

CAO REPORT ATTACHMENT 2

ATTACHMENT M

Large Generator Interconnection Procedures

LOS ANGELES DEPARTMENT OF WATER AND POWER

LARGE GENERATOR

INTERCONNECTION PROCEDURES (LGIP)

including

LARGE GENERATOR

INTERCONNECTION AGREEMENT (LGIA)

**Standard Large Generator
Interconnection Procedures (LGIP)
(Applicable to Generating Facilities that exceed 20 MW)**

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Appendix 1 – Interconnection Request for a Large Generating Facility

Appendix 2 – Informational Interconnection Study Request

Appendix 2A – Informational Interconnection Study Agreement

Appendix 3 – Cluster Study Agreement

Appendix 4 – Interconnection Facilities Study Agreement

Appendix 5 – Surplus Interconnection Service System Impact Study Agreement

Appendix 6 – Form Large Generator Interconnection Agreement

Appendix 7 – Interconnection Procedure for a Non-Synchronous Generating Facility

**Large Generator
Interconnection Procedures (LGIP)
(Applicable to Generating Facilities that exceed 20 MW)**

Section 1. Definitions

In addition to other terms defined within this LGIP, the following terms, whether in the singular or plural, when used herein and in appendices attached hereto and initially capitalized, shall have the meanings specified below:

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

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

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

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

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

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

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

Applicable Reliability Standards shall mean the requirements and guidelines of NERC or its successor, as the Applicable Reliability Council, and the Balancing Authority Area of the Transmission System to which the Generating Facility is directly interconnected.

Balancing Authority shall mean the responsible entity that integrates resource plans ahead of time, maintains load-interchange-generation balance within a Balancing Authority Area, and supports Interconnection frequency in real time.

Balancing Authority Area shall mean the collection of generation, transmission, and loads within the metered boundaries of the Balancing Authority. The Balancing Authority maintains load-resource balance within this area.

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

Breach shall mean the failure of a Party to perform or observe any material term or condition of an LGIA.

Breaching Party shall mean a Party that is in Breach of the provisions of an LGIA.

Bureau of Land Management (BLM) shall mean the U.S. Department of the Interior, Bureau of Land Management, or its successor agency, which manages federal public lands.

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

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

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

Cluster Area shall mean the areas of the Transmission Provider's Transmission System that are included together in a Cluster, as described further in Section 7.4 of this LGIP.

Cluster Request Window shall have the meaning set forth in Section 4.2.1 of this LGIP.

Cluster Re-Study shall mean a re-study of a Cluster Study conducted pursuant to Section 7.4 of this LGIP.

Cluster Re-Study Report shall mean the report issued followed completion of a Cluster Re-Study pursuant to Section 7.4 of this LGIP.

Cluster Re-Study Meeting shall mean the meeting held to discuss the results of a Cluster Re-Study pursuant to Section 7.4 of this LGIP.

Cluster Study shall mean an Interconnection Study evaluating one or more Interconnection Requests within a Cluster, as described in more detail in Section 7.4 of this LGIP.

Cluster Study Agreement shall mean the form of agreement contained in Appendix 3 to the Standard Large Interconnection Procedures for conducting the Cluster Study.

Cluster Study Report shall mean the report issued following completion of a Cluster Study pursuant to Section 7.4 of this LGIP.

Cluster Study Report Meeting shall mean the meeting held to discuss the results of a Cluster Study pursuant to Section 7.4 of this LGIP.

Clustering shall mean the process whereby a group of Interconnection Requests is studied together, instead of serially, as described in more detail in Section 7.

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 Large Generator Interconnection Agreement.

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

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

Customer Engagement Window shall have the meaning set forth in Section 7.2 of this LGIP.

Default shall mean the failure of a Breaching Party to cure its Breach in accordance with Article 17 of the LGIA.

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

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

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

Effective Date shall mean the date on which the Large Generator Interconnection Agreement becomes effective upon execution by the Parties.

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

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

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

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

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.

Financial Security shall mean any of the forms of collateral or security listed in Section 2.2 of the Creditworthiness Procedures included in Attachment L to this Tariff.

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

Generating Facility shall mean Interconnection Customer's device for the production and/or storage for later injection of electricity identified in the Interconnection Request, but shall not include the Interconnection Customer's Interconnection Facilities.

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.

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

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

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

Informational Interconnection Study shall mean an analysis based on assumptions specified by Interconnection Customer in the Informational Interconnection Study Agreement and conducted pursuant to Section 6 of this LGIP.

Informational Interconnection Study Agreement shall mean the form of agreement contained in Appendix 2A to the Standard Large Generator Interconnection Procedures for conducting the Informational Interconnection Study.

Informational Interconnection Study Request shall mean an Interconnection Customer’s request in the form of Appendix 2 to the Standard Large Generator Interconnection Procedures.

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

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

Interconnection Customer shall mean any entity, including the Transmission Provider, Transmission Owner or any of the Affiliates or subsidiaries of either, that proposes to interconnect its Generating Facility with the Transmission Provider’s Transmission System. For purposes of the Transmission Provider’s Cluster Study process conducted pursuant to Section 7

of this LGIP, and except as modified by Section 3 of Attachment N of the Transmission Provider's Tariff, "Interconnection Customer" shall also mean any Small Generating Facility that is participating in a Cluster.

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

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

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

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

Interconnection Request shall mean an Interconnection Customer's request, in the form of Appendix 1 to the Large Generator Interconnection Procedures, in accordance with the Tariff, to interconnect a new Generating Facility, or to increase the capacity of, or make a Material Modification to the operating characteristics of, an existing Generating Facility that is interconnected with the Transmission Provider's Transmission System. For purposes of the Transmission Provider's Cluster Study process conducted pursuant to Section 7 of this LGIP, and except as modified by Section 1.3 of Attachment N of the Transmission Provider's Tariff, "Interconnection Request" shall also mean any interconnection request from a Small Generating Facility that is participating in a Cluster.

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

Interconnection Service Level or **Level of Interconnection Service** shall mean the maximum amount of electrical output (MW) requested by the Interconnection customer to be injected at the Point of Interconnection.

Interconnection Study shall mean any of the following studies: the Informational Interconnection Study, the Cluster Study, the Surplus Interconnection Service System Impact Study, and the Interconnection Facilities Study described in this LGIP.

IRS shall mean the Internal Revenue Service.

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

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

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

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

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

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

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

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

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

Network Resource Interconnection Service shall mean an Interconnection Service that allows the Interconnection Customer to integrate its Large Generating Facility with the Transmission Provider's Transmission System in a manner comparable to that in which the Transmission Provider integrates its generating facilities to serve native load customers. Network Resource Interconnection Service in and of itself does not convey transmission service.

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

Notice of Dispute shall have the meaning ascribed in Section 13.5 of this LGIP.

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

Permissible Technological Advancement shall mean a change to the Generating Facilities of the Interconnection Customer's Interconnection Request that: (1) results in the inclusion of technologies that achieve cost and/or grid performance efficiencies; (2) results in electrical performance equal to or better than the electrical performance expected prior to the technology change; (3) would not trigger a Material Modification, as defined in this LGIP; and (4) would not cause any reliability concerns relative to short circuit capability limits, steady-state

thermal and voltage limits, or dynamic system stability and response. Permissible technological advancements may include advancements to turbines, inverters, plant supervisory controls, or other technological advancements that may enhance a generating facility's ability to provide ancillary services, but do not include changes in generation technology or fuel type (including the energy source behind an inverter).

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

Point of Delivery shall have the meaning ascribed in the Tariff.

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

Point of Receipt shall have the meaning ascribed in the Tariff.

Preliminary Plan of Development ("PPOD") shall mean the plan required to be submitted to the BLM, if any, to obtain necessary permits or Right-of-Way grants as may be required for the construction of the Generating Facility and Interconnection Customer Interconnection Facilities, which are to be sited, all or partially, on BLM-managed lands.

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

Provisional Large Generator Interconnection Agreement shall mean the interconnection agreement for Provisional Interconnection Service established between Transmission Provider and/or the Transmission Owner and the Interconnection Customer. This agreement shall take the form of the Large Generator Interconnection Agreement, modified for provisional purposes.

Queue Position shall mean the order of a valid Interconnection Request, relative to all other pending valid Interconnection Requests, that is established based upon the date and time that Interconnection Customer satisfies all of the requirements of Sections 3, 4, and 7 to enter the Cluster Study Process.

Reasonable Efforts shall mean, with respect to an action required to be attempted or taken by a Party under this LGIP or the LGIA, 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.

Readiness Milestone Options shall mean the options set forth in Section 3.4.1(v) of the LGIP.

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

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

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

Site Control shall mean the exclusive land right to develop, construct, operate, and maintain the Generating Facility over the term of expected operation of the Generating Facility. Site Control may be demonstrated by documentation establishing: (1) ownership of, a leasehold interest in, or a right to develop a site of sufficient size to construct and operate the Generating Facility; (2) an option to purchase or acquire a leasehold interest in a site of sufficient size to construct and operate the Generating Facility; or (3) any other documentation that clearly demonstrates the right of the Interconnection Customer to exclusively occupy a site of sufficient size to construct and operate the Generating Facility. For purposes of lands managed by a governmental entity (such as BLM), a PPOD or equivalent government-issued documentation, shall be sufficient for demonstrating Site Control as to such government-managed land. Site Control for any co-located project is demonstrated by a contract or other agreement demonstrating shared land use for all co-located projects that meet the aforementioned provisions of this Site Control definition.

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

Stand Alone Network Upgrades shall mean Network Upgrades that are not part of an Affected System that an Interconnection Customer may construct without affecting day-to-day operations of the Transmission System during their construction. Both the Transmission Provider and the Interconnection Customer must agree as to what constitutes Stand Alone Network Upgrades and identify them in Appendix A to the Large Generator Interconnection

Agreement. If the Transmission Provider and Interconnection Customer disagree about whether a particular Network Upgrade is a Stand Alone Network Upgrade, the Transmission Provider must provide the Interconnection Customer a written technical explanation outlining why the Transmission Provider does not consider the Network Upgrade to be a Stand Alone Network Upgrade within 15 days of its determination.

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

Surplus Interconnection Service System Impact Study shall mean an engineering study that evaluates the impact of a proposed request for Surplus Interconnection Service on the safety and reliability of Transmission Provider's Transmission System and, if applicable, an Affected System. The study shall identify and detail the system impacts that would result if the Generating Facility were interconnected without project modifications or system modifications, focusing on the Adverse System Impacts, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in these Large Generator Interconnection Procedures.

Surplus Interconnection Service System Impact Study Agreement shall mean the form of agreement contained in Appendix 5 of these Large Generator Interconnection Procedures for conducting a system impact study for purposes of evaluating a request for Surplus Interconnection Service pursuant to Section 3.3 of this LGIP.

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

Tariff shall mean the Transmission Provider's Tariff through which open access transmission service and Interconnection Service are offered, as 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 Large Generator Interconnection Agreement to the extent necessary.

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

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

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

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

Withdrawal Penalty shall have the meaning set forth in Section 3.7.1 of this LGIP.

Section 2. Scope and Application

2.1 Application of Large Generator Interconnection Procedures

Sections 2 through 13 apply to processing an Interconnection Request pertaining to a Large Generating Facility. As provided in Section 3 of Attachment N the Tariff, Small Generating Facilities that are not eligible for the fast track or inverter process will be processed in a single study process with Large Generating Facilities. Additionally, Small Generating Facilities requesting Network Resource Interconnection Service shall be processed under this LGIP. As provided for in Section 3 of Attachment N, interconnection requests for Small Generating Facilities may be studied together in Clusters with Interconnection Requests for Large Generating Facilities.

2.2 Comparability.

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

2.3 Base Case Data

Transmission Provider shall maintain base power flow, short circuit and stability databases, including all underlying assumptions, and contingency list on either its OASIS site or a password-protected website, subject to confidentiality provisions in LGIP Section 13.1. In addition, Transmission Provider shall maintain network models and underlying assumptions on either its OASIS site or a password-protected website. Such network models and underlying assumptions should reasonably represent those used during the most recent interconnection study and be representative of current system conditions. If Transmission Provider posts this information on a password-protected website, a link to the information must be provided on Transmission Provider's OASIS site. Transmission Provider is permitted to require the Interconnection Customers, OASIS site users and password-protected website users sign a confidentiality agreement before the release of commercially sensitive information or Critical Energy Infrastructure Information in the Base Case data. Such databases and lists, hereinafter referred to as Base Cases, shall include all (1) generation projects and (2) transmission projects, including merchant transmission projects that are proposed for the Transmission System for which a transmission expansion plan has been submitted and approved by the applicable authority.

2.4 No Applicability to Transmission Service

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

2.5 EIM Requirements.

The Interconnection Customer shall have a continuing duty to comply with Attachment O of this Tariff, as applicable.

Section 3. Interconnection Requests and Informational Interconnection Study Requests

3.1 Interconnection Requests

An Interconnection Customer shall submit to Transmission Provider, during a Cluster Request Window, an Interconnection Request in the form of Appendix 1 to this LGIP and a refundable deposit of: (a) \$75,000 for requests of less than 50

MW; (b) \$150,000 for requests of 50 MW and greater, but less than 200 MW; or (c) \$250,000 for requests of 200 MW and greater. Pursuant to Section 4.2.2, Transmission Provider shall apply the deposit toward a Cluster Study into which Interconnection Customer is admitted including such Interconnection Customer's individual Facilities Study, and shall be used to process Interconnection Customer's request. For Small Generating Facilities, the appropriate application fee or deposit shall be determined pursuant to Section 1.3 of Attachment N of the Tariff. Interconnection Customer shall submit a separate Interconnection Request for each site and may submit multiple Interconnection Requests for a single site. Interconnection Customer must submit a deposit with each Interconnection Request even when more than one request is submitted for a single site. An Interconnection Request to evaluate one site at two different voltage levels shall be treated as two Interconnection Requests.

At Interconnection Customer's option, Transmission Provider and Interconnection Customer will identify alternative Point(s) of Interconnection and configurations at the Scoping Meeting to evaluate in this process and attempt to eliminate alternatives in a reasonable fashion given resources and information available. Interconnection Customer will select the definitive Point of Interconnection to be studied no later than the execution of the Cluster Study Agreement. For purposes of clustering Interconnection Service requests, Transmission Provider may make reasonable changes to the requested Point of Interconnection to facilitate efficient interconnection of Interconnection Customers at common Points of Interconnection. Transmission Provider shall notify Interconnection Customers in writing of any intended changes to the requested Point of Interconnection and the Point of Interconnection shall only change upon mutual agreement.

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

well as testing and validation of those technologies consistent with Article 6 of the LGIA. The necessary control technologies and protection systems shall be established in Appendix C of that executed LGIA.

3.2 Identification of Types of Interconnection Services

At the time the Interconnection Request is submitted, Interconnection Customer must request either Energy Resource Interconnection Service or Network Resource Interconnection Service, as described; provided, however, any Interconnection Customer requesting Network Resource Interconnection Service may also request that it be concurrently studied for Energy Resource Interconnection Service, up to the point of five (5) Business Days after the initial Cluster Study Report Meeting held under Section 7.4(c). Interconnection Customer may then elect to proceed with Network Resource Interconnection Service or to proceed under a lower Level of Interconnection Service to the extent that only certain upgrades will be completed.

3.2.1 Energy Resource Interconnection Service

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

3.2.1.2 The Study. The study consists of short circuit/fault duty, steady state (thermal and voltage) and stability analyses. The short circuit/fault duty analysis would identify direct Interconnection Facilities required and the Network Upgrades necessary to address short circuit issues associated with the Interconnection Facilities. The stability and steady state studies would identify necessary upgrades to allow full output of the proposed Large Generating Facility and would also identify the maximum allowed output, at the time the study is performed, of the interconnecting Large Generating Facility without requiring additional Network Upgrades.

3.2.2 Network Resource Interconnection Service

3.2.2.1 The Product. Transmission Provider must conduct the necessary studies and construct the Network Upgrades needed to integrate the Large Generating Facility in a manner comparable to that in which Transmission Provider integrates its generating facilities to serve native load customers. Network Resource Interconnection Service Allows Interconnection Customer's Large Generating Facility to be designated as a Network Resource, up to the Large Generating Facility's full output, on the same basis as existing Network Resources interconnected to Transmission Provider's Transmission System, and to be studied as a Network Resource on the assumption that such a designation will occur.

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

3.3 Utilization of Surplus Interconnection Service.

Transmission Provider must provide a process that allows an Interconnection Customer to utilize or transfer Surplus Interconnection Service at an existing Point of Interconnection. The original Interconnection Customer or one of its Affiliates shall have priority to utilize Surplus Interconnection Service. If the

existing Interconnection Customer or one of its Affiliates does not exercise its priority, then that service may be made available to other potential Interconnection Customers.

3.3.1 Surplus Interconnection Service Requests.

Surplus Interconnection Service requests may be made by the existing Interconnection Customer whose Generating Facility is already interconnected or one of its Affiliates. Surplus Interconnection Service requests also may be made by another Interconnection Customer.

Transmission Provider shall provide a process for evaluating Interconnection Requests for Surplus Interconnection Service. Studies for Surplus Interconnection Service shall consist of reactive power, short circuit/fault duty, stability analyses, and any other appropriate studies. Steady-state (thermal/voltage) analyses may be performed as necessary to ensure that all required reliability conditions are studied. If the Surplus Interconnection Service was not studied under off-peak conditions, off-peak steady state analyses shall be performed to the required level necessary to demonstrate reliable operation of the Surplus Interconnection Service. If the original system impact study or Cluster Study is not available for the Surplus Interconnection Service, both off-peak and peak analysis may need to be performed for the existing Generating Facility associated with the request for Surplus Interconnection Service. The reactive power, short circuit/fault duty, stability, and steady-state analyses for Surplus Interconnection Service will identify any additional Interconnection Facilities and/or Network Upgrades necessary.

All notifications and requests for Surplus Interconnection Service shall be submitted in accordance with the Transmission Provider's Business Practice, posted on its OASIS, and shall be processed outside of the interconnection queue. In order to deem a request for Surplus Interconnection Service valid and complete, a deposit of \$25,000 must be received by the Transmission Provider. After a request for Surplus Interconnection Service has been deemed valid and complete by the Transmission Provider, the Transmission Provider will notify the Interconnection Customer and schedule the Scoping Meeting within five (5) Business Days.

3.3.2 Surplus Interconnection Service System Impact Study.

3.3.2.1 Within five (5) Business Days following the Scoping Meeting, Interconnection Customer shall specify for inclusion in the attachment to the Interconnection System Impact Study Agreement its requested Point(s) of Interconnection. Within five (5) Business Days following Transmission Provider's receipt of such Point(s) of Interconnection, Transmission Provider shall tender to Interconnection Customer the Surplus Interconnection Service System Impact Study Agreement in the form of Appendix 5 of this LGIP signed by Transmission Provider, which includes a good faith estimate of the estimated timeframe for completing the Surplus Interconnection Service System Impact Study. The Surplus Interconnection Service System Impact Study Agreement shall specify that Interconnection Customer is responsible for the actual cost of the Surplus Interconnection Service System Impact Study.

3.3.2.2 Interconnection Customer shall execute the Surplus Interconnection Service System Impact Study Agreement and deliver the executed Surplus Interconnection Service System Impact Study Agreement to Transmission Provider no later than thirty (30) Calendar Days after its receipt.

3.3.2.3 As part of its Surplus Interconnection Service System Impact Study process, the Transmission Provider will evaluate the original interconnection system impact study, if any, or applicable Cluster Studies, to determine their suitability for use in the evaluation of the request for Surplus Interconnection Service. Inclusive of any Surplus Interconnection Service System Impact Study(ies) performed to evaluate the existing Interconnection Service and deemed suitable for use in the evaluation of the request for Surplus Interconnection Service, studies for Surplus Interconnection Service shall consist of reactive power, short circuit/fault duty, stability analyses, and any other appropriate studies. Steady-state (thermal/voltage) analyses may be performed as necessary to ensure that all required reliability conditions are studied. If the existing Interconnection Service was not studied under off-peak conditions or such study was not deemed suitable, off-peak steady state analyses shall be performed to the required level necessary to demonstrate reliable operation of the Surplus Interconnection Service. If an existing interconnection system impact study or Cluster Study is not available or deemed suitable for the Surplus Interconnection Service, both off-peak and peak analysis may need to be performed for the existing Generating Facility associated with the request for Surplus Interconnection Service.

The studies performed to evaluate a request for Surplus Interconnection Service will identify if any additional Interconnection Facilities and/or Network Upgrades are necessary. If any additional Network Upgrades are necessary, the Surplus Interconnection Request will be denied. Necessary control technologies will also be identified in the studies performed.

3.3.2.4 Transmission Provider shall use Reasonable Efforts to complete the Surplus Interconnection Service System Impact Study within ninety (90) Calendar Days after the receipt of the Surplus Interconnection Service System Impact Study Agreement or notification to proceed, study payment, and technical data.

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

3.3.2.5 Within ten (10) Business Days of providing a Surplus Interconnection Service System Impact Study report to Interconnection Customer, Transmission Provider and Interconnection Customer shall meet to discuss the results of the Surplus Interconnection Service System Impact Study, unless otherwise mutually agreed upon by the Parties.

3.3.3 Surplus Interconnection Service Agreement.

3.3.3.1 Within thirty (30) Calendar Days after delivery of the Surplus Interconnection Service System Impact Study report, Transmission Provider shall tender a draft Surplus Interconnection Service Agreement to the original Interconnection Customer and the Surplus Interconnection Service Customer. The draft Surplus Interconnection Service Agreement shall be executed and returned within thirty (30) Calendar Days.

3.3.3.2 Transmission Provider and Interconnection Customers shall negotiate concerning any disputed provisions of the appendices to the draft

Surplus Interconnection Service Agreement for not more than sixty (60) Calendar Days after tender of the draft Surplus Interconnection Service Agreement. If any Interconnection Customer determines that negotiations are at an impasse, it may request termination of the negotiations at any time after tender of the draft Surplus Interconnection Service Agreement pursuant to Section 3.3.3.1 and initiate Dispute Resolution procedures pursuant to Section 13.5 of the LGIP. Within sixty (60) Calendar Days of tender of draft Surplus Interconnection Service Agreement and unless otherwise agreed by the Parties, if Interconnection Customer has not executed the Surplus Interconnection Service Agreement or initiated Dispute Resolution procedures pursuant to Section 13.5 of the LGIP, it shall be deemed to have withdrawn its Interconnection Request. Transmission Provider shall provide to Interconnection Customers a final Surplus Interconnection Service Agreement within fifteen (15) Business Days after the completion of the negotiation process.

3.4 Valid Interconnection Request

3.4.1 Initiating an Interconnection Request

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

- (i) applicable deposit amount, pursuant to Section 3.1;
- (ii) a completed application in the form of Appendix 1 (including applicable technical information);
- (iii) Site Control demonstration pursuant to Section 3.4.1(iii)(a) or (b) below;
 - a. Demonstration of actual Site Control. For demonstration of Site Control of Large Generating Facilities: Specifications for acceptable site size for the purposes of demonstrating Site Control are posted on Transmission Provider's OASIS website. Interconnection Customer may propose alternative specifications for site size to those posted on OASIS for Transmission Provider approval. In the event Transmission Provider and Interconnection Customer cannot reach agreement related to adequacy of site size,

Transmission Provider will accept a Professional Engineer (licensed in the state of the Point of Interconnection) stamped site plan drawing that depicts the proposed generation arrangement and specifies the maximum facility output for that arrangement. Demonstration of Site Control for Small Generating Facilities shall be pursuant to Section 1.5 of Attachment N.

- b. Posting of an additional deposit of \$10,000 in lieu-of Site Control. Deposits paid pursuant to this Section 3.4.1(iii) shall be refunded to the Interconnection Customer upon Commercial Operation or upon withdrawal pursuant to Section 3.7, subject to applicable Withdrawal Penalties.
- (iv) Generating Facility size (MW) (and requested Interconnection Service amount if the requested Interconnection Service is less than the Generating Facility Capacity);
- (v) One of the following Readiness Milestone Options totaling the entire capacity of the Generating Facility (or requested Interconnection Service amount if the requested Interconnection Service is less than the Generating Facility Capacity).
 - a. Executed term sheet (or comparable evidence) related to a contract for sale of (i) the constructed Generating Facility to a load-serving entity or to a commercial, industrial, or other large end-use customer, (ii) the Generating Facility's energy where the term of sale is not less than five (5) years, or (iii) the Generating Facility's ancillary services if the Generating Facility is an electric storage resource where the term of sale is not less than five (5) years;
 - b. Executed contract binding upon the parties for sale of (i) the constructed Generating Facility to a load-serving entity or to a commercial, industrial, or other large end-use customer, (ii) the Generating Facility's energy

where the term of sale is not less than five (5) years, or
(iii) the Generating Facility's ancillary services if the
Generating Facility is an electric storage resource
where the term of sale is not less than five (5) years;

- c. Reasonable evidence that the Generating Facility has been selected in a Resource Plan or Resource Solicitation Process by or for a load-serving entity, is being developed by a load-serving entity, or is being developed for purposes of a sale to a commercial, industrial, or other large end-use customer;
- d. A refundable deposit of \$3,000 per MW of generating capacity proposed in the Interconnection Request; or
- e. Site specific Purchase Order for generating equipment specific to the Interconnection Request, or statement signed by an officer or authorized agent of the Interconnection Customer attesting that the Generating Facility included is to be supplied with turbines with a manufacturer's blanket purchase agreement to which Interconnection Customer is a party. This blanket purchase agreement shall be provided to Transmission Provider.

