construed as having application to, any subcontractor of such Party.

26.3 No Limitation by Insurance. The obligations under this Article 26 will not be limited in any way by any limitation of subcontractor's insurance.

ARTICLE 27. DISPUTES

27.1 Submission. In the event any Party has a dispute, or asserts a claim, that arises out of or in connection with this Surplus Interconnection Service GIA or its performance, the Parties agree to resolve such dispute using the dispute resolution procedures of the Generator Interconnection Procedures.

ARTICLE 28. REPRESENTATIONS, WARRANTIES, AND COVENANTS

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

28.1.1 Good Standing. Such Party is duly organized, validly existing and in good standing under the laws of the state in which it is organized, formed, or incorporated, as applicable; that it is qualified to do business in the state or states in which the Generating Facility, Interconnection Facilities and Contingent Facilities owned by such Party, as applicable, are located; and that it has the corporate power and authority to own its properties, to carry on its business as now being conducted and to enter into this Surplus Interconnection Service GIA and carry out the transactions contemplated hereby and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Surplus Interconnection Service GIA.

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

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

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

ARTICLE 29. JOINT OPERATING COMMITTEE

29.1 Joint Operating Committee. At least six (6) months prior to the expected Initial Synchronization Date, Surplus Interconnection Service Customer, Existing Interconnection Customer, Transmission Owner and Transmission Provider shall each

appoint one representative and one alternate to the Joint Operating Committee. Each Party shall notify the other Parties of its appointment in writing. Such appointments may be changed at any time by similar notice. The Joint Operating Committee shall meet as necessary, but not less than once each calendar year, to carry out the duties set forth herein. The Joint Operating Committee shall hold a meeting at the request of any Party, at a time and place agreed upon by the representatives. The Joint Operating Committee shall perform all of its duties consistent with the provisions of this Surplus Interconnection Service GIA. All Parties shall cooperate in providing to the Joint Operating Committee all information required in the performance of the Joint Operating Committee's duties. All decisions and agreements, if any, made by the Joint Operating Committee, shall be evidenced in writing. The duties of the Joint Operating Committee shall include the following:

- 29.1.1** Establish data requirements and operating record requirements.
- 29.1.2** Review the requirements, standards, and procedures for data acquisition equipment, protective equipment, and any other equipment or software.
- 29.1.3** Annually review the one (1) year forecast of maintenance and planned outage schedules of Transmission Owner's and Surplus Interconnection Service Customer's facilities at the Point of Interconnection.
- 29.1.4** Coordinate the scheduling of maintenance and planned outages on the Interconnection Facilities, the Generating Facility and other facilities that impact the normal operation of the interconnection of the Generating Facility to the Transmission System.
- 29.1.5** Ensure that information is being provided by each Party regarding equipment availability.
- 29.1.6** Perform such other duties as may be conferred upon it by mutual agreement of the Parties.

ARTICLE 30. MISCELLANEOUS

- 30.1 Binding Effect.** This Surplus Interconnection Service GIA and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.
- 30.2 Conflicts.** In the event of a conflict between the body of this Surplus Interconnection Service GIA and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this Surplus Interconnection Service GIA shall prevail and be deemed the final intent of the Parties.
- 30.3 Rules of Interpretation.** This Surplus Interconnection Service GIA, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors

and assigns are permitted by this Surplus Interconnection Service GIA, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Surplus Interconnection Service GIA), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder; (5) unless expressly stated otherwise, reference to any Article, Section or Appendix means such Article of this Surplus Interconnection Service GIA or such Appendix to this Surplus Interconnection Service GIA, or such Section to the GIP or such Appendix to the GIP, as the case may be; (6) "hereunder", "hereof", "herein", "hereto" and words of similar import shall be deemed references to this Surplus Interconnection Service GIA as a whole and not to any particular Article or other provision hereof or thereof; (7) "including" (and with correlative meaning "include") means including without limiting the generality of any description preceding such term; and (8) relative to the determination of any period of time, "from" means "from and including", "to" means "to but excluding" and "through" means "through and including".

30.4 Entire Agreement. This Surplus Interconnection Service GIA, including all Appendices and Schedules attached hereto, constitutes the entire agreement among the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, among the Parties with respect to the subject matter of this Surplus Interconnection Service GIA. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, a Party's compliance with its obligations under this Surplus Interconnection Service GIA.

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

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

Any waiver at any time by a Party of its rights with respect to this Surplus Interconnection Service GIA shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Surplus Interconnection Service GIA. Termination or Default of this Surplus Interconnection Service GIA for any reason by Surplus Interconnection Service Customer shall not constitute a waiver of Surplus Interconnection Service Customer's legal rights to obtain an interconnection from Transmission Provider. Any waiver of this Surplus Interconnection Service GIA shall, if requested, be provided in writing.