(vi) A Point of Interconnection.

(vii) Whether the Interconnection Request shall be studied as a Network Resource Interconnection Service or an Energy Resource Interconnection Service, consistent with Section 3.2.

Interconnection Customer shall promptly inform Transmission Provider of any material change to Interconnection Customer's demonstration of Site Control under Section 3.4.1(iii) or its satisfaction of a Readiness Milestone Option as selected under Section 3.4.1(v) or Section 8.1, as applicable. Upon Transmission Provider determining separately that Interconnection Customer no longer satisfies Site Control or a Readiness Milestone Option, Transmission Provider shall give Interconnection Customer ten (10) Business Days to demonstrate satisfaction with the applicable requirement to Transmission Provider's satisfaction. Absent such

demonstration, Transmission Provider will deem the subject Interconnection Request withdrawn.

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

3.4.2 Acknowledgment of Interconnection Request

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

3.4.3 Deficiencies in Interconnection Request

An Interconnection Request will not be considered to be a valid request until all items in Section 3.4.1 have been received by Transmission Provider. If an Interconnection Request fails to meet the requirements set forth in Section 3.4.1, Transmission Provider shall use Reasonable Efforts to notify Interconnection Customer as soon as practicable following the initial Interconnection Request of the reasons for such failure and that the Interconnection Request does not constitute a valid request.

Interconnection Customer shall provide Transmission Provider the additional requested information needed to constitute a valid request no later than the close of the Cluster Request Window. Notwithstanding any other provision in Transmission Provider's Tariff, an Interconnection Request with any uncured deficiency at the time the Cluster Request Window closes will be deemed an invalid Interconnection Request. At any time, if Transmission Provider identifies issues with technical data provided by Interconnection Customer, Interconnection Customer and Transmission Provider shall work expeditiously and in good faith to remedy any data issues.

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

3.4.4 Scoping Meeting

During the Customer Engagement Window, Transmission Provider shall hold a Scoping Meeting with all Interconnection Customers whose valid Interconnection Requests were received in that Cluster Request Window. If requested by an Interconnection Customer, Transmission Provider shall also hold individual customer-specific Scoping Meetings, which must be requested no later than fifteen (15) Business Days after the close of the Cluster Request Window.

The purpose of the Scoping Meeting shall be to discuss alternative interconnection options, to exchange information including any transmission data that would reasonably be expected to impact such interconnection options, to discuss the Cluster Area materials posted to OASIS pursuant to Section 7.4, and to analyze such information. Transmission Provider and Interconnection Customer shall bring to the meeting such technical data, including, but not limited to: (i) general facility loadings, (ii) general instability issues, (iii) general short circuit issues, (iv) general voltage issues, (v) general reliability issues as may be reasonably required to accomplish the purpose of the meeting, (vi) for wind or solar facilities, generation profile data, and (vii) if the Large Generating Facility is or, as a hybrid, includes solar photovoltaic technology, a completed Attachment A to Appendix 7. Transmission Provider and Interconnection Customer will also bring to the meeting personnel and other resources as may be reasonably required to accomplish the purpose of the meeting in the time allocated for the meeting. The duration of the meeting shall be sufficient to accomplish its purpose.

3.5 OASIS Posting

3.5.1 OASIS Posting.

Transmission Provider will maintain on its OASIS a list of all Interconnection Requests. The list will identify, for each Interconnection Request: (i) the maximum summer and winter megawatt electrical output; (ii) the location by county and state; (iii) the station or transmission line or

lines where the interconnection will be made; (iv) the projected In-Service Date; (v) the status of the Interconnection Request, including Queue Position; (vi) the type of Interconnection Service being requested; (vii) the availability of any studies related to the Interconnection Request; (viii) the date of the Interconnection Request; (ix) the type of Generating Facility to be constructed (combined cycle, base load or combustion turbine and fuel type); and (x) for Interconnection Requests that have not resulted in a completed interconnection, an explanation as to why it was not completed. Except in the case of an Affiliate, the list will not disclose the identity of Interconnection Customer until Interconnection Customer executes an LGIA or initiates Dispute Resolution pursuant to Section 13.5. Before holding a Scoping Meeting with any Affiliate, Transmission Provider shall post on OASIS an advance notice of its intent to do so. Transmission Provider shall post to its OASIS site any deviations from the study timelines set forth herein. Interconnection Study reports shall be posted to Transmission Provider's OASIS site subsequent to the meeting between Interconnection Customer and Transmission Provider to discuss the applicable study results. Transmission Provider shall also post any known deviations in the Large Generating Facility's In-Service Date.

3.5.2 Requirement to Post Interconnection Study Metrics

Transmission Provider will maintain on its OASIS or its website summary statistics related to processing Interconnection Studies pursuant to Interconnection Requests, updated quarterly. If Transmission Provider posts this information on its website, a link to the information must be provided on Transmission Provider's OASIS site. For each calendar quarter, Transmission Providers must calculate and post the information detailed in Sections 3.5.2.1 through 3.5.2.3.

3.5.2.1 Interconnection Cluster Study Processing Time.

- (A) Number of Interconnection Requests that had Cluster Studies completed within Transmission Provider's coordinated region during the reporting quarter,
- (B) Number of Interconnection Requests that had Cluster Studies completed within Transmission Provider's coordinated region during the reporting quarter that were completed more than one hundred fifty (150) Calendar Days after commencement of the Cluster Study,

(C) At the end of the reporting quarter, the number of active valid Interconnection Requests with ongoing incomplete Cluster Studies one hundred fifty (150) Calendar Days after commencement of the Cluster Study,

(D) Mean time (in days), Cluster Studies completed within Transmission Provider's coordinated region during the reporting quarter, from the commencement of the Cluster Study to the date when Transmission Provider provided the completed Cluster Study to the Interconnection Customer,

(E) Percentage of Cluster Studies exceeding one hundred fifty (150) Calendar Days to complete this reporting quarter, calculated as the sum of 3.5.2.1(B) plus 3.5.2.1(C) divided by the sum of 3.5.2.1(A) plus 3.5.2.1(C)).

3.5.2.2 Interconnection Facilities Studies Processing Time.

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

(B) Number of Interconnection Requests that had Interconnection Facilities Studies that are completed within Transmission Provider's coordinated region during the reporting quarter that were completed more than (study duration depends on Interconnection Customer's selection on Facilities Study Agreement) after receipt by Transmission Provider of the Interconnection Customer's executed Interconnection Facilities Study Agreement,

(C) At the end of the reporting quarter, the number of active valid Interconnection Service requests with ongoing incomplete Interconnection Facilities Studies where such Interconnection Requests had executed Interconnection Facilities Studies Agreement received by Transmission Provider more than (study duration depends on

Interconnection Customer's selection on Facilities Study Agreement) before the reporting quarter end,

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

(E) Percentage of delayed Interconnection Facilities Studies this reporting quarter, calculated as the sum of 3.5.2.2(B) plus 3.5.2.2(C) divided by the sum of 3.5.2.2(A) plus 3.5.2.2(C)).

3.5.2.3

Interconnection Service Requests Withdrawn from Interconnection Queue.

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

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

(C) Number of Interconnection Requests withdrawn from Transmission Provider's interconnection queue during the reporting quarter before completion of a Cluster Study,

(D) Number of Interconnection Requests withdrawn from Transmission Provider's interconnection queue during the reporting quarter before completion of an Interconnection Facilities Study,

(E) Number of Interconnection Requests withdrawn from Transmission Provider's interconnection queue after execution of a generator interconnection agreement,

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

3.5.3 Transmission Provider is required to post on OASIS or its website the measures in paragraph 3.5.2.1(A) through paragraph 3.5.2.3(F) for each calendar quarter within 30 days of the end of the calendar quarter. Transmission Provider will keep the quarterly measures posted on OASIS or its website for three calendar years with the first required report to be in the first quarter of [____]. If Transmission Provider retains this information on its website, a link to the information must be provided on Transmission Provider's OASIS site.

3.5.4 In the event that any of the values calculated in paragraphs 3.5.2.1(E) or 3.5.2.2(E) exceeds 25 percent for two consecutive calendar quarters, Transmission Provider will have to comply with the measures below for the next four consecutive calendar quarters and must continue reporting this information until Transmission Provider reports four consecutive calendar quarters without the values calculated in 3.5.2.1(E) or 3.5.2.2(E) exceeding 25 percent for two consecutive calendar quarters:

(i) Transmission Provider must submit a report to the Board of Water and Power Commissioners describing the reason for each study or group of clustered studies pursuant to an Interconnection Request that exceeded its deadline (i.e., 150, 90 or 180 days) for completion (excluding any allowance for Reasonable Efforts). Transmission Provider must describe the reasons for each study delay and any steps taken to remedy these specific issues and, if applicable, prevent such delays in the future. The report must be filed ~~with~~ the Board of Water and Power Commissioners within 45 days of the end of the calendar quarter.

(ii) Transmission Provider shall aggregate the total number of employee-hours and third party consultant hours expended towards interconnection studies within its coordinated region that quarter and post on OASIS or its website. If Transmission Provider posts

this information on its website, a link to the information must be provided on Transmission Provider's OASIS site. This information is to be posted within 30 days of the end of the calendar quarter.

3.6 Coordination with Affected Systems

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

3.7 Withdrawal

Interconnection Customer may withdraw its Interconnection Request at any time by written notice of such withdrawal to Transmission Provider. In addition, if Interconnection Customer fails to adhere to all requirements of this LGIP, except as provided in Section 13.5 (Disputes), Transmission Provider shall deem the Interconnection Request to be withdrawn and shall provide written notice to Interconnection Customer of the deemed withdrawal and an explanation of the reasons for such deemed withdrawal. Upon receipt of such written notice, Interconnection Customer shall have fifteen (15) Business Days in which to either respond with information or action that cures the deficiency or to notify Transmission Provider of its intent to pursue Dispute Resolution.

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

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

In the case of a withdrawal, Transmission Provider shall:

- (i) update OASIS as appropriate, including any Queue Position changes;
- (ii) impose the applicable Withdrawal Penalty described in Section 3.7.1, if any; and
- (iii) issue any refund to Interconnection Customer pursuant to Section 13.3.2.

In the event of such withdrawal, Transmission Provider, subject to the confidentiality provisions of Section 13.1, shall provide, at Interconnection Customer's request, all information that Transmission Provider developed for any completed study conducted up to the date of withdrawal of the Interconnection Request.

3.7.1 Withdrawal Penalty. Except as provided in Attachment M-1 of Transmission Provider's Tariff, an Interconnection Customer shall be subject to a penalty ("Withdrawal Penalty") if it withdraws its Interconnection Request or the Generating Facility does not otherwise reach Commercial Operation unless (1) the withdrawal does not negatively affect the timing or cost of other projects within the same Cluster as determined by Transmission Provider; (2) the Interconnection Customer withdraws after receiving the most recent Cluster Study Report and the costs assigned to the Interconnection Request identified in that report have increased by more than twenty-five percent (25%) compared to costs identified in the previous Cluster Study Report; (3) the Interconnection Customer withdraws after receiving the individual Facilities Study report and the costs assigned to the Interconnection Request identified in that report have increased by more than 100 percent compared to costs identified in the most recent Cluster Study Report. For the avoidance of doubt, Small Generating Facilities participating in the Cluster Study process pursuant to Section 7 shall not be subject to Withdrawal Penalties.

3.7.1.1 Calculation of the Withdrawal Penalty. If the withdrawing Interconnection Customer has demonstrated any of the Readiness Milestone Options in Sections 3.4.1(v)(a) – (c) or 3.4.1(v)(e), and is withdrawing prior to executing an LGIA, the Interconnection Customer shall be charged one (1) times its actual allocated cost of all studies performed up until that point.

If the withdrawing Interconnection Customer only demonstrated the Readiness Milestone Option in Section 3.4.1(v)(d) and is withdrawing prior to executing an LGIA, that Interconnection Customer's Withdrawal Penalty shall be as follows:

- (a) If Interconnection Customer withdraws either (i) following commencement of the Cluster Study and before receipt of a Cluster Study Report, or (ii) after receipt of a Cluster Study Report, the Interconnection Customer shall be charged two (2) times of its actual allocated cost of all studies performed for Interconnection Customers in the Cluster up until that point, regardless of any previous Withdrawal Penalty revenues received. This amount shall be capped at one (1) million dollars.
- (b) If Interconnection Customer withdraws after receipt of any applicable restudy reports issued pursuant to Section 7.4, the Interconnection Customer shall be charged three (3) times of its actual allocated cost of all studies performed for Interconnection Customers in the Cluster up until that point, regardless of any previous Withdrawal Penalty revenues received. This amount shall be capped at one and one half (1.5) million dollars.
- (c) If Interconnection Customer withdraws after receipt of the individual Facility Study report issued pursuant to Section 8, the Interconnection Customer shall be charged five (5) times of its actual allocated cost of all studies performed for Interconnection Customers in the Cluster up until that point, regardless of any previous Withdrawal Penalty revenues received. This amount shall be capped at two (2) million dollars.

The Withdrawal Penalty for any Interconnection Customer that, before achieving Commercial Operation, withdraws after executing an LGIA shall be nine (9) times of its actual allocated cost of all studies performed for Interconnection Customers in the Cluster up until that point, regardless of any previous Withdrawal Penalty revenues received. In the event that the Interconnection Customer suspends its interconnection agreement, the Interconnection Customer shall be obligated to pay for costs associated with any studies or restudies required as a result of the suspension of the interconnection agreement, including any restudies associated with any affected lower-queued customers.

3.7.1.2 Distribution of the Withdrawal Penalty.

Any Withdrawal Penalty revenues shall be used to fund generation interconnection studies, including individual Interconnection Facility Studies. Withdrawal Penalty revenues shall first be applied, in the form of a bill credit, to not-yet-invoiced study costs for other Interconnection Customers in the same Cluster, and to the extent that such studies are fully credited, shall be applied to study costs of future Clusters in queue order. Withdrawn Interconnection Customers shall not receive a bill credit associated with Withdrawal Penalty revenues. Distribution of Withdrawal Penalty revenues to a specific study shall not exceed the total actual study costs. Allocation of Withdrawal Penalty revenues within a Cluster to a specific Interconnection Customer shall be (1) fifty percent (50%) on a per capita basis based on number of Interconnection Requests in the applicable Cluster; and (2) fifty percent (50%) to Interconnection Customers on a pro-rata basis based on requested megawatts included in the applicable Cluster. Distribution of Withdrawal Penalty revenue associated with Section 3.7.1.1(c) shall not be distributed to the remaining Interconnection Customers in that Cluster until all Interconnection Customers in that Cluster have reached Commercial Operation and thereafter shall be distributed as described above. Transmission Provider shall not change the distribution of Withdrawal Penalty revenue without authorization by the [Board of Water and Power Commissioners](#). Transmission Provider shall post the Withdrawal Penalty balance on its OASIS site.

3.8 Identification of Contingent Facilities.

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

As part of the Cluster Study, the Transmission Provider shall identify, Contingent Facilities using the following methods:

(1) Review all additions, modifications, and upgrades to the Transmission Provider's Transmission System that are part of the Transmission Provider's transmission expansion plan, and facilities identified as Network Upgrades through the Interconnection System Impact Studies for higher queued Interconnection Requests that are not yet in service. Contingent Facilities shall be identified from this list of facilities that meet the following criteria:

- a. Power Transfer Distribution Factor or Outage Transfer Distribution Factor $\geq 5\%$ OR;
- b. MVA impact (Power Transfer Distribution Factor or Outage Transfer Distribution Factor multiplied by generator output of the Interconnection Request) $\geq 5\text{MVA}$, OR;
- c. MVA impact (Power Transfer Distribution Factor or Outage Transfer Distribution Factor multiplied by generator output of the Interconnection Request) $\geq 1\%$ of the facility rating.

(2) Coordination with applicable Affected System parties to determine what Contingent Facilities have been identified through Affected System studies based on their respective criteria.

The Contingent Facilities identified for a given Interconnection Request are the total of all facilities through each of the foregoing methods. The Interconnection Customer will be provided a list of all Contingent Facilities identified at the conclusion of the Cluster Study. This list of Contingent Facilities will also be included in the Interconnection Customer's LGIA. The Transmission Provider shall also provide, upon request of the Interconnection Customer, the estimated Interconnection Facility and/or Network Upgrade costs and estimated in-service completion time of each identified Contingent Facility when this information is readily available and not commercially sensitive.

3.9 Informational Interconnection Study Requests.

Interconnection Customers evaluating different options (such as different sizes, sites, or voltages) are encouraged but not required to use the Informational Interconnection Study Process in Section 6 before entering the Cluster Study process.

Section 4. Queue Position

4.1 General

Once an Interconnection Customer has submitted a valid Interconnection Request pursuant to Section 3.4, such Interconnection Request shall be admitted into Transmission Provider's queue for further processing pursuant to the following procedures contained in this Section 4.

4.1.1 Assignment of Queue Position. Transmission Provider shall assign a Queue Position as follows: the Queue Position within the queue shall be assigned based upon the date and time of receipt of all items required pursuant to the provisions of Section 3.4. There is no queue for Informational Interconnection Studies.

4.1.2 Higher Queue Position. A higher Queue Position assigned to an Interconnection Request is one that has been placed "earlier" in the queue in relation to another Interconnection Request that is assigned a lower Queue Position. All requests studied in a single Cluster shall be considered equally queued but Clusters initiated earlier in time shall be considered to have a higher Queue Position than Clusters initiated later. The Queue Position of an Interconnection Request shall have no bearing on the allocation of the cost of the common upgrades identified in the applicable Cluster Study (such costs will be allocated among Interconnection Requests in accordance with Section 4.2.3). Moving a Point of Interconnection shall result in a loss of Queue Position if it is deemed a Material Modification under Section 4.4.3.

4.2 General Study Process

Cluster Studies performed within the Interconnection Study process shall be conducted in such a manner to ensure the efficient implementation of the

applicable regional transmission expansion plan in light of the Transmission System's capabilities at the time of each study.

4.2.1 Cluster Request Windows.

Transmission Provider shall accept Interconnection Requests during a forty-five (45) Calendar Day period, hereinafter referred to as the "Cluster Request Window." The initial Cluster Request Window shall open for Interconnection Requests beginning April 1 following commencement of the transition process set out in Attachment M-1 to this Tariff and successive Cluster Request Windows shall open annually every April 1 thereafter.

4.2.2 Pre-Study Cost and Study Cost Allocation.

Transmission Provider shall determine each Interconnection Customer's share of the costs of a Cluster Study by allocating: (1) fifty percent (50%) of the applicable study costs to Interconnection Customers on a per capita basis based on number of Interconnection Requests included in the applicable Cluster; and (2) fifty percent (50%) of the applicable study costs to Interconnection Customers on a pro-rata basis based on requested megawatts included in the applicable Cluster. For example, the cost of a Cluster Study consisting of a 100 MW request and a 900 MW request would be allocated 30% to the 100 MW request and 70% to the 900 MW request. Costs incurred by Transmission Provider in preparation for the Cluster Study but before commencement of Cluster Study shall be similarly calculated and allocated.

Any refunds of deposits paid in excess of Interconnection Customer costs allocated pursuant to this Section 4.2.2 shall be issued in accordance with Section 13.3.

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

Notwithstanding Section 3.1, for Transmission Provider's Interconnection Facilities and Network Upgrades identified in Cluster Studies, Transmission Provider shall calculate each Interconnection Customer's share of costs in the manner set forth below. If a Cluster Study includes one or more Cluster Areas, such costs shall be calculated and allocated among Interconnection Customers within the same Cluster Area. If the same Network Upgrade is identified in the study of more than one Cluster Area, such Network Upgrade will be allocated to Interconnection Customers in all affected Cluster Areas in the proportional

manner provided in Section 4.2.3(b). Interconnection Customer shall be responsible for funding the costs of any facilities identified by Transmission Provider in such Interconnection Customer's individual Facilities Study report.

- a) Station equipment Network Upgrades, including all switching stations, shall be allocated based on the number of Generating Facilities interconnecting at an individual station on a per capita basis (i.e. on a per Interconnection Request basis). If multiple Interconnection Customers are connecting to the Transmission Provider's System through a single Interconnection Customer's Interconnection Facility (i.e. sharing the Interconnection Customer's Interconnection Facility connecting to the Transmission Provider's Interconnection Facility(ies)), those Interconnection Customers shall be considered one Interconnection Customer for the per capita calculation described in the preceding sentence. Shared Transmission Provider's Interconnection Facilities shall be allocated based on the number of Generating Facilities sharing that Transmission Provider's Interconnection Facility on a per capita basis.
- b) The funding responsibility for Network Upgrades other than those identified in Section 4.2.3(a) shall be as follows: Interconnection Customers within a Cluster Study that have requested Energy Resource Interconnection Service shall bear their allocable share of the cost of Network Upgrades necessary to provide such service. Interconnection Customers within a Cluster Study that have requested Network Resource Interconnection Service shall bear their allocable share of the cost of Network Upgrades necessary to provide such service. Such allocation shall be based on the proportional capacity of each individual Generating Facility in the Cluster Studies requiring such Network Upgrades in accordance with the iterative process provided in Section 7.3.
- c) Costs of Transmission Provider's Interconnection Facilities are directly assigned to the Interconnection Customer(s) using such facilities.
- d) Notwithstanding any other provision of this Section 4.2.3, no Interconnection Customer shall be responsible for any Network Upgrade costs identified pursuant to this Section if such Interconnection Customer's Interconnection Request individually represents one (1) percent or less of the total requested megawatts included in the applicable Cluster.

4.3 Transferability of Queue Position

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

4.4 Modifications

Interconnection Customer shall submit to Transmission Provider, in writing, modifications to any information provided in the Interconnection Request. Interconnection Customer shall retain its Queue Position if the modifications are in accordance with Sections 4.4.1, 4.4.2, 4.4.5, or 4.4.6, or are determined not to be Material Modifications pursuant to Section 4.4.3.

Notwithstanding the above, during the course of the Interconnection Studies, either Interconnection Customer or Transmission Provider may identify changes to the planned interconnection that may improve the costs and benefits (including reliability) of the interconnection, and the ability of the proposed change to accommodate the Interconnection Request. Subject to the forgoing sentence, and provided, however, they do not result in a Material Modification, to the extent the identified changes are acceptable to Transmission Provider and Interconnection Customer and potentially impacted Interconnection Customers in the same Cluster, such acceptance not to be unreasonably withheld, Transmission Provider shall modify the Point of Interconnection and/or configuration in accordance with such changes and proceed with any re-studies necessary to do so in accordance with Section 7.5(f) as applicable and Interconnection Customer shall retain its Queue Position.

- 4.4.1** Prior to the return of the executed Cluster Study Agreement to Transmission Provider, modifications permitted under this Section shall include specifically: (a) a decrease of up to 60 percent of electrical output (MW) of the proposed project, through either (1) a decrease in plant size or (2) a decrease in Interconnection Service Level (consistent with the process described in Section 3.1) accomplished by applying Transmission Provider-approved injection-limiting equipment; (b) modifying the technical parameters associated with the Large Generating Facility technology or the Large Generating Facility step-up transformer impedance characteristics; and (c) modifying the interconnection configuration. For plant increases, the incremental increase in plant output will go in the next Cluster Study Window for the purposes of cost allocation and study analysis.
- 4.4.2** Prior to the return of the executed Interconnection Facility Study Agreement to Transmission Provider, the modifications permitted under this Section shall include specifically: (a) additional 15 percent decrease of electrical output of the proposed project through either (1) a decrease in plant size (MW) or (2) a decrease in Interconnection Service Level (consistent with the process described in Section 3.1) accomplished by applying Transmission Provider- approved injection-limiting equipment; (b) Large Generating Facility technical parameters associated with modifications to Large Generating Facility technology and transformer impedances; and (c) a Permissible Technological Advancement for the Large Generating Facility after the submission of the Interconnection Request. Section 4.4.6 specifies a separate technological change procedure including the requisite information and process that will be followed to assess whether the Interconnection Customer's proposed technological advancement under Section 4.4.2(c) is a Material Modification. Section 1 contains a definition of Permissible Technological Advancement.

- 4.4.3** Prior to making any modification other than those specifically permitted by Sections 4.4.1, 4.4.2, and 4.4.6, Interconnection Customer may first request that Transmission Provider evaluate whether such modification is a Material Modification. In response to Interconnection Customer's request, Transmission Provider shall evaluate the proposed modifications prior to making them and inform Interconnection Customer in writing of whether the modifications would constitute a Material Modification. Any change to the Point of Interconnection, except those deemed acceptable under Sections 3.1, 4.4.1, or so allowed elsewhere, shall constitute a Material Modification. Interconnection Customer may then withdraw the proposed modification or proceed with a new Interconnection Request for such modification.
- 4.4.4** Upon receipt of Interconnection Customer's request for modification permitted under this Section 4.4, Transmission Provider shall commence and perform any necessary additional studies as soon as practicable, but in no event shall Transmission Provider commence such studies later than thirty (30) Calendar Days after receiving notice of Interconnection Customer's request. Any additional studies resulting from such modification shall be done at Interconnection Customer's cost.
- 4.4.5** Extensions of less than three (3) cumulative years in the Commercial Operation Date of the Large Generating Facility to which the Interconnection Request relates are not material and should be handled through construction sequencing. For purposes of this Section, the Commercial Operation Date reflected in the initial Interconnection Request shall be used. Such cumulative extensions are inclusive of extensions requested after execution of the LGIA by Interconnection Customer.