- 30.7 Headings.** The descriptive headings of the various Articles of this Surplus Interconnection Service GIA have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Surplus Interconnection Service GIA.
- 30.8 Multiple Counterparts.** This Surplus Interconnection Service GIA may be executed in three or more counterparts, each of which is deemed an original but all constitute one and the same instrument.
- 30.9 Amendment.** The Parties may by mutual agreement amend this Surplus Interconnection Service GIA by a written instrument duly executed by each of the Parties.
- 30.10 Modification by the Parties.** The Parties may by mutual agreement amend the Appendices to this Surplus Interconnection Service GIA by a written instrument duly executed by the Parties. Such amendment shall become effective and a part of this Surplus Interconnection Service GIA upon satisfaction of all Applicable Laws and Regulations. Notwithstanding the above, the Parties agree to amend the Appendices to this Surplus Interconnection Service GIA as needed to correspond to any revisions to the EGIA related to or that may impact the Surplus Interconnection Service.
- 30.11 Reservation of Rights.** Transmission Provider shall have the right to make a unilateral filing with FERC to modify this Surplus Interconnection Service GIA with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under Section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Surplus Interconnection Service Customer shall have the right to make a unilateral filing with FERC to modify this Surplus Interconnection Service GIA pursuant to Section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by another Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Surplus Interconnection Service GIA shall limit the rights of the Parties or of FERC under Sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.
- 30.12 No Partnership.** This Surplus Interconnection Service GIA shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership among the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, another Party.

IN WITNESS WHEREOF, the Parties have caused this Surplus Interconnection Service GIA to be executed by their respective authorized officials, and copies delivered to each Party, to become effective as of the Effective Date.

SOUTHWEST POWER POOL, INC.

By: /s/ Lanny Nickell
Printed Name: Lanny Nickell
Title: EVP & COO
Date: May 15, 2024

WESTERN FARMERS ELECTRIC COOPERATIVE (Transmission Owner)

By: /s/ Gary Ray Roulet
Printed Name: Gary R. Roulet
Title: CEO
Date: 5-13-2024

CHOCTAW FIELDS SOLAR PROJECT, LLC (Surplus Interconnection Service Customer)

By: /s/ Chad Craven
Printed Name: Chad Craven
Title: Authorized Person
Date: 4/30/2024

CHOCTAW FIELDS SOLAR PROJECT, LLC (Existing Interconnection Customer)

By: /s/ Chad Craven
Printed Name: Chad Craven
Title: Authorized Person
Date: 4/30/2024

APPENDIX A TO SURPLUS INTERCONNECTION SERVICE GIA

Interconnection Facilities, Network Upgrades and Distribution Upgrades

This is the first amendment to Transmission Provider Service Agreement No. 4132. Service Agreement No. 4132 was originally executed on August 30, 2023 (the “Original Agreement”). This first amendment amends, restates and replaces the Original Agreement in its entirety. For purposes of Sections 2.1, 2.2, 2.3.2, 5.8, and 5.16.1, references to “Effective Date” shall mean the Effective Date of the Original Agreement.

1. Interconnection Facilities:

(a) Surplus Interconnection Service Customer’s Interconnection Facilities: Interconnection facilities to be designed, procured, constructed, installed, maintained, and owned by Surplus Interconnection Service Customer at its sole expense:

- 34.5 kV underground cable collection circuits;
- The project will connect to the existing GEN-2017-023 main collection substation and share its main power transformer to connect to the Point of Interconnection (POI) at the 138 kV bus at existing Transmission Owner substation (Hugo Power Plant 138 kV) that is owned and maintained by Transmission Owner;
- Equipment at the Interconnection Customer’s substation necessary to maintain a composite power delivery at continuous rated power output at the high-side of the generator substation at a power factor within the range of 95% lagging and 95% leading in accordance with FERC Order 827. The Interconnection Customer may use equipment options for providing reactive power under no/reduced generation conditions. The Interconnection Customer will be required to provide documentation and design specifications demonstrating how the requirements are met; and
- All necessary relay, protection, control and communication systems required to protect Interconnection Customer’s Interconnection Facilities and Generating Facility and coordinate with Transmission Owner’s relay, protection, control and communication systems.

(b) Transmission Owner’s Interconnection Facilities: Interconnection facilities that are to be designed, procured, constructed, installed, maintained, owned and/or controlled by Transmission Owner at the Surplus Interconnection Service Customer’s sole expense:

Description	Allocated Cost Estimate
None	\$0
Total TOIF	\$0

2. Network Upgrades:

(a) Stand Alone Network Upgrades: Network Upgrades that a Surplus Interconnection Service Customer may construct without affecting day-to-day operations of the Transmission System during their construction. The Transmission Provider, Transmission Owner and the Surplus Interconnection Service Customer must agree as to what constitutes Stand Alone Network Upgrades. Stand Alone Network Upgrades that are to be designed, procured, constructed, installed and owned by Transmission Owner that are 100% cost responsibility of the Surplus Interconnection Service Customer:

Description	Allocated Cost Estimate
None	\$0
Total Stand-Alone Network Upgrades	\$0

(b) Network Upgrades constructed by Transmission Owner: Network Upgrades to be designed, procured, constructed, installed and owned by the Transmission Owner that are 100% cost responsibility of the Surplus Interconnection Service Customer:

Description	ILTCR	Allocated Cost Estimate
None	N/A	\$0

(c) Contingent Facilities: Network Upgrades that are required for the interconnection of Surplus Interconnection Service Customer’s Generating Facility, but are not the cost responsibility of the Surplus Interconnection Service Customer, subject to restudy:

Description	Estimated In-Service Date
None	N/A

3. Distribution Upgrades:

- None

4. Interconnection Service:

Surplus Interconnection Service Customer has requested the following (from Appendix 15 of the GIP):

50 MW Energy Resource Interconnection Service
50 MW Network Resource Interconnection Service
 Requested Surplus Interconnection Service (MW): 50 MW

Interconnection Service on which the Surplus Interconnection Service depends:

Existing Generating Facility Name: Choctaw Fields Solar Project, LLC

Queue Number – GEN-2017-023

Interconnection Service Limit: 85 MW

Limited Operation Interconnection Service: NA

Interconnection Service Type (ERIS, NRIS, or NA): ERIS / NRIS

Description of periods of time when and conditions under which Surplus Interconnection Service is to be made available by the Existing Interconnection Customer: At any time the existing generating facility is not injecting at maximum capacity, as long as the total injection does not exceed 85 MW.

At no time shall the Surplus Interconnection Service, either alone or when combined with the Existing Generating Facility's Interconnection Service, exceed the level of Interconnection Service permitted under the EGIA.

5. Construction Option Selected by Surplus Interconnection Service Customer:

N/A

6. Permits, Licenses, and Authorizations:

Permit, License, and/or Authorization	Responsible Party	Date Required
Obtain Governmental Authorization (as necessary).	As necessary	As required

7. Description of the Point of Change of Ownership:

The Point of Change of Ownership shall be the point where the Surplus Interconnection Service Customer's 138 kV collector line meets the Existing Interconnection Customer's 138 kV bus at the Existing Generating Facilities substation.

8. Description of the Point of Interconnection:

The Point of Interconnection will be the Existing Generating Facilities 138 kV bus at the Hugo Power Plant Substation.

APPENDIX B TO SURPLUS INTERCONNECTION SERVICE GIA

Milestones

Item	Action	Responsible Party	Completion Date
1	Submit Surplus Interconnection Service Customer's required power flow, short circuit, and dynamic generating facilities modeling data to Transmission Provider's MOD-032-1 Model On Demand Database and Engineering Data Submission Tool (EDST) pursuant to NERC standard MOD-032-1 and in accordance with Transmission Provider MDWG manual requirements.	Surplus Interconnection Service Customer	No Later than 120 Calendar Days after the Surplus Interconnection Service GIA Effective Date
2	Surplus Interconnection Service Customer to complete registration of the Generating Facility as a market asset in the Transmission Provider's Integrated Marketplace in accordance with Attachment AE of the Tariff and the Transmission Provider's Market Protocols and notify Transmission Owner Operational Contact(s) listed in Appendix F.	Surplus Interconnection Service Customer (if applicable)	Registration process must be completed prior to energization of the interconnection and applicable resources for either generation testing or commercial operation
3	If data from Milestone 1 has changed, submit Surplus Interconnection Service Customer's required power flow, short circuit, and dynamic generating facilities modeling data to Transmission Provider's MOD-032-1 Model On Demand Database and EDST for "as built" facilities pursuant to NERC standard MOD-032-1 and in accordance with Transmission Provider MDWG manual requirements.	Surplus Interconnection Service Customer	Within 120 Calendar Days before Initial Synchronization Date
4	Provide to Transmission Provider updated project design per Article 5.6.4.	Surplus Interconnection Service Customer	Six (6) months prior to Initial Synchronization Date

5	Initial Synchronization Date.	Surplus Interconnection Service Customer	<u>2/3/1/2025/2026</u>
6	Begin trial operation & testing per Article 6.1.	Surplus Interconnection Service Customer and Transmission Owner	<u>3/2/2025/2026</u>
7	Provide to Transmission Provider as-built design per Article 5.6.5.	Surplus Interconnection Service Customer	Prior to Commercial Operation Date, or as soon as possible thereafter
8	Commercial Operation Date. Commercial Operation Date for full Interconnection Service is achievable after completion of Appendix A Item(s) 1.(b), 1.(c), 2.(b), 2.(c), 2.(d), 2.(e), and 2.(f) upgrades (if applicable).	Surplus Interconnection Service Customer	<u>6/30/2025/2026</u> <u>Note 1</u>
9	Final accounting of costs incurred by Transmission Owner for Transmission Owner's Interconnection Facilities and Network Upgrades constructed by Transmission Owner as per Article 12.2. Surplus Interconnection Service Customer responsible for actual costs identified in Appendix A.	Transmission Owner	Within six (6) months following completion of Transmission Owner's Interconnection Facilities and Network Upgrades
10	Release Letter of Credit and/or unused deposits held (if applicable).	Transmission Provider	Within one (1) month following Commercial Operation Date

Note 1 – The original June 30, 2025 Commercial Operation Date controls for purposes of 1) the termination provision in Section 2.3.2 and 2) the performance obligation in Section 11.2.