4.4.6 Technological Change Procedures

Prior to the return of the executed Facilities Study Agreement to the Transmission Provider, the Interconnection Customer may submit a technological advancement request to the Transmission Provider. Permissible Technological Advancements may include advancements to turbines, inverters, plant supervisory controls, or other technological advancements that may enhance a generating facility's ability to provide ancillary services, but do not include changes in generation technological or fuel type (include the energy source behind an inverter). Any changes to electrical output (MW) must adhere to LGIP Sections 4.4.1 and 4.4.2.

In order to have a completed technological advancement request, the Interconnection Customer shall submit:

- (1) A written technological advancement request, specifying the change in technological the Interconnection Customer seeks;
- (2) Analysis that demonstrates how the incorporation of the proposed technological advancement would (i) result in electrical performance that is equal to or better than the electrical performance expected prior to the technological change, and (ii) not cause any reliability concerns;
- (3) A revised Appendix 1 to LGIP Interconnection Request for a Large Generating Facility with revised technical data, including modeling data, associated with the technological advancement being requested, and any other data deemed necessary by the Transmission Provider to determine if the technological advancement request is a Material Modification; and
- (4) Any required deposit.

If the difference between the Initial Deposit submitted as per Section 3.4.1, less any part of that Deposit deemed nonrefundable as per Section 3.4.1, is \$10,000 or greater, the Interconnection Customer will not be required to tender a deposit for additional studies to evaluate the technological advancement request. If the difference between the Initial Deposit submitted as per Section 3.4.1, less any part of that Deposit deemed nonrefundable as per Section 3.4.1, is less than \$10,000, the Interconnection Customer shall tender a deposit to the amount of \$10,000 to the Transmission Provider to evaluate the technological advancement request. The Obligation of Study Costs shall be in accordance with LGIP Section 13.3.

Upon receipt by the Transmission Provider of a completed technological advancement request from the Interconnection Customer, the Transmission Provider will evaluate the technological advancement request to determine whether the technological advancement request is a Permissible Technological Advancement or if it necessitates the performance of additional analyses and/or studies. If the technological advancement request has no effect on electrical parameters or

performance, the technological advancement request will not be considered a Material Modification and will be deemed a Permissible Technological Advancement.

If the Transmission Provider determines that additional analyses and/or studies are required, Transmission Provider's studies may include steady-state, reactive power, short circuit, stability analysis and any other appropriate studies that the Transmission Provider deems necessary based on the Transmission Provider's engineering judgment. These additional studies and/or analyses will determine whether the technological advancements result in electrical performance that is equal to or better than the electrical performance expected prior to the technological advancement request and be deemed a Permissible Technological Advancement, or if the technological advancement is deemed a Material Modification.

If the Transmission Provider determines that the technological advancement request results in a Material Modification, the Interconnection Customer will be so notified and an explanation will be provided. The Transmission Provider shall determine whether or not a technological advancement request is a Material Modification within thirty (30) Calendar Days after the receipt of the initial completed technological advancement request, unless otherwise agreed upon by the Transmission Provider and the Interconnection Customer.

If the technological advancement request is deemed a Material Modification, the Interconnection Customer may either proceed with the previously provided data, or submit a new application, which will receive a new queue position.

Section 5. New Transmission Provider

5.1 Reserved.

5.2 New Transmission Provider

If Transmission Provider transfers control of its Transmission System to a successor Transmission Provider during the period when an Interconnection Request is pending, the original Transmission Provider shall transfer to the successor Transmission Provider any amount of the deposit or payment with interest thereon that exceeds the cost that it incurred to evaluate the request for

interconnection. Any difference between such net amount and the deposit or payment required by this LGIP shall be paid by or refunded to the Interconnection Customer, as appropriate. The original Transmission Provider shall coordinate with the successor Transmission Provider to complete any Interconnection Study, as appropriate, that the original Transmission Provider has begun but has not completed. If Transmission Provider has tendered a draft LGIA to Interconnection Customer but Interconnection Customer has not either executed the LGIA nor initiated Dispute Resolution pursuant to Section 13.5, Interconnection Customer must complete negotiations with the successor Transmission Provider.

Section 6. Informational Interconnection Study

6.1 Informational Interconnection Study Request

Interconnection Customers may not submit requests for Informational Interconnection Studies until after the Transition Readiness Deadline, as defined in Attachment M-1. Thereafter, at any time prior to submission of an Interconnection Request, an Interconnection Customer may request, and Transmission Provider (either itself or through a consultant) shall perform a reasonable number of Informational Interconnection Studies pursuant to the terms of Section 6.

Interconnection Customer shall submit to Transmission Provider an Informational Interconnection Study Request in the form of Appendix 2 to this LGIP and shall describe the assumptions that Interconnection Customer wishes Transmission Provider to study within the scope described in Section 6.3, including a proposed Point(s) of Interconnection and any reasonable alternative Point(s) of Interconnection.

At the time the Informational Interconnection Study Request is submitted, Interconnection Customer must request either Energy Resource Interconnection Service or Network Resource Interconnection Service, as described in Section 3.4.1; provided, however, any Interconnection Customer requesting an Informational Interconnection Study for Network Resource Interconnection Service may also request that it be concurrently studied for Energy Resource Interconnection Service.

Interconnection Customer must submit a deposit with each Informational Interconnection Request even when more than one request is submitted for a single site. An Informational Interconnection Request to evaluate one site at two

different voltage levels shall be treated as two Informational Interconnection Requests.

At the request of either the Interconnection Customer or Transmission Provider, Transmission Provider and Interconnection Customer will schedule a scoping meeting at a mutually agreed-upon time.

6.2 Informational Interconnection Study Agreement

Within five (5) Business Days after receipt of a request for an Informational Interconnection Study, Transmission Provider shall provide to Interconnection Customer an Informational Interconnection Study Agreement in the form of Appendix 2A.

The Informational Interconnection Study Agreement shall: (i) include the scope of work for the Informational Interconnection Study, subject to other requirements in Section 6.3, (ii) specify the technical data that Interconnection Customer must provide, (iii) specify the Informational Interconnection Study case and assumptions, and (iv) identify the Transmission Provider's estimate of the cost of the Informational Interconnection Study. Notwithstanding the above, Transmission Provider shall not be required as a result of an Informational Interconnection Study request to conduct any additional Interconnection Studies with respect to any other Interconnection Request.

Interconnection Customer shall execute the Informational Interconnection Study Agreement within ten (10) Business Days of receipt of an agreed upon scope of work and deliver the Informational Interconnection Study Agreement, the technical data, and a \$10,000 study deposit to Transmission Provider. Interconnection Customer shall be responsible for actual study costs.

6.3 Scope of Informational Interconnection Study

The intent of the Informational Interconnection Study is to aid Interconnection Customer in its business decisions related to interconnection of generation facilities prior to submitting an Interconnection Request. The Informational Interconnection Study will consider the Base Case as well as all generating facilities (and with respect to (iii), any identified Network Upgrades) that, on the date the Informational Interconnection Study is commenced: (i) are directly interconnected to the Transmission System; (ii) are interconnected to Affected Systems and may have an impact on the Interconnection Request; (iii) have a pending higher queued Interconnection Request to interconnect to the

Transmission System; and (iv) have no Queue Position but have executed an LGIA. The Informational Interconnection Study will consist of a power flow and short circuit analysis.

To the extent possible, the Informational Interconnection Study shall identify the potential Transmission Provider's Interconnection Facilities and the Network Upgrades, and the estimated cost thereof, that may be required to provide Interconnection Service based upon the results and assumptions of the Informational Interconnection Study.

The Informational Interconnection Study shall be performed solely for informational purposes and does not bind the Transmission Provider in any way or entitle the requesting Interconnection Customer to a Queue Position. Interconnection Customer requesting an Informational Interconnection Study shall not be assigned any cost responsibility for Network Upgrades. For the avoidance of doubt, neither the request for nor the performance of an Informational Interconnection Study shall be considered an Interconnection Request.

6.4 Informational Interconnection Study Procedures

The executed Informational Interconnection Study Agreement, the deposit, and technical and other data called for therein must be provided to Transmission Provider within ten (10) Business Days of Interconnection Customer receipt of the Informational Interconnection Study Agreement. Transmission Provider shall use Reasonable Efforts to complete the Informational Interconnection Study within a mutually agreed upon time period specified within the Informational Interconnection Study Agreement. This time period shall take into account all previous requests for Informational Studies that have been submitted but not yet completed. If Transmission Provider is unable to complete the Informational Interconnection Study within such time period, it shall notify Interconnection Customer and provide an estimated completion date and an explanation of the reasons why additional time is required.

Any difference between the study payment and the actual cost of the study shall be paid to Transmission Provider or refunded to Interconnection Customer, as appropriate. Upon request, Transmission Provider shall provide Interconnection Customer supporting documentation and work papers and databases or data developed in the preparation of the Informational Interconnection Study, subject to confidentiality arrangements consistent with Section 13.1.

Section 7. Cluster Study

7.1 Cluster Study Agreement

No later than five (5) Business Days after the close of a Cluster Request Window, Transmission Provider shall tender to each Interconnection Customer that submitted a valid Interconnection Request a Cluster Study Agreement in the form of Appendix 3 to this LGIP. The Cluster Study Agreement shall require the Interconnection Customer to compensate Transmission Provider for the actual cost of the Cluster Study. The specifications, assumptions, or other provisions in the appendices of the Cluster Study Agreement provided pursuant to this Section 7.1 shall be subject to change by Transmission Provider following conclusion of the Scoping Meeting.

7.2 Customer Engagement Window

Upon the close of each Cluster Request Window, Transmission Provider will open a thirty (30) Calendar Day period ("Customer Engagement Window"). During the Customer Engagement Window, Transmission Provider shall hold a Scoping Meeting with all interested Interconnection Customers. Notwithstanding the preceding sentence and upon written consent of all Interconnection Customers within a specific Cluster, Transmission Provider may shorten the Customer Engagement Window in order to start the Cluster Study earlier. Within the first ten (10) Business Days following the close of the Cluster Request Window, Transmission Provider shall post on its OASIS site a list of Interconnection Requests for that Cluster. The list shall identify, for each Interconnection Request: (i) the requested amount of Interconnection Service; (ii) the location by county and state; (iii) the station or transmission line or lines where the interconnection will be made; (iv) the projected In-Service Date; (v) the type of Interconnection Service requested; (vi) the type of Generating Facility to be constructed including fuel type such as wind, natural gas, coal, or solar; and (vii) the Cluster Area assigned to each Interconnection Request. During the Customer Engagement Window, Transmission Provider will provide to Interconnection Customer a non-binding updated good faith estimate of the cost and timeframe for completing the Cluster Study.

At the end of the Customer Engagement Window, all Interconnection Requests deemed valid that have executed a Cluster Study Agreement in the form of Appendix 3 shall be included in that Cluster Study. Any Interconnection Requests not deemed valid or undergoing Dispute Resolution at the close of the Customer Engagement Window shall not be included in that Cluster. Immediately following

the Customer Engagement Window, Transmission Provider shall initiate the Cluster Study described in more detail in Section 7.

7.3 Execution of Cluster Study Agreement and Scope of Cluster Study

Interconnection Customer shall execute the Cluster Study Agreement and deliver the executed Cluster Study Agreement to Transmission Provider no later than the close of the Customer Engagement Window.

The Cluster Study shall evaluate the impact of the proposed interconnection on the reliability of the Transmission System. The Cluster Study will consider the Base Case as well as all generating facilities (and with respect to (iii) below, any identified Network Upgrades associated with such higher queued interconnection) that, on the date the Cluster Request Window closes:

- (i) are existing and directly interconnected to the Transmission System;
- (ii) are existing and interconnected to Affected Systems and may have an impact on the Interconnection Request;
- (iii) have a pending higher queued or higher clustered Interconnection Request to interconnect to the Transmission System; and
- (iv) have no Queue Position but have executed an LGIA.

For purposes of determining necessary Interconnection Facilities and Network Upgrades, the Cluster Study shall consider the level of Interconnection Service requested by the Interconnection Customer, unless otherwise required to study the full Generating Facility Capacity due to safety or reliability concerns.

The Cluster Study shall consist of power flow, stability, and short circuit analyses, the results of which are documented in a single Cluster Study Report, or Cluster Re-Study Report, as applicable.

For purposes of identifying Network Upgrades and other facilities caused by requests for Network Resource Interconnection Service, Transmission Provider will run two iterations of the Cluster Study. The first iteration of the Cluster Study shall assume all requests in the applicable Cluster Study have requested Energy Resource Interconnection Service, to establish a baseline of shared Network Upgrades. In the second iteration, the Transmission Provider shall update the study with any requests for Network Resource Interconnection Service,

as applicable, to identify the incremental Network Upgrades caused by the requests for Network Resource Interconnection Service. In conducting the first iteration of the Cluster Study and determining the necessary Interconnection Facilities and Network Upgrades, Transmission Provider may model operating resources in the Transmission System at less than full output to the extent consistent with maintaining system reliability, Good Utility Practice, and expected operation of the resources in the Transmission System based on historical operating patterns and/or capacity factors. All such modeling assumptions shall be described in the Cluster Study Report.

At the conclusion of the Cluster Study, Transmission Provider will issue a Cluster Study Report. The Cluster Study report will state the assumptions upon which it is based; state the results of the analyses; and provide the requirements or potential impediments to providing the requested Interconnection Service, including a preliminary indication of the cost and length of time that would be necessary to correct any problems identified in those analyses and implement the interconnection. The Cluster Study Report shall identify Transmission Provider's Interconnection Facilities and Network Upgrades expected to be required to reliably interconnect the Generating Facilities in that Cluster Study at the requested Interconnection Service Level and shall provide non-binding estimates for required upgrades. The Cluster Study Report shall identify each Interconnection Customer's estimated allocated costs for Transmission Provider's Interconnection Facilities and Transmission Provider's Network Upgrades pursuant to the methodology in Section 4.2.3. Transmission Provider shall hold an open stakeholder meeting pursuant to Section 7.4 below.

The Cluster Study report will provide a list of facilities that are required as a result of the Interconnection Requests and a non-binding good faith estimate of cost responsibility and a non-binding good faith estimated time to construct.

Upon issuance of a Cluster Study Report, or Cluster Re-Study Report, if any, Transmission Provider shall simultaneously tender a draft Facility Study Agreement, subject to the conditions in Section 8.1.

7.4 Cluster Study Procedures

Transmission Provider shall coordinate the Cluster Study with any Affected System that is affected by the Interconnection Request pursuant to Section 3.6 above. Transmission Provider shall utilize existing studies to the extent practicable when it performs the Cluster Study. Interconnection Requests for a Cluster Study may be submitted only within the Cluster Request Window and

Transmission Provider shall initiate the Cluster Study process pursuant to Section 4.2.1.

- a. Transmission Provider may segment and perform Cluster Studies according to geographically and/or electrically relevant areas on the Transmission Provider's Transmission System ("Cluster Area"). Cluster Areas shall be determined by the Transmission Provider at the end of each Customer Engagement Window and shall be based on the valid Interconnection Requests that are submitted during the Cluster Request Window. Before the Scoping Meeting, the Transmission Provider shall initially determine each Cluster Area and shall post on its OASIS website, for discussion during the Scoping Meeting, a draft plan for the Cluster Study, including a map and table defining the Cluster Areas assigned to each valid Interconnection Request received during the Cluster Request Window. Transmission Provider shall post an updated Cluster Area map, table, and final Cluster Study plan on OASIS by no later than the end of the Customer Engagement Window. The Cluster Study shall consist of all valid Interconnection Requests in each respective Cluster Area that have executed a Cluster Study Agreement and have provided all required information before the close of the Customer Engagement Window.
- b. Unless restudies are required pursuant to Section 7.5, Transmission Provider shall use Reasonable Efforts to complete the Cluster Study and issue the Cluster Study Report within one hundred fifty (150) Calendar Days of the close of the Customer Engagement Window. If the Cluster Study Report is due on a non-Business Day, Transmission Provider shall issue the report on the first Business Day after the date the Cluster Study Report would otherwise be due.
- c. Within ten (10) Business Days of simultaneously furnishing a Cluster Study Report (or, as applicable, Cluster Re-Study Report) and a draft Interconnection Facilities Study Agreement to Interconnection Customers and posting such report on OASIS, Transmission Provider shall convene an open meeting to discuss the study results ("Cluster Study Report Meeting" or "Cluster Re Study Report Meeting"). Transmission Provider shall, upon request, also make itself available to meet with individual Interconnection Customers after the report is provided.

7.5 Cluster Study Withdrawals and Re-Studies

- a. If no Interconnection Customer withdraws from the Cluster after completion of the Cluster Study or Cluster Re-Study or is deemed withdrawn pursuant to Section 3.7, Transmission Provider shall electronically notify Interconnection Customers in the Cluster that a Cluster Re-Study is not required.
- b. If one or more Interconnection Customer withdraw(s) from the Cluster, Transmission Provider shall determine if a Cluster Re-Study of the Cluster is necessary. If Transmission Provider determines a Cluster Re-Study is not necessary, Transmission Provider shall provide an updated Cluster Study Report within thirty (30) Calendar Days of such determination. When the updated Cluster Study Report is issued, Transmission Provider shall electronically notify Interconnection Customers in the Cluster that a Cluster Re-Study is not required.
- c. If one or more Interconnection Customers withdraws from the Cluster and Transmission Provider determines a restudy of the Cluster is necessary as a result, Transmission Provider will continue with such re-studies as described in Section 7.5.d below, until Transmission Provider determines that no further re-studies are required. If an Interconnection Customer withdraws after Section 7.5.a, Section 7.5.c, during the Interconnection Facilities Study, or after other Interconnection Customers in the same Cluster have executed LGIAs, and Transmission Provider determines a restudy of the Cluster is necessary, the Cluster (including any Cluster Area) shall be restudied as described in Section 7.5.d below. Transmission Provider shall electronically notify Interconnection Customers in the Cluster and post on OASIS that a re-study is required.
- d. The scope of any Cluster Re-study shall be consistent with the scope of an initial Cluster Study pursuant to Section 7.3. Transmission Provider shall use Reasonable Efforts to complete the Cluster Re-Study for all Cluster Areas within one hundred fifty (150) Calendar Days of the commencement of the first Cluster Area Re-Study. The results of the Cluster Re-Study shall be combined into a single report ("Cluster Re-Study Report"), and Transmission Provider shall hold an open stakeholder meeting ("Cluster Re-Study Report Meeting") within ten (10) Business Days of publishing Cluster Re-Study Report on OASIS.

If additional re-studies are required, Interconnection Customer and Transmission Provider shall follow the procedures of this Section 7.5 until such time that Transmission Provider determines that no further re-studies are required. Transmission Provider shall electronically notify Interconnection Customers in the Cluster when no further re-studies are required.

- e. At the request of Interconnection Customer or at any time Transmission Provider determines that it will not meet the required timeframe for completing the Cluster Study, Transmission Provider shall notify Interconnection Customers as to the schedule status of the Cluster Study. If Transmission Provider is unable to complete the Cluster Study within the time period, it shall notify Interconnection Customers and provide an estimated completion date with an explanation of the reasons why additional time is required.

Upon request, Transmission Provider shall provide to Interconnection Customer all supporting documentation, workpapers, and relevant pre-Interconnection Request and post-Interconnection Request power flow, short circuit and stability databases for the Cluster Study, subject to confidentiality arrangements consistent with Section 13.1.

- f. If Re-Study of the Cluster Study other than the Re-Study described in Section 7.5(a)-(d) is required due to a higher or equal priority queued project dropping out of the queue, or a modification of a higher queued project subject to Section 4.4, Transmission Provider shall notify Interconnection Customer(s) in writing. The Transmission Provider shall make Reasonable Efforts to ensure such Re-Study takes no longer than one hundred fifty (150) Calendar Days from the date of notice. Except as provided in Section 3.7 in the case of withdrawing Interconnection Customers, any cost of Re-Study shall be borne by Interconnection Customer(s) being re-studied.

Section 8. Interconnection Facilities Study

8.1 Interconnection Facilities Study Agreement

Simultaneously with the delivery of the final Cluster Study Report, or Cluster Re-Study Report if applicable, Transmission Provider shall provide to Interconnection Customer an Interconnection Facilities Study Agreement in the form of Appendix 4 to this LGIP. The Interconnection Facilities Study

Agreement shall provide that Interconnection Customer shall compensate Transmission Provider for the actual cost of the Interconnection Facilities Study. Transmission Provider shall provide to Interconnection Customer includes a non-binding good faith estimate of the cost and timeframe for completing the Interconnection Facilities Study.

Interconnection Customer shall execute the Interconnection Facilities Study Agreement and deliver the executed Interconnection Facilities Study Agreement to Transmission Provider within thirty (30) Calendar Days after its receipt, together with: (i) any required technical data; (b) a demonstration of Site Control pursuant to Section 3.4.1(iii); and (c) demonstration of a Readiness Milestone Option in Sections 3.4.1(v)(b) – (c), a site-specific Purchase Order for generating equipment specific to the Interconnection Request, or a Financial Security payment equal to the Network Upgrade costs allocated to Interconnection Customer in the most recent Cluster Study Report minus any amounts already paid pursuant to Section 3.4.1(v)(d). Such additional Financial Security shall be refunded in accordance with Section 13.3.3.

8.2 Scope of Interconnection Facilities Study

The Interconnection Facilities Study shall be specific to each Interconnection Request and performed on an individual, i.e., non-clustered, basis. The Interconnection Facilities Study shall specify and provide a non-binding estimate of the cost of the equipment, engineering, procurement and construction work needed to implement the conclusions of the Cluster Study Report (and any associated re-studies) in accordance with Good Utility Practice to physically and electrically connect the Interconnection Facility to the Transmission System. The Interconnection Facilities Study shall also identify the electrical switching configuration of the connection equipment, including, without limitation: the transformer, switchgear, meters, and other station equipment; the nature and estimated cost of any Transmission Provider's Interconnection Facilities and Network Upgrades necessary to accomplish the interconnection; and an estimate of the time required to complete the construction and installation of such facilities. The Facilities Study will also identify any potential control equipment for requests for Interconnection Service that are lower than the Generating Facility Capacity.

8.3 Interconnection Facilities Study Procedures

Transmission Provider shall coordinate the Interconnection Facilities Study with any Affected System pursuant to Section 3.6 above. Transmission Provider shall utilize existing studies to the extent practicable in performing the Interconnection

Facilities Study. Transmission Provider shall use Reasonable Efforts to complete the study and issue a draft Interconnection Facilities Study report to Interconnection Customer within the following number of days after receipt of an executed Interconnection Facilities Study Agreement: ninety (90) Calendar Days with no more than a +/- 20 percent cost estimate contained in the report or, one hundred eighty (180) Calendar Days, if Interconnection Customer requests a +/- 10 percent cost estimate. If the Facilities Study Report is due on a non-Business Day, Transmission Provider shall issue the report on the first Business Day following the day the Facilities Study Report would otherwise be due.

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

Interconnection Customer may, within thirty (30) Calendar Days after receipt of the draft Interconnection Facilities Study report, provide written comments to Transmission Provider, which Transmission Provider shall include in completing the final Interconnection Facilities Study report. Transmission Provider shall issue the final Interconnection Facilities Study report within fifteen (15) Business Days of receiving Interconnection Customer's comments or promptly upon receiving Interconnection Customer's statement that it will not provide comments. Transmission Provider may reasonably extend such fifteen-day period upon notice to Interconnection Customer if Interconnection Customer's comments require Transmission Provider to perform additional analyses or make other significant modifications prior to the issuance of the final Interconnection Facilities Report. Upon request, Transmission Provider shall provide Interconnection Customer supporting documentation, workpapers, and databases or data developed in the preparation of the Interconnection Facilities Study, subject to confidentiality arrangements consistent with Section 13.1.

8.4 Meeting with Transmission Provider

Within ten (10) Business Days of providing a draft Interconnection Facilities Study report to Interconnection Customer, Transmission Provider and

Interconnection Customer shall meet to discuss the results of the Interconnection Facilities Study.

8.5 Re-Study

If re-study of the Interconnection Facilities Study, or Facilities Study for a Small Generating Facility performed under Section 3.6 of Attachment N is required due to a higher or equal priority queued project dropping out of the queue or a modification of a higher queued project pursuant to Section 4.4, Transmission Provider shall so notify Interconnection Customer in writing. Transmission Provider shall make Reasonable Efforts to ensure such re-study shall take no longer than sixty (60) Calendar Days from the date of notice. Re-Studies that require rerunning the Cluster Study analysis may take longer than sixty (60) Calendar Days. Except as provided in Section 3.7 in the case of withdrawing Interconnection Customers, any cost of re-study shall be borne by the Interconnection Customer being re-studied.

Section 9. Engineering & Procurement (“E&P”) Agreement

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

Interconnection Customer shall pay the cost of such authorized activities and any cancellation costs for equipment that is already ordered for its interconnection, which cannot be mitigated as hereafter described, whether or not such items or equipment later become unnecessary. If Interconnection Customer withdraws from the Cluster or either Party terminates the E&P Agreement, to the extent the equipment ordered can be canceled under reasonable terms, Interconnection Customer shall be obligated to pay the associated cancellation costs. To the

extent that the equipment cannot be reasonably canceled, Transmission Provider may elect: (i) to take title to the equipment, in which event Transmission Provider shall refund Interconnection Customer any amounts paid by Interconnection Customer for such equipment and shall pay the cost of delivery of such equipment, or (ii) to transfer title to and deliver such equipment to Interconnection Customer, in which event Interconnection Customer shall pay any unpaid balance and cost of delivery of such equipment.

Section 10. Reserved

Section 11. Large Generator Interconnection Agreement (LGIA)

11.1 Tender

Interconnection Customer shall tender comments on the draft Interconnection Facilities Study Report within thirty (30) Calendar Days of receipt of the report. Within thirty (30) Calendar Days after the comments are submitted or after the Interconnection Customer notifies Transmission Provider that it will not provide comments, Transmission Provider shall tender a draft LGIA, together with draft appendices. The draft LGIA shall be in the form of Transmission Provider's standard form of LGIA, which is in Appendix 6. Interconnection Customer shall execute and return the completed draft appendices within thirty (30) Calendar Days, unless the sixty (60) Calendar Day negotiation period under Section 11.2 has commenced.

11.2 Negotiation

Notwithstanding Section 11.1, at the request of Interconnection Customer, Transmission Provider shall begin negotiations with Interconnection Customer concerning the appendices to the LGIA at any time after Interconnection Customer executes the Interconnection Facilities Study Agreement. Transmission Provider and Interconnection Customer shall negotiate concerning any disputed provisions of the appendices to the draft LGIA for not more than sixty (60) Calendar Days after tender of the final Interconnection Facilities Study Report. If Interconnection Customer determines that negotiations are at an impasse, it may request termination of the negotiations at any time after tender of the draft LGIA pursuant to Section 11.1 and initiate Dispute Resolution pursuant to Section 13.5. If Interconnection Customer requests termination of the negotiations, but within sixty (60) Calendar Days thereafter fails to initiate Dispute Resolution, it shall be deemed to have withdrawn its Interconnection Request. Unless otherwise agreed by the Parties, if Interconnection Customer has not executed the LGIA or initiated Dispute Resolution pursuant to Section 13.5 within sixty (60) Calendar Days of

the tender of draft LGIA, it shall be deemed to have withdrawn its Interconnection Request. Transmission Provider shall provide to Interconnection Customer a final LGIA within fifteen (15) Business Days after the completion of the negotiation process.

11.3 Execution

Within fifteen (15) Business Days after receipt of the final LGIA, Interconnection Customer shall provide Transmission Provider with (A) demonstration that continued Site Control pursuant to Section 3.4.1(iii)(a) and (B) continued proof of meeting a Readiness Milestone Option in Section 3.4.1(v)(b), Section 3.4.1(v)(c), or a site-specific Purchase Order for generating equipment specific to the Interconnection Request, unless Interconnection Customer paid a deposit as provided in Section 3.4.1(v)(d) and associated Network Upgrade costs pursuant to Section 8.1(c). At the same time, Interconnection Customer also shall provide reasonable evidence that one or more of the following milestones in the development of the Large Generating Facility, at Interconnection Customer's election, has been achieved: (i) the execution of a contract for the supply or transportation of fuel to the Large Generating Facility; (ii) execution of a contract for the supply of cooling water to the Large Generating Facility; (iii) execution of a contract for the engineering for, procurement of major equipment for, or construction of, the Large Generating Facility; (iv) execution of a contract (or comparable evidence) for the sale of electric energy or capacity from the Large Generating Facility; or (v) application for an air, water, or land use permit.

Interconnection Customer shall either: (i) execute two originals of the tendered LGIA and return both signed originals to Transmission Provider; or (ii) initiate Dispute Resolution pursuant to Section 13.5.

11.4 Commencement of Interconnection Activities

If Interconnection Customer executes the final LGIA, Transmission Provider and Interconnection Customer shall perform their respective obligations in accordance with the terms of the LGIA.

Section 12. Construction of Transmission Provider's Interconnection Facilities and Network Upgrades

12.1 Schedule

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

12.2 Construction Sequencing

12.2.1 General

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

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

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

Consequently, the entity with a contractual obligation to construct such Network Upgrades shall be obligated to pay the remaining portion of the costs of the Network Upgrades that had not been expedited. Payment by that entity shall be due on the date that it would have been due had there been no request for advance construction. Transmission Provider shall forward to Interconnection Customer the amount paid by the entity with a

contractual obligation to construct the Network Upgrades as payment in full for the outstanding balance owed to Interconnection Customer.

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

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

12.2.4 Amended Interconnection System Impact Study

If applicable, an interconnection system impact study will be amended to determine the facilities necessary to support the requested In-Service Date. This amended study will include those transmission and Large Generating Facilities that are expected to be in service on or before the requested In-Service Date.

Section 13. Miscellaneous

13.1 Confidentiality

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

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

If requested by either Party, the other Party shall provide in writing, the basis for asserting that the information referred to in this Article warrants confidential treatment, and the requesting Party may disclose such writing to the appropriate

Governmental Authority. Each Party shall be responsible for the costs associated with affording confidential treatment to its information.

13.1.1 Scope

Confidential Information shall not include information that the receiving Party can demonstrate: (1) is generally available to the public other than as a result of a disclosure by the receiving Party; (2) was in the lawful possession of the receiving Party on a non-confidential basis before receiving it from the disclosing Party; (3) was supplied to the receiving Party without restriction by a third party, who, to the knowledge of the receiving Party after due inquiry, was under no obligation to the disclosing Party to keep such information confidential; (4) was independently developed by the receiving Party without reference to Confidential Information of the disclosing Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or Breach of the LGIA; or (6) is required, in accordance with Section 13.1.6, Order of Disclosure, to be disclosed by any Governmental Authority or is otherwise required to be disclosed by law or subpoena, or is necessary in any legal proceeding establishing rights and obligations under the LGIA. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the other Party that it no longer is confidential.

13.1.2 Release of Confidential Information

Neither Party shall release or disclose Confidential Information to any other person, except to its Affiliates (limited by the Standards of Conduct requirements), employees, consultants, or to parties who may be or considering providing financing to or equity participation with Interconnection Customer, or to a potential purchaser or assignee of Interconnection Customer, on a need-to-know basis in connection with these procedures, unless such person has first been advised of the confidentiality provisions of this Section 13.1 and has agreed to comply with such provisions. Notwithstanding the foregoing, a Party providing Confidential Information to any person shall remain primarily responsible for any release of Confidential Information in contravention of this Section 13.1.

13.1.3 Rights

Each Party retains all rights, title, and interest in the Confidential Information that each Party discloses to the other Party. The disclosure by each Party to the other Party of Confidential Information shall not be

deemed a waiver by either Party or any other person or entity of the right to protect the Confidential Information from public disclosure.

13.1.4 No Warranties

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

13.1.5 Standard of Care

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

13.1.6 Order of Disclosure

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

13.1.7 Remedies

The Parties agree that monetary damages would be inadequate to compensate a Party for the other Party's Breach of its obligations under this Section 13.1. Each Party accordingly agrees that the other Party shall be entitled to equitable relief, by way of injunction or otherwise, if the first Party Breaches or threatens to Breach its obligations under this Section 13.1, which equitable relief shall be granted without bond or proof of damages, and the receiving Party shall not plead in defense that there

would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the Breach of this Section 13.1, but shall be in addition to all other remedies available at law or in equity. The Parties further acknowledge and agree that the covenants contained herein are necessary for the protection of legitimate business interests and are reasonable in scope. No Party, however, shall be liable for indirect, incidental, or consequential or punitive damages of any nature or kind resulting from or arising in connection with this Section 13.1.

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

Notwithstanding anything in this Section 13.1 to the contrary, and pursuant to 18 CFR Section 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to the LGIP, the Party shall provide the requested information to FERC or its staff, within the time provided for in the request for information. In providing the information to FERC or its staff, the Party must, consistent with 18 CFR Section 388.112, request that the information be treated as confidential and non-public by FERC and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying the other Party prior to the release of the Confidential Information to FERC or its staff. The Party shall notify the other Party to the LGIA when it is notified by FERC or its staff that a request to release Confidential Information has been received by FERC, at which time either of the Parties may respond before such information would be made public, pursuant to 18 CFR Section 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner, consistent with applicable state rules and regulations.

13.1.9 Subject to the exception in Section 13.1.8, any information that a Party claims is competitively sensitive, commercial or financial information (“Confidential Information”) shall not be disclosed by the other Party to any person not employed or retained by the other Party, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the other Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this LGIP or as a transmission service provider or a Balancing Authority including disclosing the Confidential Information to an RTO or ISO or to a sub-regional, regional or national reliability organization, or planning group. The Party asserting confidentiality shall notify the other Party in writing of the information it claims is confidential. Prior to any disclosures of the other Party’s Confidential Information under this subparagraph, or if any third party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the disclosing Party agrees to promptly notify the other Party in writing and agrees to assert confidentiality and cooperate with the other Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

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

13.1.11 Destruction of Confidential Information

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

13.1.12 CPRA, Brown Act

In addition to the foregoing provisions under this Section 13.1, Interconnection Customer acknowledges that Transmission Provider is subject to disclosure as required by the California Public Records Act, Cal. Govt. Code §§6250 et seq. (“CPRA”) and the Ralph M. Brown Act, Cal. Govt. Code §§ 54950 *et. Seq.* (“Brown Act”). Requests for information made directly to Transmission Provider pursuant to CPRA will be managed in a similar manner identified within Section 13.1.9. For purposes of the Brown Act, the Parties shall adhere to the provisions of Section 13.1 to maintain confidentiality.

13.2 Delegation of Responsibility

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

13.3 Obligation for Study Costs and Withdrawal Penalties; Refunds

13.3.1 Transmission Provider shall charge and Interconnection Customer shall pay the actual costs of the Interconnection Studies (or actual allocated costs, in the case of Cluster Studies pursuant to Section 4.2.2) and any Withdrawal Penalty, as applicable. Any difference between the study deposit and the actual cost of the applicable Interconnection Study shall be paid by or refunded, except as otherwise provided herein, to Interconnection Customer or offset against the cost of any future Interconnection Studies associated with the applicable Interconnection Request prior to beginning of any such future Interconnection Studies. If an Interconnection Customer's study deposit paid pursuant to Section 3.1 is greater than the Interconnection Customer's share of actual Cluster Study costs (including applicable restudies), any excess amounts shall be applied to the Interconnection Customer's individual Interconnection Facility Study costs, or refunded to the Interconnection Customer following Transmission Provider's issuance of the Interconnection Customer's final Interconnection Facilities Study report. Interconnection Customer shall be responsible for any Withdrawal Penalties pursuant to Section 3.7 in the event of withdrawal.

13.3.2 In the event of Interconnection Customer's Withdrawal pursuant to Section 3.7, Transmission provider shall refund to Interconnection Customer any of the refundable portion of the following charges: (a) any study deposit paid pursuant to Section 3.1; (b) \$3,000 per MW deposit paid pursuant to Section 3.4.1(v)(d); (c) any Site Control-related deposit paid pursuant to Section 3.4.1(iii); and (d) additional Financial Security payment for Network Upgrade costs paid pursuant to Section 8.1(c). Such refundable portion shall be any amount that exceeds Interconnection Customer's share of the costs that Transmission Provider has incurred (such as study costs) including interest calculated in accordance with Section 35.19a(a)(2) of FERC's regulations, and that exceed any Withdrawal Penalty imposed, if applicable.

13.3.3 Additional Financial Security paid by Interconnection Customer pursuant to Section 8.1(c) shall be refunded in whole or in part on the earlier of: (i) Interconnection Customer is able to demonstrate a Readiness Milestone Option in Section 3.4.1(v)(b), Section 3.4.1(v)(c), or a site-specific Purchase Order for generating equipment specific to the Interconnection Request; (ii) the Interconnection Request is withdrawn from the queue and pays any required Withdrawal Penalties; (iii) before achieving Commercial Operation the Interconnection Customer terminates its executed LGIA pursuant to LGIA Article 2.3 or applicable termination procedures and pays any required Withdrawal Penalties; or (iv) Interconnection Customer achieves Commercial Operation. Any partial or full refund pursuant to this Section shall include interest (if applicable) calculated in accordance with Section 35.19a(a)(2) of FERC's regulations, and that exceed any Withdrawal Penalty imposed.

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

13.4 Third Parties Conducting Studies

If (i) at the time of the signing of an Interconnection Study Agreement there is a disagreement as to the estimated time to complete an Interconnection Study, (ii) Interconnection Customer receives notice pursuant to Sections 7.4, 7.5(e) or 8.3 that Transmission Provider will not complete an Interconnection Study within the applicable timeframe for such Interconnection Study, or (iii) Interconnection Customer receives neither the Interconnection Study nor a notice under Sections 7.4, 7.5(e) or 8.3 within the applicable timeframe for such Interconnection Study, then Interconnection Customer may require Transmission Provider to utilize a third party consultant reasonably acceptable to Interconnection Customer and Transmission Provider to perform such Interconnection Study under the direction of Transmission Provider. At other times, Transmission Provider may also utilize

a third party consultant to perform such Interconnection Study, either in response to a general request of Interconnection Customer, or on its own volition.

In all cases, use of a third party consultant shall be in accord with Article 26 of the LGIA (Subcontractors) and limited to situations where Transmission Provider determines that doing so will help maintain or accelerate the study process for Interconnection Customer's pending Interconnection Request and not interfere with Transmission Provider's progress on Interconnection Studies for other pending Interconnection Requests. In cases where Interconnection Customer requests use of a third party consultant to perform such Interconnection Study, Interconnection Customer and Transmission Provider shall negotiate all of the pertinent terms and conditions, including reimbursement arrangements and the estimated study completion date and study review deadline. Transmission Provider shall convey all workpapers, data bases, study results and all other supporting documentation prepared to date with respect to the Interconnection Request as soon as practicable upon Interconnection Customer's request, subject to the confidentiality provisions in Section 13.1. In any case, such third party contract may be entered into with either Interconnection Customer or Transmission Provider at Transmission Provider's discretion. In the case of (iii), Interconnection Customer maintains its right to submit a claim to Dispute Resolution to recover the costs of such third party study. Such third party consultant shall be required to comply with this LGIP, Article 26 of the LGIA (Subcontractors), and the relevant Tariff procedures and protocols as would apply if Transmission Provider were to conduct the Interconnection Study, and shall use the information provided to it solely for purposes of performing such services and for no other purposes.

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

13.5 Disputes

13.5.1 Submission

In the event either Party has a dispute, or asserts a claim, that arises out of or in connection with the LGIA, the LGIP, or their performance, such Party (the "disputing Party") shall provide the other Party with written notice of the dispute or claim ("Notice of Dispute"). Such Notice of Dispute shall not be deemed a waiver of the requirements of, nor construed as compliance with, California Government Code Section 910 *et seq.*, or any successor statute.

Such dispute or claim shall be referred to a designated senior representative of each Party for resolution on an informal basis as promptly as practicable after receipt of the Notice of Dispute by the other Party. In the event the designated representatives are unable to resolve the claim or dispute through unassisted or assisted negotiations within thirty (30) Calendar Days of the other Party's receipt of the Notice of Dispute, such claim or dispute may, upon mutual agreement of the Parties, be submitted to arbitration and resolved in accordance with the arbitration procedures set forth below. In the event the Parties do not agree to submit such claim or dispute to arbitration, each Party may exercise whatever rights and remedies it may have in equity or at law consistent with the terms of this LGIA.

13.5.2 External Arbitration Procedures

Any arbitration initiated under these procedures shall be conducted before a single neutral arbitrator appointed by the Parties. If the Parties fail to agree upon a single arbitrator within ten (10) Calendar Days of the submission of the dispute to arbitration, each Party shall choose one arbitrator who shall sit on a three-member arbitration panel. The two arbitrators so chosen shall within twenty (20) Calendar Days select a third arbitrator to chair the arbitration panel. In either case, the arbitrators shall be knowledgeable in electric utility matters, including electric transmission and bulk power issues, and shall not have any current or past substantial business or financial relationships with any party to the arbitration (except prior arbitration). The arbitrator(s) shall provide each of the Parties an opportunity to be heard and, except as otherwise provided herein, shall conduct the arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("Arbitration Rules"); provided, however, in the event of a conflict between the Arbitration Rules and the terms of this Section 13, the terms of this Section 13 shall prevail.

13.5.3 Arbitration Decisions

Unless otherwise agreed by the Parties, the arbitrator(s) shall render a decision within ninety (90) Calendar Days of appointment and shall notify the Parties in writing of such decision and the reasons therefor. The arbitrator(s) shall be authorized only to interpret and apply the provisions of the LGIA and LGIP and shall have no power to modify or change any provision of the LGIA and LGIP in any manner. The decision of the arbitrator(s) shall be final and binding upon the Parties, and judgment on

the award may be entered in any court having jurisdiction. The decision of the arbitrator(s) may be appealed solely on the grounds that the conduct of the arbitrator(s), or the decision itself, violated the standards set forth in the Federal Arbitration Act or the Administrative Dispute Resolution Act.

13.5.4 Costs

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

13.5.5 Non-binding dispute resolution procedures.

If a Party has submitted a Notice of Dispute pursuant to Section 13.5.1, and the Parties are unable to resolve the claim or dispute through unassisted or assisted negotiations within the thirty (30) Calendar Days provided in that Section, and the Parties cannot reach mutual agreement to pursue the Section 13.5 arbitration process, a Party may request that Transmission Provider engage in Non-binding Dispute Resolution pursuant to this section by providing written notice to Transmission Provider ("Request for Non-binding Dispute Resolution"). Conversely, either Party may file a Request for Non-binding Dispute Resolution pursuant to this Section without first seeking mutual agreement to pursue the Section 13.5 arbitration process. The process in Section 13.5.5 shall serve as an alternative to, and not a replacement of, the Section 13.5 arbitration process. Pursuant to this process, a Transmission Provider must within 30 days of receipt of the Request for Non-binding Dispute Resolution appoint a neutral decision-maker that is an independent subcontractor that shall not have any current or past substantial business or financial relationships with either Party. Unless otherwise agreed by the Parties, the decision-maker shall render a decision within sixty (60) Calendar Days of appointment and shall notify the Parties in writing of such decision and reasons therefore. This decision-maker shall be authorized only to interpret and apply the provisions of the LGIP and LGIA and shall have no power to modify or change any provision of the LGIP and LGIA in any manner. The result reached in this process is not binding. Each Party shall be responsible for its own costs incurred during the process and the cost of the decision-maker shall be divided equally among each Party to the dispute.

13.5.6 Governing Law and Venue

This LGIP and the LGIA, and all agreements hereunder shall be interpreted, governed by, and enforced in accordance with the laws of the State of California, as if executed and to be performed wholly within the State of California.

Any dispute arising out of or relating to this LGIP and the LGIA shall be brought in a state or federal court in the County of Los Angeles in the State of California. Each Party irrevocably agrees to submit to the exclusive jurisdiction of such courts in the State of California and waive any defense of *forum non conveniens*.

13.5.7 Non-Jurisdictional Entity

Notwithstanding the form of this LGIP or the LGIA and any reference or inclusion of these documents within the Tariff, Transmission Provider is a non-public utility under section 201(f) of the Federal Power Act, 16 U.S.C. §824(f), and is subject to FERC jurisdiction only in limited circumstances pursuant to 16 U.S.C. §824j-1.

13.6 Municipal Tax-Exempt Bonds

13.6.1 Transmission Providers That Own Facilities Financed by Tax Exempt and Tax Credit Bonds

This provision is applicable to those facilities that Transmission Provider has financed with municipal tax-exempt bonds, Build America Bonds (BAB), Clean Renewable Energy Bonds (“CREBS” and “New CREBs”), Qualified Energy Conservation Bonds (QECB) and other qualified tax credit bonds (collectively “Tax Exempt and Tax Credit Bonds”).

Notwithstanding any other provision of the LGIA and LGIP, Transmission Provider shall not be required to provide Interconnection Service to Interconnection Customer pursuant to the LGIA and LGIP if the provision of such transmission service would jeopardize the tax-exempt status, volume cap, or any federal subsidy of any Tax Exempt or Tax Credit Bond used to finance Transmission Provider’s facilities that would be used in providing such Interconnection Service.

13.6.2 Alternative Procedures for Requesting Interconnection Service

If Transmission Provider determines that the provision of Interconnection Service requested by Interconnection Customer would jeopardize the tax-exempt status of any bond identified within Section 13.6.1 used to finance its facilities that would be used in providing such Interconnection Service,

it shall advise the Interconnection Customer within thirty (30) Calendar Days of receipt of the Interconnection Request.

Interconnection Customer thereafter may renew its request for interconnection using the process specified in Article 5 of the Transmission Provider's Tariff.

**APPENDIX 1 to LGIP
INTERCONNECTION REQUEST FOR A
LARGE GENERATING FACILITY**

1. The undersigned Interconnection Customer submits this request to interconnect its Large Generating Facility with Transmission Provider's Transmission System pursuant to a Tariff.
2. This Interconnection Request is for:
☐ A proposed new Large Generating Facility.
☐ All or a portion is an electric storage resource.
☐ A proposed Large Generating Facility with Interconnection Service below the Generating Facility Capacity.
☐ An increase in the generating capacity or a Material Modification of an existing Generating Facility.
☐ Provisional Interconnection Service.
☐ Surplus Interconnection Service.
☐ Technological Advancement Request.
3. The type of Interconnection Service requested (check one):
☐ Energy Resource Interconnection Service
☐ Network Resource Interconnection Service

Note: For Surplus Interconnection Service requests, the type of Interconnection Service requested cannot exceed the type of Interconnection Service already provided by the original Interconnection Customer's LGIA.

4. Readiness Milestone Option selected, as specified in the LGIP, along with any supporting documentation: _____

(Note that if the Readiness Milestone Option in Section 3.4.1(v)(d) is selected at this stage, pursuant to the LGIP, Interconnection Customer will also need to satisfy the requirements of Section 8.1 to proceed to a Facilities Study.)

5. Interconnection Customer provides the following information:
 - a. Address or location (including GIS site coordinates) or the proposed new Large Generating Facility site (to the extent known) or, in the case of an existing

- Generating Facility, the name and specific location of the existing Generating Facility;
- b. Maximum summer at ____ degrees C and winter at ____ degrees C megawatt electrical output of the proposed new Large Generating Facility or the amount of megawatt increase in the generating capacity of an existing Generating Facility;
 - c. General description of the equipment configuration;
 - d. Anticipated In-Service Date for the proposed new Large Generating Facility (Day, Month, and Year);
 - e. Commercial Operation Date (Day, Month, and Year);
 - f. Name, address, telephone number, and e-mail address of Interconnection Customer's contact person;
 - g. Approximate location of the proposed Point of Interconnection;
 - h. Interconnection Customer Data (set forth in Attachment A);
 - i. Primary frequency response operating range for electric storage resources;
 - j. Requested capacity (in MW) of Interconnection Service (if lower than the Generating Facility Capacity);
 - k. General description of requested Surplus Interconnection Service, if applicable.
6. Applicable deposit amount as specified in Section 3.1 of the LGIP.
7. Site Control as specified in the LGIP: (check one)
____ Evidence is attached to this Interconnection Request
____ Site Control deposit provided in accordance with this LGIP
8. This Interconnection Request shall be submitted to the representative indicated below:

[To be completed by Transmission Provider]
9. Representative of Interconnection Customer to contact:

[To be completed by Interconnection Customer]

10. This Interconnection Request is submitted by:

Name of Interconnection Customer: _____

By (signature): _____

Name (type or print): _____

Title: _____

Date: _____

**Attachment A to Appendix 1
Interconnection Request**

LARGE GENERATING FACILITY DATA

Note: A WECC-approved General Electric Company Power Systems Load Flow (PSLF) steady state and dynamic data file must be supplied with the Interconnection Request. If other data files are more appropriate to the proposed device, then they shall be provided and discussed at Scoping Meeting.