APPENDIX C TO SURPLUS INTERCONNECTION SERVICE GIA

Interconnection Details

1. Description of Generating Facility:

Surplus Interconnection Service Customer's Generating Facility consists of 11 x Sungrow SC5000UD Battery Energy Storage System (BESS) inverters operating at 4.7345 MW for a total assumed dispatch of 52.08 MW. The inverters are rated at 5 MW, thus the generating capability of the SGF (55 MW) exceeds its requested Surplus Interconnection Service of 50 MW. The sum of the output from the batteries is limited at the Point of Interconnection by the power plant controller to 50 MW Surplus Interconnection Service granted in this Agreement. The Surplus Interconnection Service Customer is required to meet 0.95 lagging (providing vars) and 0.95 leading (absorbing vars) power factor at the Point of Interconnection. Additionally, the Surplus Interconnection Service Customer will be required to install any equipment necessary to meet the voltage schedule requirements in Article 9.6.2 of this Agreement.

2. Point of Change of Ownership:

Refer to Appendix A, Section 7 for Point of Change of Ownership.

3. Point of Interconnection:

Refer to Appendix A, Section 8 for Point of Interconnection.

4. Transmission Owner Specific Interconnection Requirements:

The unique requirements of each generation interconnection will dictate the establishment of mutually agreeable interconnection guidelines that further define the requirements of this Agreement. The interconnection guidelines will address, but not be limited to, the following:

(a) Auxiliary Power;

Surplus Interconnection Service Customer will arrange for auxiliary power as allowed, for periods when the Generating Facility is not generating.

(b) Capacity determination and verification (including ancillary services and certification);

If Surplus Interconnection Service Customer seeks to provide ancillary services, Surplus Interconnection Service Customer will obtain certification under the requirements of the Transmission Provider.

(c) Data reporting requirements;

As required by NERC Operating Policies, Transmission Provider Criteria, Transmission Provider Integrated Marketplace Protocols, applicable Balancing Authority, and responsible reliability entities. The Surplus Interconnection Service Customer shall provide total production (instantaneous and integrated real and reactive power) data to the Transmission Owner as mutually agreed between the Transmission Owner and the Surplus Interconnection Service Customer. In no case shall the Transmission Owner be

required to provide real-time or integrated total production data or operating data to any party other than the Transmission Provider and the Balancing Authority. Furthermore, the Transmission Owner shall have no obligation to provide any data related to customer-specific allocation of real or reactive power production data to any customers of the Surplus Interconnection Service Customer or any other party.

The Surplus Interconnection Service Customer shall make other operating data available to the SCADA system of the Transmission Owner, utilizing the communications channel connecting the Surplus Interconnection Service Customer's Interconnection Facilities to the Transmission Owner's Interconnection Facilities. Such operating data shall include the status of the transformer breaker(s), transmission level and collector level bus voltages, and the status of any other reactive device switching equipment located at the Surplus Interconnection Service Customer's Interconnection Facilities.

The Surplus Interconnection Service Customer shall register with NERC as a generation owner and generation operator as applicable, and comply with all NERC planning and operating criteria and Transmission Provider Criteria.

(d) Grounding Requirements;

Surplus Interconnection Service Customer shall tie the ground for its transmission line to the ground grid of the Transmission Owner's Point of Interconnection substation at a point provided by the Transmission Owner.

(e) Maintenance and Testing;

Transmission Owner will provide Surplus Interconnection Service Customer 30 days notice for planned maintenance and testing that will affect the ability of the generator to remain interconnected to the transmission system. For emergency maintenance and testing, the Transmission Owner will provide notice as soon as the Transmission Owner is aware of the need for the emergency maintenance and testing. The Surplus Interconnection Service Customer will provide the Transmission Owner 30 days notice of an outage of the Surplus Interconnection Service Customer facilities that will require electrical clearance at the Interconnection Facility. In the event of the need for an emergency outage of the Generator Facilities, the Surplus Interconnection Service Customer will provide the Transmission Owner notice of the need for electrical clearance as soon as the Surplus Interconnection Service Customer is aware of the need for the outage. Nothing in this paragraph prohibits the Transmission Owner or the Surplus Interconnection Service Customer from opening their respective connection facilities without notice in the event of an Emergency Condition.

(f) Provision of ancillary services;

Nothing in this Agreement should be construed as obligating Transmission Owner to provide Ancillary Services to Surplus Interconnection Service Customer. Ancillary Services necessary to deliver the energy produced by the Generator Facilities over the Transmission System, if any, will be provided to Surplus Interconnection Service Customer or any entity purchasing or otherwise acquiring energy generated by the Generator Facilities pursuant to the provisions of the Transmission Provider's Open Access Transmission Tariff or any successor tariff.

(g) Modeling Requirements;

In accordance with Article 5.6.4, the Surplus Interconnection Service Customer agrees to provide updated available detailed wind turbine/generator (individually) models for system planning studies (dynamic, stability, switching, short circuit) to the Transmission Owner 180 days prior to the Initial Synchronization Date set forth in Appendix B Milestones. Surplus Interconnection Service Customer agrees to provide updated information to the Transmission Owner when such information is available.