UNIT RATINGS

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

Primary frequency response operating range for electric storage
resources:

Minimum State of Charge: _____

Maximum State of Charge: _____

COMBINED TURBINE-GENERATOR-EXCITER INERTIA DATA

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

OATT Effective [Insert]

REACTANCE DATA (PER UNIT-RATED KVA)

| | DIRECT AXIS | QUADRATURE AXIS |
|--------------------------------------|------------------|------------------|
| Synchronous – saturated | X_{dv} _____ | X_{qv} _____ |
| Synchronous – unsaturated | X_{di} _____ | X_{qi} _____ |
| Transient – saturated | X'_{dv} _____ | X'_{qv} _____ |
| Transient – unsaturated | X'_{di} _____ | X'_{qi} _____ |
| Subtransient – saturated | X''_{dv} _____ | X''_{qv} _____ |
| Subtransient – unsaturated | X''_{di} _____ | X''_{qi} _____ |
| Negative Sequence – saturated | X_{2v} _____ | |
| Negative Sequence – unsaturated | X_{2i} _____ | |
| Zero Sequence – saturated | X_{0v} _____ | |
| Zero Sequence – unsaturated X_{0i} | _____ | |
| Leakage Reactance | X_{lm} _____ | |

FIELD TIME CONSTANT DATA (SEC)

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

ARMATURE TIME CONSTANT DATA (SEC)

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

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

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

ARMATURE WINDING RESISTANCE DATA (PER UNIT)

Positive R_1 _____
Negative R_2 _____
Zero R_0 _____

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

CURVES

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

GENERATOR STEP-UP TRANSFORMER DATA RATINGS

Capacity Self-cooled/
Maximum Nameplate
_____/_____ kVA

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

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

Fixed Taps Available _____

Present Tap Setting _____

IMPEDANCE

Positive Z_1 (on self-cooled kVA rating) _____ % _____ X/R
Zero Z_0 (on self-cooled kVA rating) _____ % _____ X/R

EXCITATION SYSTEM DATA

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

GOVERNOR SYSTEM DATA

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

WIND GENERATORS

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

Elevation: _____ Single Phase _____ Three Phase

Inverter manufacturer, model name, number, and version:

List of adjustable setpoints for the protective equipment or software:

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

INDUCTION GENERATORS

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

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

APPENDIX 2 to LGIP
INFORMATIONAL INTERCONNECTION STUDY REQUEST

1. The undersigned Interconnection Customer submits this request for an Informational Interconnection Study pursuant to Transmission Provider's Tariff.
2. The type of interconnection service to be evaluated (check one):
_____ Energy Resource Interconnection Service
_____ Network Resource Interconnection Service
3. Check here _____ only if Network Resource Interconnection Service was selected above and Interconnection Customer also requests to have its proposed Generating Facility studied for Energy Resource Interconnection Service, for informational purposes.
4. Interconnection Customer provides the following information:
 - a. Address or location of the proposed new Large Generating Facility site to be studied (to the extent known) or, in the case of an existing Generating Facility, the name and specific location of the existing Generating Facility;
 - b. Maximum summer at ___ degrees C and winter at ___ degrees C megawatt electrical output of the proposed new Large Generating Facility or the amount of megawatt increase in the generating capacity of an existing Generating Facility;
 - c. General description of the equipment configuration;
 - d. Commercial Operation Date to be studied (Day, Month, and Year);
 - e. Name, address, telephone number, and e-mail address of Interconnection Customer's contact person;
 - f. Approximate location of the proposed Point of Interconnection;
 - g. Interconnection Customer Data (set forth in Attachment A);
 - h. Primary frequency response operating range for electric storage resources; and
 - i. Requested capacity (in MW) of Interconnection Service to be studied (if lower than the Generating Facility Capacity).

5. \$10,000 study deposit amount as specified in the LGIP.
6. This Interconnection Request shall be submitted to the representative indicated below:
[To be completed by Transmission Provider]
7. Representative of Interconnection Customer to contact:
[To be completed by Interconnection Customer]
8. This Informational Interconnection Request is submitted by:

Name of Interconnection Customer: _____

By (signature): _____

Name (type or print): _____

Title: _____

Date: _____

Attachment A to Appendix 2
Informational Interconnection Study Request

LARGE GENERATING FACILITY DATA

UNIT RATINGS

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

Primary frequency response operating range for electric storage resources:

Minimum State of Charge: _____

Maximum State of Charge: _____

COMBINED TURBINE-GENERATOR-EXCITER INERTIA DATA

Inertia Constant, H = _____ kW sec/kVA

Moment-of-Inertia, WR^2 = _____ lb. ft.²

REACTANCE DATA (PER UNIT-RATED KVA)

| | DIRECT AXIS | QUADRATURE AXIS |
|---------------------------------|------------------------|----------------------------|
| Synchronous - saturated | X_{dv} _____ | X_{qv} _____ |
| Synchronous - unsaturated | X_{di} _____ | X_{qi} _____ |
| Transient - saturated | X'_{dv} _____ | X'_{qv} _____ |
| Transient - unsaturated | X'_{di} _____ | X'_{qi} _____ |
| Subtransient - saturated | X''_{dv} _____ | X''_{qv} _____ |
| Subtransient - unsaturated | X''_{di} _____ | X''_{qi} _____ |
| Negative Sequence - saturated | X_{2v} _____ | |
| Negative Sequence - unsaturated | X_{2i} _____ | |
| Zero Sequence - saturated | X_{0v} _____ | |

OATT Effective [Insert]

Zero Sequence - unsaturated
Leakage Reactance

X_{0i} _____
 X_{lm} _____

FIELD TIME CONSTANT DATA (SEC)

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

ARMATURE TIME CONSTANT DATA (SEC)

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

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

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

ARMATURE WINDING RESISTANCE DATA (PER UNIT)

| | |
|----------|-------------|
| Positive | R_1 _____ |
| Negative | R_2 _____ |
| Zero | R_0 _____ |

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

OATT Effective [Insert]

CURVES

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

GENERATOR STEP-UP TRANSFORMER DATA RATINGS

Capacity Self-cooled/
Maximum Nameplate
_____/_____ kVA

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

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

Fixed Taps Available

Present Tap Setting

IMPEDANCE

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

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

EXCITATION SYSTEM DATA

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

OATT Effective [Insert]

GOVERNOR SYSTEM DATA

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

WIND GENERATORS

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

Elevation: _____ Single Phase _____ Three Phase

Inverter manufacturer, model name, number, and version:

List of adjustable set-points for the protective equipment or software:

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

INDUCTION GENERATORS

(*) Field Volts: _____

(*) Field Amperes: _____

(*) Motoring Power (kW): _____

(*) Neutral Grounding Resistor (If Applicable): _____

(*) I_2^2t or K (Heating Time Constant): _____

(*) Rotor Resistance: _____

(*) Stator Resistance: _____

(*) Stator Reactance: _____

(*) Rotor Reactance: _____

(*) Magnetizing Reactance: _____

(*) Short Circuit Reactance: _____

(*) Exciting Current: _____

OATT Effective [Insert]

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

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

**APPENDIX 2A TO LGIP
INFORMATIONAL INTERCONNECTION STUDY AGREEMENT**

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

RECITALS

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

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

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

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

- 1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider's LGIP.
- 2.0 Interconnection Customer elects and Transmission Provider shall cause to be performed an Informational Interconnection Study consistent with Section 6 of the LGIP.
- 3.0 The scope of the Informational Interconnection Study shall be subject to the assumptions set forth in Attachment A to this Agreement.
- 4.0 The Informational Interconnection Study shall be performed solely for informational purposes and is not binding on either Party.
- 5.0 The Informational Interconnection Study shall be based on the technical information provided by Interconnection Customer in the Informational

Interconnection Study Request, as may be modified as the result of the optional scoping meeting. Transmission Provider reserves the right to request additional technical information from Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Informational Interconnection Study. If Interconnection Customer modifies its Informational Interconnection Study Request, the time to complete the Informational Interconnection Study may be extended.

6.0 The Informational Interconnection Study Report shall provide the following information:

- preliminary identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;
- preliminary identification of any thermal overload or voltage limit violations resulting from the interconnection; and
- preliminary description and non-bonding estimated cost of facilities required to interconnect the Large Generating Facility to the Transmission System and to address the identified short circuit and power flow issues.

7.0 Interconnection Customer shall provide a deposit of \$10,000 for the performance of the Informational Interconnection Study.

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

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

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

This Agreement may be executed in one or more counterparts, and by the parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. The parties further agree that facsimile signatures or signatures scanned into .pdf (or signatures in another electronic format designated by LADWP) and sent by e-mail shall be deemed original signatures.

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

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

By: _____

Title: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

**Attachment A to Appendix 2A
Informational Interconnection
Study Agreement**

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

The Informational Interconnection Study will be based upon the information set forth in the Informational Interconnection Study Request and agreed upon in the optional scoping meeting held on _____:

Designation of Point of Interconnection and configuration to be studied.

Designation of alternative Point(s) of Interconnection and configuration.

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

**APPENDIX 3 to LGIP
CLUSTER STUDY AGREEMENT**

THIS AGREEMENT is made and entered into this ____ day of _____, 20____ by and between _____, a _____ organized and existing under the laws of the State of _____, (“Interconnection Customer,”) and the CITY OF LOS ANGELES acting by and through the DEPARTMENT OF WATER AND POWER, a department organized and existing under the Charter of the City of Los Angeles, a municipal corporation of the State of California (“Transmission Provider “). Interconnection Customer and Transmission Provider each may be referred to as a “Party,” or collectively as the “Parties.”

RECITALS

WHEREAS, Interconnection Customer is proposing to develop a [CHOOSE: Large Generating Facility or Small Generating Facility] or generating capacity addition to an existing Generating Facility (including Surplus Interconnection Service and Provisional Interconnection Service) consistent with the Interconnection Request submitted by Interconnection Customer dated _____; and

WHEREAS, Interconnection Customer desires to interconnect the [CHOOSE: Large Generating Facility or Small Generating Facility] or generating capacity addition to an existing Generating Facility (including Surplus Interconnection Service or Provisional Interconnection Service) with the Transmission System; and

WHEREAS, Interconnection Customer has requested Transmission Provider to perform a Cluster Study to assess the impact of interconnecting the [CHOOSE: Large Generating Facility or Small Generating Facility] to the Transmission System, and of any Affected Systems;

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

- 1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider’s LGIP and, if applicable, SGIP.
- 2.0 Interconnection Customer elects and Transmission Provider shall cause to be performed a Cluster Study consistent with, as applicable, Section 7.0 of the LGIP or Section 3 of the SGIP in accordance with the Tariff and any associated Business Practices.

- 3.0 The scope of the Cluster Study shall be subject to the assumptions set forth in Attachment A to this Agreement.
- 4.0 The Cluster Study will be based upon the information provided by Interconnection Customer in the Interconnection Request, subject to any modifications in accordance with, as applicable, Section 4.4 of the LGIP or Section 3 of the SGIP. Transmission Provider reserves the right to request additional technical information from Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Cluster Study. If Interconnection Customer modifies its Interconnection Request or the technical information provided therein, the time to complete the Cluster Study may be extended.
- 5.0 The Cluster Study report shall provide the following information, as applicable, consistent with the type of Interconnection Service requested:
- (i) identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;
 - (ii) identification of any thermal overload or voltage limit violations resulting from the interconnection;
 - (iii) identification of any instability or inadequately damped response to system disturbances resulting from the interconnection;
 - (iv) description and non-binding, good faith estimated cost of facilities required to interconnect the Large Generating Facility to the Transmission System and to address the identified short circuit, instability, power flow issues; and
 - (vii) identification of Contingent Facilities.
- 6.0 Interconnection Customer's deposit, paid pursuant to, as applicable, Section 3.1 of the LGIP, Attachment 2 of the SGIP, or Attachment M-1, as may be applicable, shall be used to pay Interconnection Customer's share of Cluster Study costs allocated pursuant to Section 4.2.2 of the LGIP or Section 3.4.2 of the SGIP. Transmission Provider's good faith estimate for the time of completion of the Cluster Study is [insert date].

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

Any difference between the deposit and the actual cost of the study shall be paid by or refunded to Interconnection Customer, as appropriate. As provided in Section 13.3 of the LGIP, Interconnection Customer has thirty (30) Calendar Days of receipt of an invoice from Transmission Provider to pay any undisputed costs. If invoices are not paid within thirty (30) Calendar Days of receipt of an invoice, Transmission Provider shall draw upon the security and deposits provided to settle all accounts, which shall include any offsets of amounts due and owing by Transmission Provider. After the final invoice is paid and all accounts are settled, Transmission Provider shall refund all remaining security and deposits.

7.0 Miscellaneous Provisions.

7.1 Indemnification. The Parties shall at all times indemnify, defend, and hold harmless the other Parties, their respective officials (elected or appointed), Boards, officers, managers, agents, employees, assigns and successors in interest, from and against any and all suits, causes of action, claims, charges, damages, demands, judgments, civil fines, penalties, costs and expenses (including, without limitation, reasonable attorneys' fees and costs of experts and consultants), or losses of any kind or nature whatsoever including, death, bodily injury or personal injury to any person, damage or destruction to any property (financial, physical, or intellectual) by or to third parties (collectively, "Losses") arising by reason of or incident to or directly or indirectly related to the other Party's acts, errors or omissions, performance or non-performance or Breach of any of their obligations of or under this Agreement, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

7.2 Accuracy of Information. The Interconnection Customer represents and warrants that, to the best of its knowledge and in accordance with Good Utility Practice, the information that it provides to the Transmission Provider in connection with this Cluster Study Agreement and the Cluster Study is accurate and complete. The Interconnection Customer acknowledges and accepts that it has a continuing obligation under this Cluster Study Agreement to promptly provide the Transmission Provider

with any additional information required to update the information previously provided within no less than forty-eight (48) hours.

- 7.3 Disclaimer of Warranty; Limitation of Liability and Release. In performing or causing the Cluster Study to be performed, the Transmission Provider may rely on the information provided by the Interconnection Customer and third parties, which Transmission Provider may not have any control over the veracity or accuracy of such information. For data, information and other studies submitted by the Interconnection Customer or obtained from third parties or industry sources, TRANSMISSION PROVIDER SHALL NOT BE LIABLE TO INTERCONNECTION CUSTOMER UNDER ANY CIRCUMSTANCES, UNDER ANY THEORY OF LIABILITY AT LAW OR IN EQUITY, WHETHER SUCH LIABILITY IS KNOWN OR UNKNOWN AT THE TIME OF SIGNING THIS AGREEMENT, OR ANY TIME THEREAFTER, FOR ANY DEATH, BODILY INJURY, AND LOSS OF USE OR DAMAGE OR DESTRUCTION OF ANY PROPERTY OR ANY BUSINESS INTERRUPTION, TO A THIRD PARTY OR TO INTERCONNECTION CUSTOMER.

INTERCONNECTION CUSTOMER DOES SO HEREBY ACKNOWLEDGE THAT IT HAS READ AND COMPREHENDED THE FOLLOWING PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1542 (OR ITS SUCCESSOR STATUTE) WHICH PROVIDES:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.”

BEING AWARE OF SAID CODE SECTION, INTERCONNECTION CUSTOMER HEREBY EXPRESSLY WAIVES ANY RIGHTS IT MAY HAVE THEREUNDER, AS WELL AS UNDER ANY OTHER STATUTES OR COMMON LAW PRINCIPLES OF SIMILAR EFFECT.

Upon execution of this Cluster Study Agreement, the Interconnection Customer acknowledges and accepts that it has not relied on any representations or warranties not specifically set forth herein.

- 7.4 Representations and Warranties. Each Party makes the following representations, warranties and covenants:
- 7.4.1 Good Standing. Such Party is duly organized, validly existing and, in the case of the Interconnection Customer, in good standing under the laws of the state in which it is organized, formed, or incorporated, as applicable; that it is qualified to do business in the state or states in which the Large Generating Facility, Interconnection Facilities and Network Upgrades owned by such Party, as applicable, are located; and that it has legal power and authority to own its properties, to carry on its business as now being conducted and to enter into this Agreement 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 Agreement.
- 7.4.2 Authority. Such Party has the right, power and authority to enter into this Agreement, to become a Party hereto and to perform its obligations hereunder. This Agreement is a legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by general equitable principles (regardless of whether enforceability is sought in a proceeding in equity or at law), and, in the case of the Transmission Provider, the limitations on legal remedies against municipal corporations in the State of California.
- 7.4.3 No Conflict. The execution, delivery and performance of this Agreement does not violate or conflict with the organizational or formation documents, or bylaws or operating agreement, of such Party, or any judgment, license, permit, order, material agreement or instrument applicable to or binding upon such Party or any of its assets.
- 7.4.4 Consent and Approval. Such Party has sought or obtained, or, in accordance with this Agreement will seek or obtain, each consent, approval, authorization, order, or acceptance by any Governmental Authority in connection with the execution, delivery and

performance of this Agreement, and it will provide to any Governmental Authority notice of any actions under this Agreement that are required by Applicable Laws and Regulations.

7.5 Force Majeure.

7.5.1 A Party shall not be considered to be in Default in the performance of any of its obligations under this Agreement when and to the extent such Party's performance is prevented by a Force Majeure that, despite the exercise of due diligence (which does not require the affected Party to accede or agree to any provision not satisfactory to it in order to settle and terminate a strike or other labor disturbance), such Party is unable to prevent, mitigate, or fulfill any obligation hereunder (other than an obligation to pay money when due) and provides immediate notice as soon as reasonably possible of the Force Majeure to the other Party after becoming aware thereof ("Force Majeure Immediate Notice"), subject to the additional requirement of a Force Majeure Written Notice set forth in Section 7.5.2.

7.5.2 A Party unable to fulfill any obligation hereunder (other than an obligation to pay money when due) by reason of Force Majeure shall provide the Force Majeure Immediate Notice pursuant to Section 7.5.1 and shall further provide a written detailed description of the full particulars of such Force Majeure to the other Party no later than thirty (30) calendar days after the initial occurrence of the claimed Force Majeure ("Force Majeure Written Notice"), which such notice shall include information with respect to the nature, cause and date and time of commencement of such event, and the anticipated scope and duration of the delay. The affected Party that timely provides both the Force Majeure Immediate Notice and the Force Majeure Written Notice shall be excused from fulfilling its obligations under this Agreement until such time as the Force Majeure has ceased to prevent performance or other remedial action is taken, at which time the Party shall promptly notify the other Party of the resumption of its obligations under this Agreement. If, after satisfying the notice requirements set forth above, the unaffected Party reasonably concludes that a Force Majeure or its impact on the affected Party or any facility including the Transmission System will continue (i) for a period of 180 or more consecutive calendar days, or (ii) for an aggregate

period of 270 or more non-consecutive calendar days in the case of any claimed Force Majeure event or series of claimed Force Majeure events, the unaffected Party shall have the right to terminate this Agreement effective upon notice to the affected Party.

- 7.6 Assignment. This Cluster Study Agreement shall not be assigned, conveyed or transferred to any third party unless the provisions of Section 4.3 of the LGIP have been satisfied and Transmission Provider consents to such assignment, conveyance or transfer in writing.
- 7.7 Governing Law. This Agreement was made and entered into in the City of Los Angeles and shall be governed by, interpreted and enforced in accordance with the laws of the State of California and the City of Los Angeles, without regard to conflict of law principles.
- 7.8 Venue. All litigation arising out of, or relating to this Cluster Study Agreement, shall be brought in a court of competent jurisdiction located in Los Angeles County, in the State of California. The Parties irrevocably agree to submit to the exclusive jurisdiction of such courts in the State of California and waive any defense of *forum non conveniens*.
- 7.9 Waivers. Any waiver, which such waiver must be in writing, at any time by any Party of its rights with respect to a default under this Cluster Study Agreement, or with respect to any other matter arising in connection with said agreement, shall not be deemed a waiver with respect to any subsequent default or other matter arising in connection therewith. Any delay, short of the statutory period of limitation in asserting or enforcing any right, shall not be deemed a waiver of such right.
- 7.10 Binding Effect. This Cluster Study Agreement shall be binding upon, and inure to the benefit of, the Parties and their respective successors or assigns, subject to Section 4.3 of the LGIP.
- 7.11 Attorney Fees and Costs. Both Parties agree that in any action to enforce the terms of this Agreement that each Party shall be responsible for its own attorney fees and costs.

- 7.12 Entire Agreement. This Cluster Study Agreement contains the entire agreement and understanding between the Parties, their agents, and employees as to the subject matter herein. This Agreement may be amended only by a written document signed by both Parties.
- 7.13 Signatures. This Agreement may be executed in one or more counterparts, and by the parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. The parties further agree that facsimile signatures or signatures scanned into .pdf (or signatures in another electronic format designated by LADWP) and sent by e-mail shall be deemed original signatures.
- 8.0 Termination or Withdrawal. Any request to terminate or withdraw from a study, expressly excepting any request for an extension of time on the Cluster Study not to exceed one year from the date that the Transmission Provider commenced the study, shall be deemed as a withdrawal of the Interconnection Request in accordance with Section 3.7 of the LGIP.
- 9.0 Term of Agreement. This agreement shall become effective on the day and year first above written and shall remain in effect for an initial term of one (1) year. The term of this agreement may be extended by mutual agreement of the Parties, provided, however, that in no event shall the total term of this agreement be longer than three (3) years from the day and year first above written.

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

DEPARTMENT OF WATER AND POWER OF
THE CITY OF LOS ANGELES

By: _____

Title: _____

Date: _____

OATT Effective [Insert]

Department of Water and Power
of the City of Los Angeles

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[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

OATT Effective [Insert]

**Attachment A to Appendix 3
Cluster Study Agreement**

**ASSUMPTIONS USED IN CONDUCTING
CLUSTER STUDY**

The Cluster Study will be based upon the information set forth in the Interconnection Request and results of applicable prior Interconnection Studies, subject to any modifications in accordance with Section 4.4 of the LGIP and Section 1.4 of the SGIP, and the following assumptions:

Designation of Point of Interconnection and configuration to be studied.

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

Note: All information below shall be considered preliminary at this time as it is subject to detailed design and verification later

1. **One-line Diagram/Configuration Layout of Interconnection Customer's Facility:**
(To be provided by the Interconnection Customer)

2. **Interconnection Transmission Line Description**

| Interconnection Line | R1 p.u. on 100 MVA base | X1 p.u on 100 MVA base | B p.u on 100 MVA base | R0 p.u on 100 MVA base | X0 p.u. on 100 MVA base |
|----------------------|-------------------------------|------------------------------|-----------------------------|------------------------------|-------------------------------|
| | | | | | |

| Interconnection Line | Length (mi.) | Conductor Type & Size | Normal Rating (MVA) | Emergency Rating (MVA) |
|----------------------|-----------------|--------------------------|---------------------------|------------------------------|
| | | | | |

R1, X1, B = positive sequence ,

R0, X0 = zero sequence

3. Generator Step Up Transformer Equivalent

- Transformer winding vector group connection diagrams
(ex: **D-Y**, **Y-D**, **Y-Y**, **Y-D-Y**);
- Neutral grounding impedance(s) if applied (ohms)

| Transformer Name | Xfmr Rating (MVA) | R1 Pri. to Sec. on 100 MVA base | X1 Pri. to Sec. on 100 MVA base | R1 Pri. to tert. on 100 MVA base* | X1 Sec. to tert. on 100 MVA base* | R1 Sec. to tert. on 100 MVA base* | X1 Sec. to tert. on 100 MVA base* | Tertiary Winding Voltage* |
|------------------|-------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|---------------------------|
| | | | | | | | | |
| | | | | | | | | |
| | | R0 Pri. to Sec. on 100 MVA base** | X0 Pri. to Sec. on 100 MVA base** | R0 Pri. to tert. on 100 MVA base* | X0 Pri. to tert. on 100 MVA base* | R0 Sec. to tert. on 100 MVA base* | X0 Sec. to tert. on 100 MVA base* | |
| | | | | | | | | |
| | | | | | | | | |
| | Vnorm (from) | Vnorm (to) | Tap (from) | Tap (to) | Variable Tap | Tap (max) | Tap (min) | Tap Step size |
| | | | | | | | | |
| | | | | | | | | |

* transformer tertiary winding (if applicable)

** with delta tertiary in service (if applicable)

R1, X1 = positive sequence, R0, X0 = zero sequence

4. Collector System Cable Equivalent Impedance (one line for each collector feeder)

| R1 p.u. on 100 MVA base | X1 p.u. on 100 MVA base | B p.u on 100 MVA base | R0 p.u on 100 MVA base | X0 p.u. on 100 MVA base | Rating (MVA) Cont. & Emergency |
|-------------------------|-------------------------|-----------------------|------------------------|-------------------------|--------------------------------|
| | | | | | |
| | | | | | |

5. Collector Substation Transformers

- Transformer winding vector group connection diagrams
(ex: D-Y, Y-D, Y-Y)
- Neutral grounding impedance(s) if applied (ohms and winding(s))

| Transformer Name | Transformer Rating (MVA) | R1 p.u. on 100 MVA base | X1 p.u. on 100 MVA base | R0 p.u. on 100 MVA base | X0 p.u. on 100 MVA base | | | |
|------------------|--------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-----------|-----------|---------------|
| | | | | | | | | |
| | | | | | | | | |
| | Vnorm (from) | Vnorm (to) | Tap (from) | Tap (to) | Variable Tap | Tap (max) | Tap (min) | Tap Step Size |
| | | | | | | | | |
| | | | | | | | | |

6. Generator Equivalent

| Unit | Rated voltage (kV) | Rated power (MVA) | X''1 on 100 MVA Base (pu) | X''2 on 100 MVA Base (pu) | X''0 on 100 MVA Base (pu) | Pmax MW | Pmin MW | Qmax MVars | Qmin MVars | Regulated Bus |
|---|--------------------|-------------------|---------------------------|---------------------------|---------------------------|---------|---------|------------|------------|---------------|
| | | | | | | | | | | |
| | | | | | | | | | | |
| In the case of power electronic sources, steady state current limit for short circuit currents (A at rated voltage) | | | | | | | | | | |
| | | | - | - | - | | | | | |
| | | | | | | | | | | |

*Qmax indicated is indicative of maximum reactive capability at Pmax

X''1 = Positive Sequence (first cycle),

X''2 = Negative Sequence (first cycle)

X'0 = Zero Sequence (includes any neutral grounding impedance if applied)

7. Plant-level Reactive Power Compensation

| Shunt Capacitor Power Compensation | Size (MVAR) |
|------------------------------------|-------------|
|------------------------------------|-------------|

OATT Effective [Insert]

| | |
|---|--------------------|
| | |
| | |
| Shunt Reactor Power Compensation | Size (MVAR) |
| | |
| | |

8. **Dynamic Data** (To be provided by the requestor)

All the appropriate dynamic data for each generator, governor, exciter, power system stabilizer, and/or wind turbine, photo-voltaic, and energy storage must be supplied in the GE PSLF format.