(h) Meteorological and Wind Data Requirements;

In accordance with Article 8.4, the Surplus Interconnection Service Customer agrees to provide site specific meteorological information and wind turbine/generator availability and capability to the Transmission Provider and Transmission Owner. The provision of this information will be consistent with the final FERC rule for Docket No. RM10-11-000 and any Transmission Provider RTO adopted rules, process, procedures and criteria including Transmission Provider Integrated Marketplace Protocols. All Transmission Providers, market participants, and interconnection customers interconnected to the Transmission System will be expected to meet basic standards for system infrastructure and operational security, including physical, operational, and cyber-security practices.

(i) Wind Generating Facility Output Reduction;

To protect the reliability of the Transmission System, a Generating Facility that is a wind plant shall be capable of reducing its generation output in increments of no more than fifty (50) MW in five (5) minute intervals. The requirements may be met by using: (a) SCADA control of circuit breakers protecting wind farm collector distribution circuits, (b) automatic control of wind turbine power output, or (c) a combination of (a) and (b).

APPENDIX D TO SURPLUS INTERCONNECTION SERVICE GIA

Security Arrangements Details

Infrastructure security of Transmission System equipment and operations and control hardware and software is essential to ensure day-to-day Transmission System reliability and operational security. FERC will expect all Transmission Providers, market participants, and Surplus Interconnection Service Customers interconnected to the Transmission System to comply with the recommendations offered by the President's Critical Infrastructure Protection Board and, eventually, best practice recommendations from the electric reliability authority. All public utilities will be expected to meet basic standards for system infrastructure and operational security, including physical, operational, and cyber-security practices.

APPENDIX E TO SURPLUS INTERCONNECTION SERVICE GIA

Commercial Operation Date

[Date]

Tessie Kentner
Managing Attorney
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936

Manager
Transmission and Distribution Operations
Western Farmers Electric Cooperative
701 N.E. 7th Street
Anadarko, OK 73005

Contracts Manager
Choctaw Fields Solar Project, LLC
c/o Savion, LLC
422 Admiral Boulevard
Kansas City, MO 64106

Re: Choctaw Fields Solar Project, LLC (GEN-2023-SR15) Generating Facility

Dear Ms. Kentner, _____ and _____:

On **[Date]** Choctaw Fields Solar Project, LLC has completed Trial Operation of Unit No. _____. This letter confirms that Choctaw Fields Solar Project, LLC commenced Commercial Operation of Unit No. ____ at the Generating Facility, effective as of **[Date plus one day]**.

Thank you.

[Signature]

Choctaw Fields Solar Project, LLC
c/o Savion, LLC
422 Admiral Boulevard
Kansas City, MO 64106

APPENDIX F TO SURPLUS INTERCONNECTION SERVICE GIA

Addresses for Delivery of Notices And Billings

Notices:

Transmission Provider:

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

Transmission Owner:

Manager, Transmission and Distribution Operations
Western Farmers Electric Cooperative
701 N.E. 7th Street
Anadarko, OK 73005
Phone: 405-247-4262
Email: c_myers@wfec.com

AND

Email: Legal@wfec.com

Surplus Interconnection Service Customer:

Choctaw Fields Solar Project, LLC
c/o Savion LLC
Attn: Chan Yang Lee
Manager of Transmission
422 Admiral Boulevard
Kansas City, MO 64106
Phone: 913-230-0104
Email: clee@savionenergy.com

With a copy to

Choctaw Fields Solar Project, LLC
c/o Savion LLC
Attn: Derek Sunderman
Vice President Transmission
422 Admiral Boulevard
Kansas City, MO 64106

Phone: 785-766-7613
Email: dsunderman@savionenergy.com

AND

Choctaw Fields Solar Project, LLC
c/o Savion LLC
Attn: Chad Craven
Senior Director of Transmission
422 Admiral Boulevard
Kansas City, MO 64106
Phone: 816-604-8458
Email: ccraven@savionenergy.com

Existing Interconnection Customer:

Choctaw Fields Solar Project, LLC
c/o Savion LLC
Attn: Chan Yang Lee
Manager of Transmission
422 Admiral Boulevard
Kansas City, MO 64106
Phone: 913-230-0104
Email: cleee@savionenergy.com

With a copy to

Choctaw Fields Solar Project, LLC
c/o Savion LLC
Attn: Derek Sunderman
Vice President Transmission
422 Admiral Boulevard
Kansas City, MO 64106
Phone: 785-766-7613
Email: dsunderman@savionenergy.com

AND

Choctaw Fields Solar Project, LLC
c/o Savion LLC
Attn: Chad Craven
Senior Director of Transmission
422 Admiral Boulevard
Kansas City, MO 64106
Phone: 816-604-8458
Email: ccraven@savionenergy.com

Billings and Payments: [Specify addresses for construction invoices, O&M invoices and settlement of ancillary services]

Transmission Provider:

Mitch Jackson
Sr. Tariff Services Specialist
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936
Phone: 501-614-3542
Email: mjackson@spp.org

Transmission Owner:

Manager, Transmission and Distribution Operations
Western Farmers Electric Cooperative
701 N.E. 7th Street
Anadarko, OK 73005
Phone: 405-247-4262
Email: c_myers@wfec.com

Surplus Interconnection Service Customer:

Choctaw Fields Solar Project, LLC
c/o Savion, LLC
~~Attn: Mark Alexander, Senior VP Accounting & Corporate Finance~~
Attn: Stephanie Candrl, Controller
422 Admiral Boulevard
Kansas City, MO 64106
Phone: ~~816-213-3561~~ 913-522-8618
Email: ~~malexander@savionenergy.com~~
Accounting@savionenergy.com

With a copy to

Choctaw Fields Solar Project, LLC
c/o Savion LLC
Attn: Chan Yang Lee
Manager of Transmission
422 Admiral Boulevard
Kansas City, MO 64106
Phone: 913-230-0104
Email: clee@savionenergy.com

AND

Choctaw Fields Solar Project, LLC
c/o Savion LLC
Attn: Derek Sunderman
Vice President Transmission
422 Admiral Boulevard
Kansas City, MO 64106
Phone: 785-766-7613
Email: dsunderman@savionenergy.com

AND

Choctaw Fields Solar Project, LLC
c/o Savion LLC
Attn: Chad Craven
Senior Director of Transmission
422 Admiral Boulevard
Kansas City, MO 64106
Phone: 816-604-8458
Email: ccraven@savionenergy.com

Existing Interconnection Customer:

Choctaw Fields Solar Project, LLC
c/o Savion, LLC
~~Attn: Mark Alexander, Senior VP Accounting & Corporate Finance~~
Attn: Stephanie Candrl, Controller
422 Admiral Boulevard
Kansas City, MO 64106
Phone: ~~816-213-3561~~ 913-522-8618
Email: ~~malexander@savionenergy.com~~
Accounting@savionenergy.com

With a copy to

Choctaw Fields Solar Project, LLC
c/o Savion LLC
Attn: Chan Yang Lee
Manager of Transmission
422 Admiral Boulevard
Kansas City, MO 64106
Phone: 913-230-0104
Email: cleec@savionenergy.com

AND

Choctaw Fields Solar Project, LLC
c/o Savion LLC

Attn: Derek Sunderman
Vice President Transmission
422 Admiral Boulevard
Kansas City, MO 64106
Phone: 785-766-7613
Email: dsunderman@savionenergy.com

AND

Choctaw Fields Solar Project, LLC
c/o Savion LLC
Attn: Chad Craven
Senior Director of Transmission
422 Admiral Boulevard
Kansas City, MO 64106
Phone: 816-604-8458
Email: ccraven@savionenergy.com

Alternative Forms of Delivery of Notices (telephone, facsimile or email):

Transmission Provider:

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

Transmission Owner:

Manager, Transmission and Distribution Operations
Western Farmers Electric Cooperative
701 N.E. 7th Street
Anadarko, OK 73005
Phone: 405-247-4262
Email: c_myers@wfec.com

Surplus Interconnection Service Customer:

Choctaw Fields Solar Project, LLC
c/o Savion LLC
Attn: Chan Yang Lee
Manager of Transmission
422 Admiral Boulevard
Kansas City, MO 64106

Phone: 913-230-0104
Email: clee@savionenergy.com

With a copy to

Choctaw Fields Solar Project, LLC
c/o Savion LLC
Attn: Derek Sunderman
Vice President Transmission
422 Admiral Boulevard
Kansas City, MO 64106
Phone: 785-766-7613
Email: dsunderman@savionenergy.com

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AND

Choctaw Fields Solar Project, LLC
c/o Savion LLC
Attn: Chad Craven
Senior Director of Transmission
422 Admiral Boulevard
Kansas City, MO 64106
Phone: 816-604-8458
Email: ccraven@savionenergy.com

Operational Communications: [Identify contacts for operations]

Transmission Provider:

Bruce Rew
Sr. Vice President, Operations
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936
Phone: 501-614-3214

Transmission Owner:

Manager, Transmission and Distribution Operations
Western Farmers Electric Cooperative
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Surplus Interconnection Service Customer:

Choctaw Fields Solar Project, LLC
c/o Savion LLC
Attn: Chan Yang Lee
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With a copy to

Choctaw Fields Solar Project, LLC
c/o Savion LLC
Attn: Derek Sunderman

Vice President Transmission
422 Admiral Boulevard
Kansas City, MO 64106
Phone: 785-766-7613
Email: dsunderman@savionenergy.com

AND

Choctaw Fields Solar Project, LLC
c/o Savion LLC
Attn: Chad Craven
Senior Director of Transmission
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Existing Interconnection Customer:

Choctaw Fields Solar Project, LLC
c/o Savion LLC
Attn: Chan Yang Lee
Manager of Transmission
422 Admiral Boulevard
Kansas City, MO 64106
Phone: 913-230-0104
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APPENDIX G TO SURPLUS INTERCONNECTION SERVICE GIA

Requirements Of Generators Relying On Newer Technologies

Appendix G sets forth requirements and provisions specific to a wind generating plant. All other requirements of this Surplus Interconnection Service GIA continue to apply to wind generating plant interconnections.