The dynamic model data provided shall be a WECC approved model.

9. **Additional Data for Harmonic Study**

- Inverter specification (Electrical Characteristics) sheet
- Harmonic Frequency Spectrum of the inverter
- Main Transformer MVA rating under normal operating conditions

**APPENDIX 4 to LGIP
INTERCONNECTION FACILITIES STUDY AGREEMENT**

THIS AGREEMENT is made and entered into this ___ day of ___, 20__ by and between ___, a ___ organized and existing under the laws of the State of ___, (“Interconnection Customer,”) and the CITY OF LOS ANGELES acting by and through the DEPARTMENT OF WATER AND POWER, a department organized and existing under the Charter of the City of Los Angeles, a municipal corporation of the State of California (“Transmission Provider”). Interconnection Customer and Transmission Provider each may be referred to as a “Party,” or collectively as the “Parties.”

RECITALS

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

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

WHEREAS, Transmission Provider has completed a Cluster Study and provided the results of said study to Interconnection Customer; and

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

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

- 1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider’s LGIP.
- 2.0 Interconnection Customer elects and Transmission Provider shall cause an Interconnection Facilities Study consistent with Section 8.0 of this LGIP to be performed in accordance with the Tariff and any associated Business Practices.

- 2.1 Interconnection Customer shall provide (a) a demonstration of Site Control and (b) a Readiness Milestone Option or additional financial security payment in accordance with Section 8.1 of the LGIP.
- 3.0 The scope of the Interconnection Facilities Study shall be subject to the assumptions set forth in Attachment A and the data provided in Attachment B to this Agreement.
- 4.0 The Interconnection Facilities Study report (i) shall provide a description, estimated cost of (consistent with Attachment A), schedule for required facilities to interconnect the Large Generating Facility to the Transmission System and (ii) shall address the short circuit, instability, power flow issues identified in the Cluster Study, as applicable, consistent with the type of Interconnection Service requested.
- 5.0 Interconnection Customer shall pay the actual costs of the Interconnection Facilities Study. The time for completion of the Interconnection Facilities Study is specified in Attachment A.

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

6.0 Miscellaneous Provisions.

- 6.1 Indemnification. The Parties shall at all times indemnify, defend, and hold harmless the other Parties, their respective officials (elected or appointed), Boards, officers, managers, agents, employees, assigns and successors in interest, from and against any and all suits, causes of action, claims, charges, damages, demands, judgments, civil fines, penalties, costs and expenses (including, without limitation, reasonable attorneys' fees and costs of experts and consultants), or losses of any kind or nature whatsoever including, death, bodily injury or personal injury to any person, damage or destruction to any property (financial, physical, or intellectual) by or to third parties (collectively, "Losses") arising by reason of or incident to or directly or indirectly related to the other Party's acts, errors or omissions, performance or non-performance or Breach of any of

their obligations of or under this Agreement, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

- 6.2 Accuracy of Information. The Interconnection Customer represents and warrants that, to the best of its knowledge and in accordance with Good Utility Practice, the information that it provides to the Transmission Provider in connection with this Interconnection Facilities Study Agreement and the Interconnection Facilities Study is accurate and complete. The Interconnection Customer acknowledges and accepts that it has a continuing obligation under this Interconnection Facilities Study Agreement to promptly provide the Transmission Provider with any additional information required to update the information previously provided within no less two (2) Business Days.
- 6.3 Disclaimer of Warranty; Limitation of Liability and Release. In performing or causing the Interconnection Facilities Study to be performed, the Transmission Provider may rely on the information provided by the Interconnection Customer and third parties, which Transmission Provider may not have any control over the veracity or accuracy of such information. For data, information and other studies submitted by the Interconnection Customer or obtained from third parties or industry sources, TRANSMISSION PROVIDER SHALL NOT BE LIABLE TO INTERCONNECTION CUSTOMER UNDER ANY CIRCUMSTANCES, UNDER ANY THEORY OF LIABILITY AT LAW OR IN EQUITY, WHETHER SUCH LIABILITY IS KNOWN OR UNKNOWN AT THE TIME OF SIGNING THIS AGREEMENT, OR ANY TIME THEREAFTER, FOR ANY DEATH, BODILY INJURY, AND LOSS OF USE OR DAMAGE OR DESTRUCTION OF ANY PROPERTY OR ANY BUSINESS INTERRUPTION, TO A THIRD PARTY OR TO INTERCONNECTION CUSTOMER.

INTERCONNECTION CUSTOMER DOES SO HEREBY ACKNOWLEDGE THAT IT HAS READ AND COMPREHENDED THE FOLLOWING PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1542 (OR ITS SUCCESSOR STATUTE) WHICH PROVIDES:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO

EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.”

BEING AWARE OF SAID CODE SECTION, INTERCONNECTION CUSTOMER HEREBY EXPRESSLY WAIVES ANY RIGHTS IT MAY HAVE THEREUNDER, AS WELL AS UNDER ANY OTHER STATUTES OR COMMON LAW PRINCIPLES OF SIMILAR EFFECT.

Upon execution of this Interconnection Facilities Study Agreement, the Interconnection Customer acknowledges and accepts that it has not relied on any representations or warranties not specifically set forth herein.

- 6.4 Representations and Warranties. Each Party makes the following representations, warranties and covenants:
- 6.4.1 Good Standing. Such Party is duly organized, validly existing and, in the case of the Interconnection Customer, in good standing under the laws of the state in which it is organized, formed, or incorporated, as applicable; that it is qualified to do business in the state or states in which the Large Generating Facility, Interconnection Facilities and Network Upgrades owned by such Party, as applicable, are located; and that it has legal power and authority to own its properties, to carry on its business as now being conducted and to enter into this Agreement 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 Agreement.
- 6.4.2 Authority. Such Party has the right, power and authority to enter into this Agreement, to become a Party hereto and to perform its obligations hereunder. This Agreement is a legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors’ rights generally and by general equitable principles (regardless of whether enforceability is sought in a proceeding in equity or at law), and, in the case of the Transmission Provider, the limitations on legal remedies against municipal corporations in the State of California.

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

6.5 Force Majeure.

- 6.5.1 A Party shall not be considered to be in Default in the performance of any of its obligations under this Agreement when and to the extent such Party's performance is prevented by a Force Majeure that, despite the exercise of due diligence (which does not require the affected Party to accede or agree to any provision not satisfactory to it in order to settle and terminate a strike or other labor disturbance), such Party is unable to prevent, mitigate, or fulfill any obligation hereunder (other than an obligation to pay money when due) and provides immediate notice as soon as reasonably possible of the Force Majeure to the other Party after becoming aware thereof ("Force Majeure Immediate Notice"), subject to the additional requirement of a Force Majeure Written Notice set forth in Section 6.5.2.
- 6.5.2 A Party unable to fulfill any obligation hereunder (other than an obligation to pay money when due) by reason of Force Majeure shall provide the Force Majeure Immediate Notice pursuant to Section 6.5.1 and shall further provide a written detailed description of the full particulars of such Force Majeure to the other Party no later than thirty (30) calendar days after the initial occurrence of the claimed Force Majeure ("Force Majeure Written Notice"), which such notice shall include information with respect to the nature, cause and date and time of commencement of such event, and the anticipated scope and duration of the delay. The affected Party that timely provides both the Force Majeure

Immediate Notice and the Force Majeure Written Notice shall be excused from fulfilling its obligations under this Agreement until such time as the Force Majeure has ceased to prevent performance or other remedial action is taken, at which time the Party shall promptly notify the other Party of the resumption of its obligations under this Agreement. If, after satisfying the notice requirements set forth above, the unaffected Party reasonably concludes that a Force Majeure or its impact on the affected Party or any facility including the Transmission System will continue (i) for a period of 180 or more consecutive calendar days, or (ii) for an aggregate period of 270 or more non-consecutive calendar days in the case of any claimed Force Majeure event or series of claimed Force Majeure events, the unaffected Party shall have the right to terminate this Agreement effective upon notice to the affected Party.

- 6.6 Assignment. This Interconnection Facilities Study Agreement shall not be assigned, conveyed or transferred to any third party unless the provisions of Section 4.3 of the LGIP have been satisfied and Transmission Provider consents to such assignment, conveyance or transfer in writing.
- 6.7 Governing Law. This Agreement was made and entered into in the City of Los Angeles and shall be governed by, interpreted and enforced in accordance with the laws of the State of California and the City of Los Angeles, without regard to conflict of law principles.
- 6.8 Venue. All litigation arising out of, or relating to this Interconnection Facilities Study Agreement, shall be brought in a court of competent jurisdiction located in Los Angeles County, in the State of California. The Parties irrevocably agree to submit to the exclusive jurisdiction of such courts in the State of California and waive any defense of *forum non conveniens*.
- 6.9 Waivers. Any waiver, which such waiver must be in writing, at any time by any Party of its rights with respect to a default under this Interconnection Facilities Study Agreement, or with respect to any other matter arising in connection with said agreement, shall not be deemed a waiver with respect to any subsequent default or other matter arising in connection therewith. Any delay, short of the statutory period of

limitation in asserting or enforcing any right, shall not be deemed a waiver of such right.

- 6.10 Binding Effect. This Interconnection Facilities Study Agreement shall be binding upon, and inure to the benefit of, the Parties and their respective successors or assigns, subject to Section 4.3 of the LGIP.
 - 6.11 Attorney Fees and Costs. Both Parties agree that in any action to enforce the terms of this agreement that each Party shall be responsible for its own attorney fees and costs.
 - 6.12 Entire Agreement. This Interconnection Facilities Study Agreement contains the entire agreement and understanding between the Parties, their agents, and employees as to the subject matter herein. This agreement may be amended only by a written document signed by both Parties.
 - 6.13 Signatures. This Agreement may be executed in one or more counterparts, and by the parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. The parties further agree that facsimile signatures or signatures scanned into .pdf (or signatures in another electronic format designated by LADWP) and sent by e-mail shall be deemed original signatures.
- 7.0 Termination or Withdrawal. Any request to terminate or withdraw from a study, expressly excepting any request for an extension of time on the Interconnection Facilities Study not to exceed one year from the date that the Transmission Provider commenced the study, shall be deemed as a withdrawal of the Interconnection Request in accordance with Section 3.7 of the LGIP.
- 8.0 Term of Agreement. This agreement shall become effective on the day and year first above written and shall remain in effect for an initial term of one (1) year. The term of this agreement may be extended by mutual agreement of the Parties, provided, however, that in no event shall the total term of this agreement be longer than three (3) years from the day and year first above written.

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

OATT Effective [Insert]

Department of Water and Power
of the City of Los Angeles

Open Access Transmission Tariff
Original Sheet No. - 8 -

DEPARTMENT OF WATER AND POWER OF
THE CITY OF LOS ANGELES

By: _____

Title: _____

Date: _____

INTERCONNECTION CUSTOMER

By: _____

Title: _____

Date: _____

OATT Effective [Insert]

**Attachment A to Appendix 4
Interconnection Facilities
Study Agreement**

**INTERCONNECTION CUSTOMER SCHEDULE ELECTION FOR CONDUCTING
THE INTERCONNECTION FACILITIES STUDY**

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

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

**Attachment B to Appendix 4
Interconnection Facilities
Study Agreement**

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

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

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

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

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

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

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

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

What protocol does the control system or PLC use?

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

Physical dimensions of the proposed interconnection station:

OATT Effective [Insert]

Bus length from generation to interconnection station:

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

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

Number of third party easements required for transmission lines*:

* To be completed in coordination with Transmission Provider.

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

____ Yes ____ No Local provider:

Please provide proposed schedule dates:

Begin Construction

Date: _____

Generator step-up transformer
receives back feed power

Date: _____

Generation Testing

Date: _____

Commercial Operation

Date: _____

OATT Effective [Insert]

APPENDIX 5 to LGIP
SURPLUS INTERCONNECTION SERVICE SYSTEM IMPACT STUDY AGREEMENT

THIS AGREEMENT is made and entered into this _____ day of _____, 20____ by and between _____, a _____ organized and existing under the laws of the State of _____, (“Interconnection Customer,”) and the CITY OF LOS ANGELES acting by and through the DEPARTMENT OF WATER AND POWER, a department organized and existing under the Charter of the City of Los Angeles, a municipal corporation of the State of California (“Transmission Provider”). Interconnection Customer and Transmission Provider each may be referred to as a “Party,” or collectively as the “Parties.”

RECITALS

WHEREAS, in accordance with a request submitted to the Transmission Provider on _____ Interconnection Customer is proposing to utilize Surplus Interconnection Service associated with a Large Generating Facility operating under an LGIA between _____ (“Original Interconnection Customer”) and Transmission Provider dated _____;

WHEREAS, Interconnection Customer desires to utilize Surplus Interconnection Service of an existing Generating Facility interconnected with the Transmission System; and

WHEREAS, Interconnection Customer has requested Transmission Provider to perform a Surplus Interconnection Service System Impact Study to assess the impact of utilization of Surplus Interconnection Service on the Transmission System, and any Affected Systems.

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

- 1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider’s LGIP.
- 2.0 Interconnection Customer elects and Transmission Provider shall cause to be performed a Surplus Interconnection Service System Impact Study consistent with Section 3 of this LGIP and any associated Business Practices as posted on Transmission Provider on its OASIS site.

- 3.0 The scope of the Surplus Interconnection Service System Impact Study shall be subject to the assumptions set forth in Attachment A to this Agreement.
- 4.0 The Surplus Interconnection Service System Impact Study will be performed based on the requirements of Section 3 of Transmission Provider's LGIP and the technical information provided by Interconnection Customer in the Interconnection Request, subject to any modifications in accordance with Section 4.4 of the LGIP. Transmission Provider reserves the right to request additional technical information from Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Surplus Interconnection Service System Impact Study. If Interconnection Customer modifies its Interconnection Request, or the technical information provided therein is modified, the time to complete the Surplus Interconnection Service System Impact Study may be extended.
- 5.0 The Surplus Interconnection Service System Impact Study report shall provide the following information:
- identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;
 - identification of any thermal overload or voltage limit violations resulting from the interconnection;
 - identification of any instability or inadequately damped response to system disturbances resulting from the interconnection and
 - description and non-binding, good faith estimated cost of facilities required to interconnect the Large Generating Facility to the Transmission System and to address the identified short circuit, instability, and power flow issues.
- 6.0 Transmission Provider's good faith estimate for the time of completion of the Surplus Interconnection Service System Impact Study is _____, 20____. Interconnection Customer's deposit for the Surplus Interconnection Service System Impact Study shall be the same \$10,000 provided by the Interconnection Customer as part of the Surplus Interconnection Service Request.

Transmission Provider shall charge and Interconnection Customer shall pay the actual costs of the Surplus Interconnection Service System Impact Study.

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

7.0 Miscellaneous Provisions.

7.1 Indemnification. The Parties shall at all times indemnify, defend, and hold harmless the other Parties, their respective officials (elected or appointed), Boards, officers, managers, agents, employees, assigns and successors in interest, from and against any and all suits, causes of action, claims, charges, damages, demands, judgments, civil fines, penalties, costs and expenses (including, without limitation, reasonable attorneys' fees and costs of experts and consultants), or losses of any kind or nature whatsoever including, death, bodily injury or personal injury to any person, damage or destruction to any property (financial, physical, or intellectual) by or to third parties (collectively, "Losses") arising by reason of or incident to or directly or indirectly related to the other Party's acts, errors or omissions, performance or non-performance or Breach of any of their obligations of or under this Agreement, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

7.2 Accuracy of Information. The Interconnection Customer represents and warrants that, to the best of its knowledge and in accordance with Good Utility Practice, the information that it provides to the Transmission Provider in connection with this Surplus Interconnection Service System Impact Study Agreement and the Cluster Study is accurate and complete. The Interconnection Customer acknowledges and accepts that it has a continuing obligation under this Surplus Interconnection Service System Impact Study Agreement to promptly provide the Transmission Provider with any additional information required to update the information previously provided within no less than forty-eight (48) hours.

7.3 Disclaimer of Warranty; Limitation of Liability and Release. In performing or causing the Surplus Interconnection System Impact Study to be performed, the Transmission Provider may rely on the information provided by the Interconnection Customer and third parties, which Transmission Provider may not have any control over the veracity or

accuracy of such information. For data, information and other studies submitted by the Interconnection Customer or obtained from third parties or industry sources, TRANSMISSION PROVIDER SHALL NOT BE LIABLE TO INTERCONNECTION CUSTOMER UNDER ANY CIRCUMSTANCES, UNDER ANY THEORY OF LIABILITY AT LAW OR IN EQUITY, WHETHER SUCH LIABILITY IS KNOWN OR UNKNOWN AT THE TIME OF SIGNING THIS AGREEMENT, OR ANY TIME THEREAFTER, FOR ANY DEATH, BODILY INJURY, AND LOSS OF USE OR DAMAGE OR DESTRUCTION OF ANY PROPERTY OR ANY BUSINESS INTERRUPTION, TO A THIRD PARTY OR TO INTERCONNECTION CUSTOMER.

INTERCONNECTION CUSTOMER DOES SO HEREBY ACKNOWLEDGE THAT IT HAS READ AND COMPREHENDED THE FOLLOWING PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1542 (OR ITS SUCCESSOR STATUTE) WHICH PROVIDES:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.”

BEING AWARE OF SAID CODE SECTION, INTERCONNECTION CUSTOMER HEREBY EXPRESSLY WAIVES ANY RIGHTS IT MAY HAVE THEREUNDER, AS WELL AS UNDER ANY OTHER STATUTES OR COMMON LAW PRINCIPLES OF SIMILAR EFFECT.

Upon execution of this Surplus Interconnection System Impact Study Agreement, the Interconnection Customer acknowledges and accepts that it has not relied on any representations or warranties not specifically set forth herein.

- 7.4 Representations and Warranties. Each Party makes the following representations, warranties and covenants:
- 7.4.1 Good Standing. Such Party is duly organized, validly existing and, in the case of the Interconnection Customer, in good standing

under the laws of the state in which it is organized, formed, or incorporated, as applicable; that it is qualified to do business in the state or states in which the Large Generating Facility, Interconnection Facilities and Network Upgrades owned by such Party, as applicable, are located; and that it has legal power and authority to own its properties, to carry on its business as now being conducted and to enter into this Agreement 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 Agreement.

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

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

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

7.5 Force Majeure.

7.5.1 A Party shall not be considered to be in Default in the performance of any of its obligations under this Agreement when and to the extent such Party's performance is prevented by a Force Majeure

that, despite the exercise of due diligence (which does not require the affected Party to accede or agree to any provision not satisfactory to it in order to settle and terminate a strike or other labor disturbance), such Party is unable to prevent, mitigate, or fulfill any obligation hereunder (other than an obligation to pay money when due) and provides immediate notice as soon as reasonably possible of the Force Majeure to the other Party after becoming aware thereof ("Force Majeure Immediate Notice"), subject to the additional requirement of a Force Majeure Written Notice set forth in Section 7.5.2.

7.5.2 A Party unable to fulfill any obligation hereunder (other than an obligation to pay money when due) by reason of Force Majeure shall provide the Force Majeure Immediate Notice pursuant to Section 7.5.1 and shall further provide a written detailed description of the full particulars of such Force Majeure to the other Party no later than thirty (30) calendar days after the initial occurrence of the claimed Force Majeure ("Force Majeure Written Notice"), which such notice shall include information with respect to the nature, cause and date and time of commencement of such event, and the anticipated scope and duration of the delay. The affected Party that timely provides both the Force Majeure Immediate Notice and the Force Majeure Written Notice shall be excused from fulfilling its obligations under this Agreement until such time as the Force Majeure has ceased to prevent performance or other remedial action is taken, at which time the Party shall promptly notify the other Party of the resumption of its obligations under this Agreement. If, after satisfying the notice requirements set forth above, the unaffected Party reasonably concludes that a Force Majeure or its impact on the affected Party or any facility including the Transmission System will continue (i) for a period of 180 or more consecutive calendar days, or (ii) for an aggregate period of 270 or more non-consecutive calendar days in the case of any claimed Force Majeure event or series of claimed Force Majeure events, the unaffected Party shall have the right to terminate this Agreement effective upon notice to the affected Party.

7.6 Assignment. This Surplus Interconnection System Impact Study Agreement shall not be assigned, conveyed or transferred to any third

party unless the provisions of Section 4.3 of the LGIP have been satisfied and Transmission Provider consents to such assignment, conveyance or transfer in writing.

- 7.7 Governing Law. This Agreement was made and entered into in the City of Los Angeles and shall be governed by, interpreted and enforced in accordance with the laws of the State of California and the City of Los Angeles, without regard to conflict of law principles.
- 7.8 Venue. All litigation arising out of, or relating to this Surplus Interconnection System Impact Study Agreement, shall be brought in a court of competent jurisdiction located in Los Angeles County, in the State of California. The Parties irrevocably agree to submit to the exclusive jurisdiction of such courts in the State of California and waive any defense of *forum non conveniens*.
- 7.9 Waivers. Any waiver, which such waiver must be in writing, at any time by any Party of its rights with respect to a default under this Surplus Interconnection System Impact Study Agreement, or with respect to any other matter arising in connection with said agreement, shall not be deemed a waiver with respect to any subsequent default or other matter arising in connection therewith. Any delay, short of the statutory period of limitation in asserting or enforcing any right, shall not be deemed a waiver of such right.
- 7.10 Binding Effect. This Surplus Interconnection System Impact Study Agreement shall be binding upon, and inure to the benefit of, the Parties and their respective successors or assigns, subject to Section 4.3 of the LGIP.
- 7.11 Attorney Fees and Costs. Both Parties agree that in any action to enforce the terms of this Agreement that each Party shall be responsible for its own attorney fees and costs.
- 7.12 Entire Agreement. This Surplus Interconnection System Impact Study Agreement contains the entire agreement and understanding between the Parties, their agents, and employees as to the subject matter herein. This Agreement may be amended only by a written document signed by both Parties.

7.13 Signatures. This Agreement may be executed in one or more counterparts, and by the parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. The parties further agree that facsimile signatures or signatures scanned into .pdf (or signatures in another electronic format designated by LADWP) and sent by e-mail shall be deemed original signatures.

8.0 Term of Agreement. This agreement shall become effective on the day and year first above written and shall remain in effect for an initial term of one (1) year. The term of this agreement may be extended by mutual agreement of the Parties, provided, however, that in no event shall the total term of this agreement be longer than three (3) years from the day and year first above written.

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

DEPARTMENT OF WATER AND POWER OF
THE CITY OF LOS ANGELES

By: _____

Title: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

OATT Effective [Insert]

Attachment A To Appendix 5
Surplus Interconnection Service System Impact
Study Agreement

ASSUMPTIONS USED IN CONDUCTING THE
SURPLUS INTERCONNECTION SERVICE SYSTEM IMPACT STUDY

The Surplus Interconnection Service System Impact Study will be based upon the results of the Original Interconnection Customer's system impact study (if any) or Cluster Study, and the following assumptions:

Existing Point of Interconnection of Original Interconnection Customer:

Note: For Surplus Interconnection Service requests, the request cannot exceed the type of Interconnection Service already provided by the Original Interconnection Customer's LGIA.

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

APPENDIX 6 TO LGIP

LARGE GENERATOR INTERCONNECTION AGREEMENT

Appendix 6 to the Large Generator Interconnection Procedures

**FORM OF LARGE GENERATOR
INTERCONNECTION AGREEMENT (LGIA)**

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LARGE GENERATOR INTERCONNECTION AGREEMENT

THIS LARGE GENERATOR INTERCONNECTION AGREEMENT (“Agreement”) is made and entered into this ____ day of _____ 20__, by and between _____, a _____ organized and existing under the laws of the State/Commonwealth of _____ (“Interconnection Customer” with a Large Generating Facility), and the Department of Water and Power of the City of Los Angeles, a department organized and existing under the Charter of the City of Los Angeles, a municipal corporation of the State of California (“Transmission Provider” and/or “Transmission Owner”). Interconnection Customer and Transmission Provider each may be referred to as a “Party” or collectively as the “Parties.”

Recitals:

WHEREAS, Transmission Provider operates the Transmission System; and

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

WHEREAS, Interconnection Customer and Transmission Provider have agreed to enter into this Agreement for the purpose of interconnecting the Large Generating Facility with the Transmission System;

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

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

Article 1: Definitions

Adverse System Impact:

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

Affected System:

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

Affected System Operator:

Shall mean the entity that operates an Affected System.

Affiliate:

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

Ancillary Services:

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

Applicable Laws and Regulations:

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

Applicable Reliability Council:

Shall mean the reliability council applicable to the Transmission System to which the Generating Facility is directly interconnected.

Applicable Reliability Standards:

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

Base Case:

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

Breach:

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

Breaching Party:

Shall mean a Party that is in Breach of the Large Generator Interconnection Agreement.

Business Day:

Shall mean Monday through Friday, excluding Federal Holidays.

Calendar Day:

Shall mean any day including Saturday, Sunday or a Federal Holiday.

Cluster:

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

Cluster Area:

Shall mean the areas of the Transmission Provider's Transmission System that are included together in a Cluster, as described further in Section 7.4 of the LGIP.

Cluster Request Window:

OATT Effective [Insert]

Shall have the meaning set forth in Section 4.2.1 of the LGIP.

Cluster Re-Study:

Shall mean a re-study of a Cluster Study conducted pursuant to Section 7.4 of the LGIP.