A. Technical Standards Applicable to a Wind Generating Plant

i. Low Voltage Ride-Through (LVRT) Capability

The following reactive power requirements apply only to a newly interconnecting wind generating plant that has executed a facilities study agreement as of September 21, 2016. A wind generating plant to which this provision applies shall be able to remain online during voltage disturbances up to the time periods and associated voltage levels set forth in the standard below. The LVRT standard provides for a transition period standard and a post-transition period standard.

Transition Period LVRT Standard

The transition period standard applies to wind generating plants subject to FERC Order 661 that have either: (i) interconnection agreements signed and filed with the Commission, filed with the Commission in unexecuted form, or filed with the Commission as non-conforming agreements between January 1, 2006 and December 31, 2006, with a scheduled in-service date no later than December 31, 2007, or (ii) wind generating turbines subject to a wind turbine procurement contract executed prior to December 31, 2005, for delivery through 2007.

1. Wind generating plants are required to remain in-service during three-phase faults with normal clearing (which is a time period of approximately 4 – 9 cycles) and single line to ground faults with delayed clearing, and subsequent post-fault voltage recovery to pre-fault voltage unless clearing the fault effectively disconnects the generator from the system. The clearing time requirement for a three-phase fault will be specific to the wind generating plant substation location, as determined by and documented by the transmission provider. The maximum clearing time the wind generating plant shall be required to withstand for a three-phase fault shall be 9 cycles at a voltage as low as 0.15 p.u., as measured at the high side of the wind generating plant step-up transformer (i.e. the transformer that steps the voltage up to the transmission interconnection voltage or “GSU”), after which, if the fault remains following the location-specific normal clearing

time for three-phase faults, the wind generating plant may disconnect from the transmission system.

2. This requirement does not apply to faults that would occur between the wind generator terminals and the high side of the GSU or to faults that would result in a voltage lower than 0.15 per unit on the high side of the GSU serving the facility.
3. Wind generating plants may be tripped after the fault period if this action is intended as part of a special protection system.
4. Wind generating plants may meet the LVRT requirements of this standard by the performance of the generators or by installing additional equipment (e.g., Static var Compensator, etc.) within the wind generating plant or by a combination of generator performance and additional equipment.
5. Existing individual generator units that are, or have been, interconnected to the Transmission System at the same location at the effective date of the Appendix G LVRT Standard are exempt from meeting the Appendix G LVRT Standard for the remaining life of the existing generation equipment. Existing individual generator units that are replaced are required to meet the Appendix G LVRT Standard.

Post-transition Period LVRT Standard

All wind generating plants subject to FERC Order No. 661 and not covered by the transition period described above must meet the following requirements:

1. Wind generating plants are required to remain in-service during three-phase faults with normal clearing (which is a time period of approximately 4 – 9 cycles) and single line to ground faults with delayed clearing, and subsequent post-fault voltage recovery to prefault voltage unless clearing the fault effectively disconnects the generator from the system. The clearing time requirement for a three-phase fault will be specific to the wind generating plant substation location, as determined by and documented by the transmission provider. The maximum clearing time the wind generating plant shall be required to withstand for a three phase fault shall be 9 cycles after which, if the fault remains following the location-specific normal clearing time for three-phase faults, the wind generating plant may disconnect from the transmission system. A wind generating plant shall remain interconnected during such a fault on the transmission system for a voltage level as low as zero volts, as measured at the high voltage side of the wind GSU.

2. This requirement does not apply to faults that would occur between the wind generator terminals and the high side of the GSU.
3. Wind generating plants may be tripped after the fault period if this action is intended as part of a special protection system.
4. Wind generating plants may meet the LVRT requirements of this standard by the performance of the generators or by installing additional equipment (e.g., Static var Compensator) within the wind generating plant or by a combination of generator performance and additional equipment.
5. Existing individual generator units that are, or have been, interconnected to the Transmission System at the same location at the effective date of the Appendix G LVRT Standard are exempt from meeting the Appendix G LVRT Standard for the remaining life of the existing generation equipment. Existing individual generator units that are replaced are required to meet the Appendix G LVRT Standard.

ii. Power Factor Design Criteria (Reactive Power)

A wind generating plant shall maintain a power factor within the range of 0.95 leading to 0.95 lagging, measured at the Point of Interconnection as defined in this Surplus Interconnection Service GIA, if the Transmission Provider's System Impact Study shows that such a requirement is necessary to ensure safety or reliability. The power factor range standard can be met by using, for example, power electronics designed to supply this level of reactive capability (taking into account any limitations due to voltage level, real power output, etc.) or fixed and switched capacitors if agreed to by the Transmission Provider, or a combination of the two. The Surplus Interconnection Service Customer shall not disable power factor equipment while the wind plant is in operation. Wind plants shall also be able to provide sufficient dynamic voltage support in lieu of the power system stabilizer and automatic voltage regulation at the generator excitation system if the System Impact Study shows this to be required for system safety or reliability.

iii. Supervisory Control and Data Acquisition (SCADA) Capability

The wind plant shall provide SCADA capability to transmit data and receive instructions from the Transmission Provider to protect system reliability. The Transmission Provider and the wind plant Surplus Interconnection Service Customer shall determine what SCADA information is

essential for the proposed wind plant, taking into account the size of the plant and its characteristics, location, and importance in maintaining generation resource adequacy and transmission system reliability in its area.