Cluster Re-Study Report:

Shall mean the report issued following completion of a Cluster Re-Study pursuant to Section 7.5 of the LGIP.

Cluster Re-Study Meeting:

Shall mean the meeting held to discuss the results of a Cluster Re-Study pursuant to Section 7.5 of the LGIP.

Cluster Study:

Shall mean an Interconnection Study evaluating one or more Interconnection Requests within a Cluster, as described in more detail in Section 7.4 of the LGIP.

Cluster Study Agreement:

Shall mean the form of agreement contained in Appendix 3 to the Large Interconnection Procedures for conducting the Cluster Study.

Cluster Study Report:

Shall mean the report issued following completion of a Cluster Study pursuant to Section 7.4 of the LGIP.

Cluster Study Report Meeting:

Shall mean the meeting held to discuss the results of a Cluster Study pursuant to Section 7.4 of the LGIP.

Clustering:

Shall mean the process whereby a group of Interconnection Requests is studied together, instead of serially, as described in more detail in Section 7 of the LGIP.

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 Large Generator Interconnection Agreement.

Confidential Information:

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

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 Large Generator Interconnection Agreement.

Dispute Resolution:

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

Distribution System:

Shall mean the Transmission Provider's facilities and equipment used to transmit electricity to ultimate usage points such as homes and industries directly from nearby generators or from

interchanges with higher voltage transmission networks which transport bulk power over longer distances. The voltage levels at which distribution systems operate differ among areas.

Distribution Upgrades:

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

Effective Date:

Shall mean the date on which the Large Generator Interconnection Agreement becomes effective upon execution by the Parties.

Emergency Condition:

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

Energy Resource Interconnection Service:

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

Engineering & Procurement (E&P) Agreement:

OATT Effective [Insert]

Shall mean an agreement that authorizes the Transmission Provider to begin engineering and procurement of long lead-time items necessary for the establishment of the interconnection in order to advance the implementation of the Interconnection Request.

Environmental Law:

Shall mean Applicable Laws or Regulations relating to pollution or protection of the environment or natural resources.

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, or any order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities, or any other cause beyond a Party's control. A Force Majeure event does not include acts of negligence or intentional wrongdoing by the Party claiming Force Majeure.

Generating Facility:

Shall mean Interconnection Customer's device for the production and/or storage for later injection of electricity identified in the Interconnection Request, but shall not include the Interconnection Customer's Interconnection Facilities.

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.

Good Utility Practice:

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

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

Governmental Authority:

Shall mean any federal, state, local or other governmental regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, tribunal, or other governmental authority having jurisdiction over the Parties, their respective facilities, or the respective services they provide, and exercising or entitled to exercise any administrative, executive, police, or taxing authority or power; provided, however, that such term does not include Interconnection Customer, Transmission Provider, or any Affiliate thereof. In this context Transmission Provider does not include the City of Los Angeles or the Board of Water and Power Commissioners. Transmission Provider only includes the Department of Water and Power.

Hazardous Substances:

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

Informational Interconnection Study:

Shall mean an analysis based on assumptions specified by Interconnection Customer in the Informational Interconnection Study Agreement and conducted pursuant to Section 6 of the LGIP.

Informational Interconnection Study Agreement:

Shall mean the form of agreement contained in Appendix 2A to the Large Generator Interconnection Procedures for conducting the Informational Interconnection Study.

Informational Interconnection Study Request:

OATT Effective [Insert]

Shall mean an Interconnection Customer's request in the form of Appendix 2 to the Large Generator Interconnection Procedures.

Initial Synchronization Date:

Shall mean the date upon which the Generating Facility is initially synchronized and upon which Trial Operation begins.

In-Service Date:

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

Interconnection Customer:

Shall mean any entity, including the Transmission Provider, Transmission Owner or any of the Affiliates or subsidiaries of either, that proposes to interconnect its Generating Facility with the Transmission Provider's Transmission System. For purposes of the Transmission Provider's Cluster Study process conducted pursuant to Section 7 of the LGIP, and except as modified by Section 3 of Attachment N of the Transmission Provider's Tariff, "Interconnection Customer" shall also mean any Small Generating Facility that is participating in a Cluster.

Interconnection Customer's Interconnection Facilities:

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

Interconnection Facilities:

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

Upgrades or Network Upgrades. Interconnection Facilities may be shared by more than one Generating Facility in a Cluster.

Interconnection Facilities Study:

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

Interconnection Facilities Study Agreement:

Shall mean the form of agreement contained in Appendix 4 of the Large Generator Interconnection Procedures for conducting the Interconnection Facilities Study.

Interconnection Request:

Shall mean an Interconnection Customer's request, in the form of Appendix 1 to the Large Generator Interconnection Procedures, in accordance with the Tariff, to interconnect a new Generating Facility, or to increase the capacity of, or make a Material Modification to the operating characteristics of, an existing Generating Facility that is interconnected with the Transmission Provider's Transmission System. For purposes of the Transmission Provider's Cluster Study process conducted pursuant to Section 7 of the LGIP, and except as modified by Section 1.3 of Attachment N of the Transmission Provider's Tariff, "Interconnection Request" shall also mean any interconnection request from a Small Generating Facility that is participating in a Cluster.

Interconnection Service:

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

Interconnection Study:

Shall mean any of the following studies: the Informational Interconnection Study, the Cluster Study, Surplus Interconnection Service System Impact Study, and the Interconnection Facilities Study described in the Large Generator Interconnection Procedures.

IRS:

Shall mean the Internal Revenue Service.

Joint Operating Committee:

Shall be a group made up of representatives from Interconnection Customer and the Transmission Provider to coordinate operating and technical considerations of Interconnection Service.

Large Generating Facility:

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

Loss:

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

Material Modification:

Shall mean those modifications that have a material impact on the cost or timing of any Interconnection Request with a later queue priority date.

Metering Equipment:

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

NERC:

OATT Effective [Insert]

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

Network Resource:

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

Network Resource Interconnection Service:

Shall mean an Interconnection Service that allows the Interconnection Customer to integrate its Large Generating Facility with the Transmission Provider's Transmission System in a manner comparable to that in which the Transmission Provider integrates its generating facilities to serve native load customers. Network Resource Interconnection Service in and of itself does not convey transmission service.

Network Upgrades:

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

Notice of Dispute:

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

Party or Parties:

Shall mean Transmission Provider, Transmission Owner, Interconnection Customer or any combination of the above.

Point of Change of Ownership:

Shall mean the point, as set forth in Appendix A to the Large Generator Interconnection Agreement, where the Interconnection Customer's Interconnection Facilities connect to the Transmission Provider's Interconnection Facilities.

Point of Interconnection:

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

Provisional Interconnection Service:

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

Provisional Large Generator Interconnection Agreement:

Shall mean the interconnection agreement for Provisional Interconnection Service established between Transmission Provider and/or the Transmission Owner and the Interconnection Customer. This agreement shall take the form of the Large Generator Interconnection Agreement, modified for provisional purposes.

Queue Position:

Shall mean the order of a valid Interconnection Request, relative to all other pending valid Interconnection Requests, that is established based upon the date and time Interconnection Customer satisfies all of the requirements of Sections 3, 4, and 7 of Transmission Provider's LGIP to enter the Cluster Study Process.

Reasonable Efforts:

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

Readiness Milestone Options:

Shall mean the options set forth in Section 3.4.1(v) of the LGIP.

Resource Plan:

Shall mean any process authorized or required by Applicable Laws and Regulations for, inter alia, the selection of Generating Facilities.

Resource Solicitation Process:

Shall mean any process authorized or required by Applicable Laws and Regulations for the acquisition of Network Resources.

Scoping Meeting:

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

Site Control:

Shall mean the exclusive land right to develop, construct, operate, and maintain the Generating Facility over the term of expected operation of the Generating Facility. Site Control may be demonstrated by documentation establishing: (1) ownership of, a leasehold interest in, or a right to develop a site of sufficient size to construct and operate the Generating Facility; (2) an option to purchase or acquire a leasehold interest in a site of sufficient size to construct and operate the Generating Facility; or (3) any other documentation that clearly demonstrates the right of the Interconnection Customer to exclusively occupy a site of sufficient size to construct and operate the Generating Facility. Site Control for any co-located project is demonstrated by a contract or other agreement demonstrating shared land use for all co-located projects that meet the aforementioned provisions of this Site Control definition.

Small Generating Facility:

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

Stand Alone Network Upgrades:

Shall mean Network Upgrades that are not part of an Affected System that an Interconnection Customer may construct without affecting day-to-day operations of the Transmission System

during their construction. Both the Transmission Provider and the Interconnection Customer must agree as to what constitutes Stand Alone Network Upgrades and identify them in Appendix A to the Large Generator Interconnection Agreement. If the Transmission Provider and Interconnection Customer disagree about whether a particular Network Upgrade is a Stand Alone Network Upgrade, the Transmission Provider must provide the Interconnection Customer a written technical explanation outlining why the Transmission Provider does not consider the Network Upgrade to be a Stand Alone Network Upgrade within 15 days of its determination.

Surplus Interconnection Service System Impact Study:

Shall mean an engineering study that evaluates the impact of a proposed request for Surplus Interconnection Service on the safety and reliability of Transmission Provider's Transmission System and, if applicable, an Affected System. The study shall identify and detail the system impacts that would result if the Generating Facility were interconnected without project modifications or system modifications, focusing on the Adverse System Impacts, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Large Generator Interconnection Procedures.

Surplus Interconnection Service System Impact Study Agreement:

Shall mean the form of agreement contained in Appendix 5 of the Large Generator Interconnection Procedures for conducting a system impact study for purposes of evaluating a request for Surplus Interconnection Service pursuant to Section 3.3 of the LGIP.

Surplus Interconnection Service:

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

System Protection Facilities:

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

Tariff:

Shall mean the Transmission Provider's Tariff through which open access transmission service and Interconnection Service are offered, as 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 Large Generator Interconnection Agreement to the extent necessary.

Transmission Provider:

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

Transmission Provider's Interconnection Facilities:

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

Transmission System:

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

Trial Operation:

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

Variable Energy Resource:

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

Withdrawal Penalty:

Shall have the meaning set forth in Section 3.7.1 of the LGIP.

Article 2: Effective Date, Term, and Termination

2.1 Effective Date:

This LGIA shall become effective upon execution by the Parties.

2.2 Term of Agreement:

Subject to the provisions of Article 2.3, this LGIA shall remain in effect: (i) 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 LGIA may be terminated by Interconnection Customer after giving Transmission Provider ninety (90) Calendar Days advance written notice or by Transmission Provider if the Generating Facility permanently ceases Commercial Operation. This LGIA shall be terminated by Transmission Provider if the Generating Facility or a portion of the Generating Facility fails to achieve Commercial Operation by the Commercial Operation Date established in accordance with Section 4.4.5 of the LGIP, including any extension provided thereunder, or, having previously achieved Commercial Operation, has ceased Commercial Operation for three (3) consecutive years, beginning with the last date of Commercial Operation for the Generating Facility, after giving Interconnection Customer ninety (90) Calendar Days advance written notice. When only a portion of the Generating Facility fails to achieve Commercial Operation by the Commercial Operation Date established in accordance with Section 4.4.5 of the LGIP, including any extension provided thereunder, Transmission Provider shall

terminate only that portion of the LGIA. Notwithstanding the foregoing, in the limited circumstance that the Interconnection Request is served by a Contingent Facility with an in-service date that is later than the Commercial Operation Date permitted under Section 4.4.5 of the LGIP, Transmission Provider shall terminate this LGIA only for failure to achieve Commercial Operation by ninety (90) Calendar Days after that later in-service date of the Contingent Facility. The Generating Facility will not be deemed to have ceased Commercial Operation for purposes of this Article 2.3.1 if Interconnection Customer can document that it has taken other significant steps to maintain or restore operational readiness of the Generating Facility for the purpose of returning the Generating Facility to Commercial Operation as soon as possible.

2.3.2 Default:

Either Party may terminate this LGIA in accordance with Article 17.

2.3.3 Notwithstanding Articles 2.3.1 and 2.3.2:

No termination shall become effective until the Parties have complied with all Applicable Laws and Regulations and satisfy all outstanding obligations incurred prior to and through the noticed date of termination.

2.4 Termination Costs:

If a Party elects to terminate this Agreement pursuant to Article 2.3 above, each Party shall pay all costs incurred (including any cancellation costs relating to orders or contracts for Interconnection Facilities and equipment) or charges assessed by the other Party, as of the date of the other Party's receipt of such notice of termination, that are the responsibility of the Terminating Party under this LGIA. In the event of termination by a Party, the Parties shall use commercially Reasonable Efforts to mitigate the costs, damages and charges arising as a consequence of termination. Upon termination of this LGIA:

2.4.1:

With respect to any portion of Transmission Provider's Interconnection Facilities that have not yet been constructed or installed, Transmission Provider shall to the extent possible and with Interconnection Customer's authorization cancel any pending orders of, or return, any materials or equipment for, or contracts for construction of, such facilities; provided that, in the event Interconnection Customer elects not to authorize such cancellation Interconnection Customer shall

assume all payment obligations with respect to such materials, equipment, and contracts, and Transmission Provider shall deliver such material and equipment and, if necessary, assign such contracts to Interconnection Customers as soon as practicable, at Interconnection Customer's expense. To the extent that Interconnection Customer has already paid Transmission Provider for any or all such costs of materials or equipment not taken by Interconnection Customer, Transmission Provider shall promptly refund such amounts to Interconnection Customer, less any costs, including penalties incurred by Transmission Provider to cancel any pending orders of or return of such materials, equipment, or contracts.

If an Interconnection Customer terminates this LGIA, it shall be responsible for all costs incurred in association with that Interconnection Customer's interconnection, including any cancellation costs relating to orders or contracts for Interconnection Facilities and equipment, and other expenses including any Network Upgrades for which Transmission Provider has incurred expenses and has not been reimbursed by Interconnection Customer.

2.4.2:

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

2.4.3:

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

2.5 Disconnection:

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

2.6 Survival:

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

Article 3: Regulatory Filings

3.1 Filing:

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

Article 4: Scope of Service

4.1 Interconnection Product Options:

Interconnection Customer has selected the following (checked) type of Interconnection Service:

4.1.1 Energy Resource Interconnection Service:

4.1.1.1 The Product:

Energy Resource Interconnection Service allows Interconnection Customer to connect the Large Generating Facility to the Transmission System and be eligible to deliver the Large Generating Facility's output using the existing firm or non-firm capacity of the Transmission System on an "as available" basis. To the extent Interconnection Customer wants to receive Energy Resource Interconnection Service, Transmission Provider shall construct facilities identified in Attachment A.

4.1.1.2 Transmission Delivery Service Implications:

Under Energy Resource Interconnection Service, Interconnection Customer will be eligible to inject power from the Large Generating Facility into and deliver power across the interconnecting Transmission Provider's Transmission System on an "as available" basis up to the amount of MWs identified in the applicable stability and steady state studies to the extent the upgrades initially required to qualify for Energy Resource Interconnection Service have been constructed. Where eligible to do so (e.g., PJM, ISO-NE, NYISO), Interconnection Customer may place a bid to sell into the market up to the maximum identified Large Generating Facility output, subject to any conditions specified in the interconnection service approval, and the Large Generating Facility will be dispatched to the extent Interconnection Customer's bid clears. In all other instances, no transmission delivery service from the Large Generating Facility is assured, but Interconnection Customer may obtain Point-to-Point Transmission Service, Network Integration Transmission Service, or be used for secondary network transmission service, pursuant to Transmission Provider's Tariff, up to the maximum output identified in the stability and steady state studies. In those instances, in order for Interconnection Customer to obtain the right to deliver or inject energy beyond the Large Generating Facility Point of Interconnection or to improve its ability to do so, transmission delivery service must be obtained pursuant to the provisions of Transmission Provider's Tariff. The Interconnection Customer's ability to inject its Large Generating Facility output beyond the Point of Interconnection, therefore, will depend on the existing capacity of Transmission Provider's Transmission System at such time as a transmission service request is made that would accommodate such delivery. The provision of firm Point-to-Point Transmission Service or Network Integration Transmission Service may require the construction of additional Network Upgrades.

4.1.2 Network Resource Interconnection Service:

4.1.2.1 The Product:

Transmission Provider must conduct the necessary studies and construct the Network Upgrades needed to integrate the Large Generating Facility (1) in a manner comparable to that in which Transmission Provider integrates its

generating facilities to serve native load customers; or (2) in an ISO or RTO with market-based congestion management, in the same manner as all Network Resources. To the extent Interconnection Customer wants to receive Network Resource Interconnection Service, Transmission Provider shall construct the facilities identified in Attachment A to this LGIA.

4.1.2.2 Transmission Delivery Service Implications:

Network Resource Interconnection Service allows Interconnection Customer's Large Generating Facility to be designated by any Network Customer under the Tariff on Transmission Provider's Transmission System as a Network Resource, up to the Large Generating Facility's full output, on the same basis as existing Network Resources interconnected to Transmission Provider's Transmission System, and to be studied as a Network Resource on the assumption that such a designation will occur. Although Network Resource Interconnection Service does not convey a reservation of transmission service, any Network Customer under the Tariff can utilize its network service under the Tariff to obtain delivery of energy from the interconnected Interconnection Customer's Large Generating Facility in the same manner as it accesses Network Resources. A Large Generating Facility receiving Network Resource Interconnection Service may also be used to provide Ancillary Services after technical studies and/or periodic analyses are performed with respect to the Large Generating Facility's ability to provide any applicable Ancillary Services, provided that such studies and analyses have been or would be required in connection with the provision of such Ancillary Services by any existing Network Resource. However, if an Interconnection Customer's Large Generating Facility has not been designated as a Network Resource by any load, it cannot be required to provide Ancillary Services except to the extent such requirements extend to all generating facilities that are similarly situated. The provision of Network Integration Transmission Service or firm Point-to-Point Transmission Service may require additional studies and the construction of additional upgrades. Because such studies and upgrades would be associated with a request for delivery service under the Tariff, cost responsibility for the studies and upgrades would be consistent with traditional principles, processes and procedures of cost-of-service ratemaking.

Network Resource Interconnection Service does not necessarily provide Interconnection Customer with the capability to physically deliver the

output of its Large Generating Facility to any particular load on Transmission Provider's Transmission System without incurring congestion costs. In the event of transmission constraints on Transmission Provider's Transmission System, Interconnection Customer's Large Generating Facility shall be subject to the applicable congestion management procedures in Transmission Provider's Transmission System in the same manner as Network Resources.

There is no requirement either at the time of study or interconnection, or at any point in the future, that Interconnection Customer's Large Generating Facility be designated as a Network Resource by a Network Service Customer under the Tariff or that Interconnection Customer identify a specific buyer (or sink). To the extent a Network Customer does designate the Large Generating Facility as a Network Resource, it must do so pursuant to Transmission Provider's Tariff.

Once an Interconnection Customer satisfies the requirements for obtaining Network Resource Interconnection Service, any future transmission service request for delivery from the Large Generating Facility within Transmission Provider's Transmission System of any amount of capacity and/or energy, up to the amount initially studied, will not require that any additional studies be performed or that any further upgrades associated with such Large Generating Facility be undertaken, regardless of whether or not such Large Generating Facility is ever designated by a Network Customer as a Network Resource and regardless of changes in ownership of the Large Generating Facility. However, the reduction or elimination of congestion or redispatch costs may require additional studies and the construction of additional upgrades.

To the extent Interconnection Customer enters into an arrangement for long term transmission service for deliveries from the Large Generating Facility outside Transmission Provider's Transmission System, such request may require additional studies and upgrades in order for Transmission Provider to grant such request.

4.2 Provision of Service:

Transmission Provider shall provide Interconnection Service for the Large Generating Facility at the Point of Interconnection.

4.3 Performance Standards:

Each Party shall perform all of its obligations under this LGIA in accordance with Applicable Laws and Regulations, Applicable Reliability Standards, and Good Utility Practice, and to the extent a Party is required or prevented or limited in taking any action by such regulations and standards, such Party shall not be deemed to be in Breach of this LGIA for its compliance therewith. If such Party is a Transmission Provider or Transmission Owner, then that Party shall amend the LGIA accordingly. Additionally, the Interconnection Customer shall have a continuing duty to comply with Attachment O of this Tariff, as applicable.

4.4 No Transmission Delivery Service:

The execution of this LGIA does not constitute a request for, nor the provision of, any transmission delivery service under Transmission Provider's Tariff, and does not convey any right to deliver electricity to any specific customer or Point of Delivery.

4.5 Interconnection Customer Provided Services:

The services provided by Interconnection Customer under this LGIA are set forth in Article 9.6 and Article 13.5.1. Interconnection Customer shall be paid for such services in accordance with Article 11.6.

Article 5: Interconnection Facilities Engineering, Procurement, and Construction

5.1 Options:

Unless otherwise mutually agreed to between the Parties, Interconnection Customer shall select the In-Service Date, Initial Synchronization Date, and Commercial Operation Date; and either the Standard Option or Alternate Option set forth below and such dates and selected option shall be set forth in Appendix B, Milestones. At the same time, Interconnection Customer shall indicate whether it elects to exercise the Option to Build set forth in Article 5.1.3 below. If the dates designated by Interconnection Customer are not acceptable to Transmission Provider, Transmission Provider shall so notify Interconnection Customer within thirty (30) Calendar Days. Upon receipt of the notification that Interconnection Customer's designated dates are not acceptable to Transmission Provider, the Interconnection Customer shall notify Transmission Provider within thirty (30) Calendar Days whether it elects to exercise the Option to Build if it has not already elected to exercise the Option to Build.

5.1.1 Standard Option:

Transmission Provider shall design, procure, and construct Transmission Provider's Interconnection Facilities and Network Upgrades, using Reasonable Efforts to complete Transmission Provider's Interconnection Facilities and Network Upgrades by the dates set forth in Appendix B, Milestones. Transmission Provider shall not be required to undertake any action which is inconsistent with its standard safety practices, its material and equipment specifications, its design criteria and construction procedures, its labor agreements, and Applicable Laws and Regulations. In the event Transmission Provider reasonably expects that it will not be able to complete Transmission Provider's Interconnection Facilities and Network Upgrades by the specified dates, Transmission Provider shall promptly provide written notice to Interconnection Customer and shall undertake Reasonable Efforts to meet the earliest dates thereafter.

5.1.2 Reserved: .

5.1.3 Option to Build:

Interconnection Customer shall have the option to assume responsibility for the design, procurement and construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades on the dates specified in Article 5.1.2. Transmission Provider and Interconnection Customer must agree as to what constitutes Stand Alone Network Upgrades and identify such Stand Alone Network Upgrades in Appendix A. Except for Stand Alone Network Upgrades, Interconnection Customer shall have no right to construct Network Upgrades under this option.

5.1.4 Negotiated Option:

If the dates designated by Interconnection Customer are not acceptable to Transmission Provider, the Parties shall in good faith attempt to negotiate terms and conditions (including revision of the specified dates and liquidated damages, the provision of incentives, or the procurement and construction of all facilities other than Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades if the Interconnection Customer elects to exercise the Option to Build under Article 5.1.3). If the Parties are unable to reach agreement on such terms and conditions, then pursuant to Article 5.1.1 (Standard Option), Transmission Provider shall assume responsibility for the design, procurement and construction of all facilities other than Transmission Provider's Interconnection

Facilities and Stand Alone Network Upgrades if the Interconnection Customer elects to exercise the Option to Build.

5.2 General Conditions Applicable to Option to Build:

If Interconnection Customer assumes responsibility for the design procurement and construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades:

(1)

Interconnection Customer shall engineer, procure equipment, and construct Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades (or portions thereof) using Good Utility Practice and using the standards and specifications provided in advance by Transmission Provider;

(2)

Interconnection Customer's engineering, procurement and construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades shall comply with all requirements of law to which Transmission Provider would be subject in the engineering, procurement or construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades;

(3)

Transmission Provider shall review and approve the engineering design, equipment acceptance tests, and the construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades;

(4)

Prior to commencement of construction, Interconnection Customer shall provide to Transmission Provider a schedule for construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades, and shall promptly respond to requests for information from Transmission Provider;

(5)

At any time during construction, Transmission Provider shall have the right to gain unrestricted access to Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades and to conduct inspections of the same;

(6)

At any time during the construction, should any phase of the engineering, equipment procurement or construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades not meet the standards and specifications provided by Transmission Provider, Interconnection Customer shall be obligated to remedy deficiencies in that portion of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades;

(7)

Interconnection Customer shall indemnify Transmission Provider for claims arising from Interconnection Customer's construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades under the terms and procedures applicable to Article 18.1 Indemnity;

(8)

Interconnection Customer shall transfer control of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades to Transmission Provider;

(9)

Unless Parties otherwise agree, Interconnection Customer shall transfer ownership of Transmission Provider's Interconnection Facilities and Stand-Alone Network Upgrades to Transmission Provider; and

(10)

Transmission Provider shall approve and accept for operation and maintenance Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades to the In-Service Date to the extent engineered, procured, and constructed in accordance with this Article 5.2; and

(11)

Interconnection Customer shall deliver to Transmission Provider “as-built” drawings, information, and any other documents that are reasonably required by Transmission Provider to assure that the Interconnection Facilities and Stand Alone Network Upgrades are built to the standards and specifications required by Transmission Provider.