APPENDIX H TO SURPLUS INTERCONNECTION SERVICE GIA
Interconnection Service Monitoring and Reporting

It is expressly understood and agreed that the Generating Facility and Existing Generating Facility **Interconnection Service limit (MW output) shall not at any time exceed** the then-effective Interconnection Service, including the applicable Limited Operation limit, set forth in Appendix A of the EGIA; and Surplus Interconnection Service Customer by default, unless the Parties mutually agree otherwise, shall monitor and control at all times the net injection at the Point of Interconnection such that the sum of the simultaneous energy output of the Generating Facility and the Existing Generating Facility shall not exceed the Interconnection Service limit in Appendix A of this Agreement. Surplus Interconnection Service Customer shall be responsible for monitoring and reporting costs (including but not limited to construction cost, capital cost, and operating and maintenance costs for any controls, communication, and metering equipment), unless the Parties agree otherwise that the required monitoring and reporting will be provided by another Party.

Surplus Interconnection Service Customer Reporting Requirements

By the seventh Calendar Day in each month, the Surplus Interconnection Service Customer (or another Party if mutually agreed otherwise by the Parties), shall provide a report to the Transmission Provider, in an electronic format as determined by the Transmission Provider, for the prior month's offered and dispatched MW output, on a 5 minute interval granularity, of both the Generating Facility and the Existing Generating Facility. The report shall also include the 5 minute peak MW, MVA and MVAR output of both the Generating Facility and the Existing Generating Facility.

Within 24 hours of an occurrence where the Interconnection Service limit is exceeded (an "Event"), the Surplus Interconnection Service Customer (or another Party if mutually agreed otherwise by the Parties) shall report all pertinent information regarding the Event to the Transmission Provider, Transmission Owner, Transmission Operator and NERC. Each 5 minute interval where the Interconnection Service limit is exceeded shall be defined as a reliability service limit violation event and will trigger remedial action to be taken by the Surplus Interconnection Service Customer as described below.

Remedial Actions Upon Occurrence of an “Event”

Upon occurrence of an Event, the Surplus Interconnection Service Customer shall coordinate the implementation of the interim action plan and a long-term action plan with the Transmission Provider, Transmission Owner and Transmission Operator to prevent future occurrences of the Interconnection Service limit being exceeded.

Interim Action Plan:

Upon becoming aware of the occurrence of an Event, the Transmission Provider, in coordination with the Transmission Owner and Transmission Operator, will require the Surplus Interconnection Service Customer to implement the interim action plan. To implement the interim action plan, the Transmission Provider will direct that one of the following actions be implemented. The choice of action will be at the discretion of the Transmission Provider.

- a) Surplus Interconnection Service Customer shall curtail the Generating Facility output to zero injection until the Surplus Interconnection Service Customer demonstrates that it has taken sufficient remedial actions to prevent the recurrence of an Event and is subsequently authorized by the Transmission Provider that it may resume normal operations.
- b) Surplus Interconnection Service Customer shall open the breakers or comparable physical disconnection devices connecting the Generating Facility to the Transmission System until the Surplus Interconnection Service Customer demonstrates that it has taken sufficient remedial actions to prevent the recurrence of an Event and is subsequently authorized by the Transmission Provider that it may resume normal operations.

Long-term Action Plan:

If the Surplus Interconnection Service Customer is unable to demonstrate that it is able to take sufficient remedial actions to prevent recurrence or upon the recurrence of an Event following the first Event, Surplus Interconnection Service Customer, in coordination with

the Transmission Owner and Existing Interconnection Customer, shall develop and propose to the Transmission Provider a design for installation of the additional controls necessary to prevent a reoccurrence of an Event. The expense for such controls will be borne by the Surplus Interconnection Service Customer and may include, but are not limited to, additional physical equipment, enhanced procedures, and operator monitoring tools.

If an Event occurs after the implementation of the long-term action plan, the Transmission Owner or Transmission Provider may immediately direct the implementation of the interim action plan and request that the Surplus Interconnection Service Customer submit a cure to ensure the effectiveness of the long-term action plan within fifteen (15) Business Days of the failure of the long-term action plan. If the Surplus Interconnection Service Customer submits documentation demonstrating the cure of the deficient long-term action plan and such cure is acceptable to Transmission Owner and Transmission Provider, then Transmission Owner and Transmission Provider will request the Surplus Interconnection Service Customer remove the implementation of the interim action plan and implement the cured long-term action plan. If the Surplus Interconnection Service Customer fails to provide documentation demonstrating the cure of the deficient long-term action plan within fifteen (15) Business Days of the failure of the long-term action plan or if an Event occurs after the cured long-term action plan has been implemented, the Transmission Provider may file for termination of this Surplus Interconnection Service GIA with FERC.