(12)

If Interconnection Customer exercises the Option to Build pursuant to Article 5.1.3, Interconnection Customer shall pay Transmission Provider the agreed upon amount of [\$ PLACEHOLDER] for Transmission Provider to execute the responsibilities enumerated to Transmission Provider under Article 5.2. Transmission Provider shall invoice Interconnection Customer for this total amount to be divided on a monthly basis pursuant to Article 12.

5.3 Liquidated Damages:

The actual damages to Interconnection Customer, in the event Transmission Provider's Interconnection Facilities or Network Upgrades are not completed by the dates designated by Interconnection Customer and accepted by Transmission Provider pursuant to subparagraph 5.1.4, above, may include Interconnection Customer's fixed operation and maintenance costs and lost opportunity costs. Such actual damages are uncertain and impossible to determine at this time. Because of such uncertainty, any liquidated damages paid by Transmission Provider to Interconnection Customer in the event that Transmission Provider does not complete any portion of Transmission Provider's Interconnection Facilities or Network Upgrades by the applicable dates, shall be an amount equal to $\frac{1}{4}$ of 1 percent per day of the actual cost of Transmission Provider's Interconnection Facilities and Network Upgrades, in the aggregate, for which Transmission Provider has assumed responsibility to design, procure and construct.

However, in no event shall the total liquidated damages exceed 20 percent of the actual cost of Transmission Provider's Interconnection Facilities and Network Upgrades for which Transmission Provider has assumed responsibility to design, procure, and construct. The foregoing payments will be made by Transmission Provider to Interconnection Customer as just compensation for the damages caused to Interconnection Customer, which actual damages are uncertain and impossible to determine at this time, and as reasonable liquidated damages, but not as a penalty or a method to secure performance of this LGIA. Liquidated damages, when the Parties agree to them, are the exclusive remedy

for the Transmission Provider's failure to meet its schedule.

No liquidated damages shall be paid to Interconnection Customer if: (1) Interconnection Customer is not ready to commence use of Transmission Provider's Interconnection Facilities or Network Upgrades to take the delivery of power for the Large Generating Facility's Trial Operation or to export power from the Large Generating Facility on the specified dates, unless Interconnection Customer would have been able to commence use of Transmission Provider's Interconnection Facilities or Network Upgrades to take the delivery of power for Large Generating Facility's Trial Operation or to export power from the Large Generating Facility, but for Transmission Provider's delay; (2) Transmission Provider's failure to meet the specified dates is the result of the action or inaction of Interconnection Customer or any other Interconnection Customer who has entered into an LGIA with Transmission Provider or any cause beyond Transmission Provider's reasonable control or reasonable ability to cure; (3) the Interconnection Customer has assumed responsibility for the design, procurement and construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades; or (4) the Parties have otherwise agreed.

5.4 Power System Stabilizers:

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

5.5 Equipment Procurement:

If responsibility for construction of Transmission Provider's Interconnection Facilities or Network Upgrades is to be borne by Transmission Provider, then Transmission Provider shall commence design of Transmission Provider's Interconnection Facilities or Network Upgrades and procure necessary equipment as soon as practicable after all of the following conditions are satisfied, unless the Parties otherwise agree in writing:

5.5.1:

Transmission Provider has completed the Interconnection Facilities Study pursuant to the Interconnection Facilities Study Agreement;

5.5.2:

Transmission Provider has received written authorization to proceed with design and procurement from Interconnection Customer by the date specified in Appendix B, Milestones; and

5.5.3:

Interconnection Customer has provided security to Transmission Provider in accordance with Article 11.5 by the dates specified in Appendix B, Milestones.

5.6 Construction Commencement:

Transmission Provider shall commence construction of Transmission Provider's Interconnection Facilities and Network Upgrades for which it is responsible as soon as practicable after the following additional conditions are satisfied:

5.6.1:

Approval of the appropriate Governmental Authority has been obtained for any facilities requiring regulatory approval;

5.6.2:

Necessary real property rights and rights-of-way have been obtained, to the extent required for the construction of a discrete aspect of Transmission Provider's Interconnection Facilities and Network Upgrades;

5.6.3:

Transmission Provider has received written authorization to proceed with construction from Interconnection Customer by the date specified in Appendix B, Milestones; and

5.6.4:

Interconnection Customer has provided security to Transmission Provider in

accordance with Article 11.5 by the dates specified in Appendix B, Milestones.

5.7 Work Progress:

The Parties will keep each other advised periodically as to the progress of their respective design, procurement and construction efforts. Either Party may, at any time, request a progress report from the other Party. If, at any time, Interconnection Customer determines that the completion of Transmission Provider's Interconnection Facilities will not be required until after the specified In-Service Date, Interconnection Customer will provide written notice to Transmission Provider of such later date upon which the completion of Transmission Provider's Interconnection Facilities will be required.

5.8 Information Exchange:

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

5.9 Other Interconnection Options:

5.9.1 Limited Operation:

If any of Transmission Provider's Interconnection Facilities or Network Upgrades are not reasonably expected to be completed prior to the Commercial Operation Date of the Large Generating Facility, Transmission Provider shall, upon the request and at the expense of Interconnection Customer, perform operating studies on a timely basis to determine the extent to which the Large Generating Facility and Interconnection Customer's Interconnection Facilities may operate prior to the completion of Transmission Provider's Interconnection Facilities or Network Upgrades consistent with Applicable Laws and Regulations, Applicable Reliability Standards, Good Utility Practice, and this LGIA. Transmission Provider shall permit Interconnection Customer to operate the Large Generating Facility and Interconnection Customer's Interconnection Facilities in accordance with the results of such studies.

5.9.2 Provisional Interconnection Service:

Upon the request of Interconnection Customer, and prior to completion of requisite

Interconnection Facilities, Network Upgrades, Distribution Upgrades, or System Protection Facilities Transmission Provider may execute a Provisional Large Generator Interconnection Agreement. Transmission Provider shall determine, through available studies or additional studies as necessary, whether stability, short circuit, thermal, and/or voltage issues would arise if Interconnection Customer interconnects without modifications to the Generating Facility or Transmission System. Transmission Provider shall determine whether any Interconnection Facilities, Network Upgrades, Distribution Upgrades, or System Protection Facilities that are necessary to meet the requirements of NERC, or any applicable Regional Entity for the interconnection of a new, modified and/or expanded Generating Facility are in place prior to the commencement of Interconnection Service from the Generating Facility. Where available studies indicate that such, Interconnection Facilities, Network Upgrades, Distribution Upgrades, and/or System Protection Facilities that are required for the interconnection of a new, modified and/or expanded Generating Facility are not currently in place, Transmission Provider will perform a study, at the Interconnection Customer's expense, to confirm the facilities that are required for Provisional Interconnection Service. The maximum permissible output of the Generating Facility in the Provisional Large Generator Interconnection Agreement shall be studied and updated [on a frequency determined by Transmission Provider and at the Interconnection Customer's expense]. Interconnection Customer assumes all risk and liabilities with respect to changes between the Provisional Large Generator Interconnection Agreement and the Large Generator Interconnection Agreement, including changes in output limits and Interconnection Facilities, Network Upgrades, Distribution Upgrades, and/or System Protection Facilities cost responsibilities.

5.10 Interconnection Customer's Interconnection Facilities: ("ICIF"):

Interconnection Customer shall, at its expense, design, procure, construct, own and install the ICIF, as set forth in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades.

5.10.1 Interconnection Customer's Interconnection Facility Specifications:

Interconnection Customer shall submit initial specifications for the ICIF, including System Protection Facilities, to Transmission Provider at least one hundred eighty (180) Calendar Days prior to the Initial Synchronization Date; and final specifications for review and comment at least ninety (90) Calendar Days prior to the Initial Synchronization Date. Transmission Provider shall review such

specifications to ensure that the ICIF are compatible with the technical specifications, operational control, and safety requirements of Transmission Provider and comment on such specifications within thirty (30) Calendar Days of Interconnection Customer's submission. All specifications provided hereunder shall be deemed confidential.

5.10.2 Transmission Provider's Review:

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

5.10.3 ICIF Construction:

The ICIF shall be designed and constructed in accordance with Good Utility Practice. Within one hundred twenty (120) Calendar Days after the Commercial Operation Date, unless the Parties agree on another mutually acceptable deadline, Interconnection Customer shall deliver to Transmission Provider "as-built" drawings, information and documents for the ICIF, such as: a one-line diagram, a site plan showing the Large Generating Facility and the ICIF, plan and elevation drawings showing the layout of the ICIF, a relay functional diagram, relaying AC and DC schematic wiring diagrams and relay settings for all facilities associated with Interconnection Customer's step-up transformers, the facilities connecting the Large Generating Facility to the step-up transformers and the ICIF, and the impedances (determined by factory tests) for the associated step-up transformers and the Large Generating Facility. The Interconnection Customer shall provide Transmission Provider specifications for the excitation system, automatic voltage regulator, Large Generating Facility control and protection settings, transformer tap settings, and communications, if applicable.

5.11 Transmission Provider's Interconnection Facilities Construction:

Transmission Provider's Interconnection Facilities shall be designed and constructed in accordance with Good Utility Practice. Upon request, within one hundred twenty (120) Calendar Days after the Commercial Operation Date, unless the Parties agree on another mutually acceptable deadline, Transmission Provider shall deliver to Interconnection

Customer the following “as-built” drawings, information and documents for Transmission Provider’s Interconnection Facilities including relay diagrams.

Transmission Provider will obtain ownership (unless otherwise agreed by the Transmission Provider) and control of Transmission Provider’s Interconnection Facilities and Stand Alone Network Upgrades upon completion of such facilities.

5.12 Access Rights:

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

5.13 Lands of Other Property Owners:

If any part of Transmission Provider or Transmission Owner’s Interconnection Facilities, Stand Alone Network Upgrades, and/or Network Upgrades is to be installed on property owned by persons other than Transmission Provider or Transmission Owner, Transmission Provider or Transmission Owner shall at Interconnection Customer’s expense use efforts similar in nature and extent to those that it typically undertakes on its own behalf or on behalf of its Affiliates, including use of its eminent domain authority, and to the extent consistent with state law, to procure from such persons any rights of use, licenses, rights of way and easements that are necessary to construct, operate, maintain, test, inspect, replace or remove Transmission Provider or Transmission Owner’s Interconnection Facilities, Stand Alone Network Upgrades, and/or Network Upgrades upon such property.

5.14 Permits:

Transmission Provider or Transmission Owner and Interconnection Customer shall

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

5.15 Early Construction of Base Case Facilities:

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

5.16 Suspension:

Interconnection Customer reserves the right, upon written notice to Transmission Provider, to suspend at any time all work by Transmission Provider associated with the construction and installation of Transmission Provider's Interconnection Facilities and/or Network Upgrades required under this LGIA with the condition that Transmission System shall be left in a safe and reliable condition in accordance with Good Utility Practice and Transmission Provider's safety and reliability criteria.

In such event, Interconnection Customer shall be responsible for all reasonable and necessary costs which Transmission Provider (i) has incurred pursuant to this LGIA prior to the suspension and (ii) incurs in suspending such work, including any costs incurred to perform such work as may be necessary to ensure the safety of persons and property and the integrity of the Transmission System during such suspension and, if applicable, any costs incurred in connection with the cancellation or suspension of material, equipment and labor contracts which Transmission Provider cannot reasonably avoid; provided, however, that prior to canceling or suspending any such material, equipment or labor contract, Transmission Provider shall obtain Interconnection Customer's authorization to do so. Interconnection Customer shall also be obligated to pay any applicable penalties associated with the suspension, pursuant to Section 3.7 of the LGIP.

Transmission Provider shall invoice Interconnection Customer for such costs pursuant to Article 12 and shall use due diligence to minimize its costs. Except as provided in Article

5.16.2 below, in the event Interconnection Customer suspends work by Transmission Provider required under this LGIA pursuant to this Article 5.16, and has not requested Transmission Provider to recommence the work required under this LGIA on or before the expiration of three (3) years following commencement of such suspension, this LGIA shall be deemed terminated. The three-year period shall begin on the date the suspension is requested, or the date of the written notice to Transmission Provider, if no effective date is specified.

5.16.1 Effect of Misused Interconnection Customer LGIA Milestones:

If Interconnection Customer fails to provide notice of suspension pursuant to Article 5.16, and Interconnection Customer fails to fulfill or complete any Interconnection Customer LGIA Milestone provided in Appendix B (“LGIA Milestone”), this constitutes a Breach under this LGIA. Depending upon the consequences of the Breach and effectiveness of the cure pursuant to Article 17, Transmission Provider’s LGIA Milestones may be revised, following consultation with Interconnection Customer, consistent with Reasonable Efforts, and in consideration of all relevant circumstances. Parties shall employ Reasonable Efforts to maintain their remaining respective LGIA Milestones.

5.16.2 Effect of Suspension; Parties Obligations:

In the event that Interconnection Customer suspends work pursuant to this Article 5.16, the applicable construction duration, timelines and schedules set forth in Appendix B shall be suspended during the period of suspension. Should Interconnection Customer thereafter request that work be recommenced, Appendix A and Appendix B may be revised to account for construction sequencing and modified milestones. If the Commercial Operation Date is extended beyond three (3) cumulative years described in Section 4.4.5 of the LGIP and Article 2.3.1 of this LGIA, such an extension may be considered a Material Modification and result in the termination of the LGIA under Article 2.3.1. Interconnection Customer is required to maintain Site Control while this LGIA is in effect, including during suspension.

5.17 Taxes:

To the extent that Transmission Provider becomes subject to Federal income taxation, the following provisions within this Article 5.17 shall apply:

5.17.1 Interconnection Customer Payments Not Taxable:

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

5.17.2 Representations and Covenants:

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

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

5.17.3 Indemnification for the Cost Consequences of Current Tax Liability Imposed Upon the Transmission Provider:

Notwithstanding Article 5.17.1, Interconnection Customer shall protect, indemnify

and hold harmless Transmission Provider from the cost consequences of any current tax liability imposed against Transmission Provider as the result of payments, property transfers, or its use of the Transmission Provider's Interconnection Facilities or the Transmission System by Interconnection Customer under the terms and conditions of this LGIA, as well as any interest and penalties, other than interest and penalties attributable to any delay caused by Transmission Provider.

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

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

5.17.4 Tax Gross-Up Amount:

Interconnection Customer's liability for the cost consequences of any current tax liability under this Article 5.17 shall be calculated on a fully grossed-up basis. Except as may otherwise be agreed to by the parties, this means that Interconnection Customer will pay Transmission Provider, in addition to the amount paid for the Interconnection Facilities and Network Upgrades, an amount equal to (1) the current taxes imposed on Transmission Provider ("Current Taxes") on the excess of (a) the gross income realized by Transmission Provider as a result of payments

or property transfers made by Interconnection Customer to Transmission Provider under this LGIA (without regard to any payments under this Article 5.17) (the “Gross Income Amount”) over (b) the present value of future tax deductions for depreciation that will be available as a result of such payments or property transfers (the “Present Value Depreciation Amount”), plus (2) an additional amount sufficient to permit Transmission Provider to receive and retain, after the payment of all Current Taxes, an amount equal to the net amount described in clause (1).

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

5.17.5 Private Letter Ruling or Change or Clarification of Law:

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

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

and shall permit Interconnection Customer to prepare the initial drafts of any follow-up letters in connection with the request.

5.17.6 Subsequent Taxable Events:

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

5.17.7 Contests:

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

Interconnection Customer shall pay to Transmission Provider on a periodic basis, as invoiced by Transmission Provider, Transmission Provider's documented reasonable costs of prosecuting such appeal, protest, abatement or other contest. At any time during the contest, Transmission Provider may agree to a settlement either with Interconnection Customer's consent or after obtaining written advice from

nationally-recognized tax counsel, selected by Transmission Provider, but reasonably acceptable to Interconnection Customer, that the proposed settlement represents a reasonable settlement given the hazards of litigation. Interconnection Customer's obligation shall be based on the amount of the settlement agreed to by Interconnection Customer, or if a higher amount, so much of the settlement that is supported by the written advice from nationally-recognized tax counsel selected under the terms of the preceding sentence. The settlement amount shall be calculated on a fully grossed-up basis to cover any related cost consequences of the current tax liability. Any settlement without Interconnection Customer's consent or such written advice will relieve Interconnection Customer from any obligation to indemnify Transmission Provider for the tax at issue in the contest.

5.17.8 Refund:

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

(i)

Any payment made by Interconnection Customer under this Article 5.17 for taxes that is attributable to the amount determined to be non-taxable,

(ii)

Interest on any amounts paid by Interconnection Customer to Transmission Provider for such taxes which Transmission Provider did not submit to the taxing authority, calculated in accordance with the methodology set forth in

FERC's regulations at 18 CFR § 35.19a (a)(2)(iii) from the date payment was made by Interconnection Customer to the date Transmission Provider refunds such payment to Interconnection Customer, and

(iii)

With respect to any such taxes paid by Transmission Provider, any refund or credit Transmission Provider receives or to which it may be entitled from any Governmental Authority, interest (or that portion thereof attributable to the payment described in clause (i), above) owed to Transmission Provider for such overpayment of taxes (including any reduction in interest otherwise payable by Transmission Provider to any Governmental Authority resulting from an offset or credit); provided, however, that Transmission Provider will remit such amount promptly to Interconnection Customer only after and to the extent that Transmission Provider has received a tax refund, credit or offset from any Governmental Authority for any applicable overpayment of income tax related to Transmission Provider's Interconnection Facilities.

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

5.17.9 Taxes Other Than Income Taxes:

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

responsible for all taxes, interest and penalties, other than penalties attributable to any delay caused by Transmission Provider.

5.17.10 Transmission Owners Who Are Not Transmission Providers:

If Transmission Provider is not the same entity as the Transmission Owner, then (i) all references in this Article 5.17 to Transmission Provider shall be deemed also to refer to and include the Transmission Owner, as appropriate, and (ii) this LGIA shall not become effective until such Transmission Owner shall have agreed in writing to assume all of the duties and obligations of Transmission Provider under this Article 5.17 of this LGIA.

5.18 Tax Status:

Each Party shall cooperate with the other to maintain the other Party's tax status. Nothing in this LGIA is intended to adversely affect any Transmission Provider's tax exempt status with respect to the issuance of bonds including, but not limited to, Tax Exempt and Tax Credit Bonds (as defined in Section 13.6.1 of the LGIP).

5.19 Modification:

5.19.1 General:

Either Party may undertake modifications to its facilities. If a Party plans to undertake a modification that reasonably may be expected to affect the other Party's facilities, that Party shall provide to the other Party sufficient information regarding such modification so that the other Party may evaluate the potential impact of such modification prior to commencement of the work. Such information shall be deemed to be confidential hereunder and shall include information concerning the timing of such modifications and whether such modifications are expected to interrupt the flow of electricity from the Large Generating Facility.

The Party desiring to perform such work shall provide the relevant drawings, plans, and specifications to the other Party at least ninety (90) Calendar Days in advance of the commencement of the work or such shorter period upon which the Parties may agree, which agreement shall not unreasonably be withheld, conditioned or delayed.

In the case of Large Generating Facility modifications that do not require Interconnection Customer to submit an Interconnection Request, Transmission

Provider shall provide, within thirty (30) Calendar Days (or such other time as the Parties may agree), an estimate of any additional modifications to the Transmission System, Transmission Provider's Interconnection Facilities or Network Upgrades necessitated by such Interconnection Customer modification and a good faith estimate of the costs thereof.

5.19.2 Standards:

Any additions, modifications, or replacements made to a Party's facilities shall be designed, constructed and operated in accordance with this LGIA and Good Utility Practice.

5.19.3 Modification Costs:

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

Article 6: Testing and Inspection

6.1 Pre-Commercial Operation Date Testing and Modifications:

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

6.2 Post-Commercial Operation Date Testing and Modifications:

Each Party shall at its own expense perform routine inspection and testing of its facilities and equipment in accordance with Good Utility Practice as may be necessary to ensure the continued interconnection of the Large Generating Facility with the Transmission System in a safe and reliable manner. Each Party shall have the right, upon advance written notice, to require reasonable additional testing of the other Party's facilities, at the requesting Party's expense, as may be in accordance with Good Utility Practice.

6.3 Right to Observe Testing:

Each Party shall notify the other Party in advance of its performance of tests of its Interconnection Facilities. The other Party has the right, at its own expense, to observe such testing.

6.4 Right to Inspect:

Each Party shall have the right, but shall have no obligation to: (i) observe the other Party's tests and/or inspection of any of its System Protection Facilities and other protective equipment, including Power System Stabilizers; (ii) review the settings of the other Party's System Protection Facilities and other protective equipment; and (iii) review the other Party's maintenance records relative to the Interconnection Facilities, the System Protection Facilities and other protective equipment. A Party may exercise these rights from time to time as it deems necessary upon reasonable notice to the other Party. The exercise or non-exercise by a Party of any such rights shall not be construed as an endorsement or confirmation of any element or condition of the Interconnection Facilities or the System Protection Facilities or other protective equipment or the operation thereof, or as a warranty as to the fitness, safety, desirability, or reliability of same. Any information that a Party obtains through the exercise of any of its rights under this Article 6.4 shall be deemed to be Confidential Information and treated pursuant to Article 22 of this LGIA.

Article 7: Metering

7.1 General:

Each Party shall comply with the Applicable Reliability Council requirements. Unless otherwise agreed by the Parties, Transmission Provider shall install Metering Equipment at the Point of Interconnection prior to any operation of the Large Generating Facility and shall own, operate, test and maintain such Metering Equipment. Power flows to and from

the Large Generating Facility shall be measured at or, at Transmission Provider's option, compensated to, the Point of Interconnection. Transmission Provider shall provide metering quantities, in analog and/or digital form, to Interconnection Customer upon request. Interconnection Customer shall bear all reasonable documented costs associated with the purchase, installation, operation, testing and maintenance of the Metering Equipment.

7.2 Check Meters:

Interconnection Customer, at its option and expense, may install and operate, on its premises and on its side of the Point of Interconnection, one or more check meters to check Transmission Provider's meters. Such check meters shall be for check purposes only and shall not be used for the measurement of power flows for purposes of this LGIA, except as provided in Article 7.4 below. The check meters shall be subject at all reasonable times to inspection and examination by Transmission Provider or its designee. The installation, operation and maintenance thereof shall be performed entirely by Interconnection Customer in accordance with Good Utility Practice.

7.3 Standards:

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

7.4 Testing of Metering Equipment:

Transmission Provider shall inspect and test all Transmission Provider-owned Metering Equipment upon installation and at least once every two (2) years thereafter. If requested to do so by Interconnection Customer, Transmission Provider shall, at Interconnection Customer's expense, inspect or test Metering Equipment more frequently than every two (2) years. Transmission Provider shall give reasonable notice of the time when any inspection or test shall take place, and Interconnection Customer may have representatives present at the test or inspection. If at any time Metering Equipment is found to be inaccurate or defective, it shall be adjusted, repaired or replaced at Interconnection Customer's expense, in order to provide accurate metering, unless the inaccuracy or defect is due to Transmission Provider's failure to maintain, then Transmission Provider shall pay. If Metering Equipment fails to register, or if the measurement made by Metering Equipment during a test varies by more than two percent from the measurement made by the standard meter used in the test, Transmission Provider shall adjust the measurements by correcting all measurements for the period during which Metering Equipment was in error by using Interconnection Customer's check meters, if installed. If no such check

meters are installed or if the period cannot be reasonably ascertained, the adjustment shall be for the period immediately preceding the test of the Metering Equipment equal to one-half the time from the date of the last previous test of the Metering Equipment.

7.5 Metering Data:

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

Article 8: Communications

8.1 Interconnection Customer Obligations:

Interconnection Customer shall maintain satisfactory operating communications with Transmission Provider's Transmission System dispatcher or representative designated by Transmission Provider. Interconnection Customer shall provide standard voice line, dedicated voice line and facsimile communications at its Large Generating Facility control room or central dispatch facility through use of either the public telephone system, or a voice communications system that does not rely on the public telephone system. Interconnection Customer shall also provide the dedicated data circuit(s) necessary to provide Interconnection Customer data to Transmission Provider as set forth in Appendix D, Security Arrangements Details. The data circuit(s) shall extend from the Large Generating Facility to the location(s) specified by Transmission Provider. Any required maintenance of such communications equipment shall be performed by Interconnection Customer. Operational communications shall be activated and maintained under, but not be limited to, the following events: system paralleling or separation, scheduled and unscheduled shutdowns, equipment clearances, and hourly and daily load data.

8.2 Remote Terminal Unit:

Prior to the Initial Synchronization Date of the Large Generating Facility, a Remote Terminal Unit, or equivalent data collection and transfer equipment acceptable to the Parties, shall be installed by Interconnection Customer, or by Transmission Provider at Interconnection Customer's expense, to gather accumulated and instantaneous data to be telemetered to the location(s) designated by Transmission Provider through use of a dedicated point-to-point data circuit(s) as indicated in Article 8.1. The communication

protocol for the data circuit(s) shall be specified by Transmission Provider and Interconnection Customer shall supply data in accordance with this communication protocol, including but not limited to: (1) real-time analog data which must be telemetered directly to the location(s) specified by Transmission Provider; (2) status points; (3) accumulators; (4) control points; and (5) any other operating data requested by Transmission Provider, and as further detailed in the Business Practice.

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

8.3 No Annexation:

Any and all equipment placed on the premises of a Party shall be and remain the property of the Party providing such equipment regardless of the mode and manner of annexation or attachment to real property, unless otherwise mutually agreed by the Parties.

8.4 Provision of Data from a Variable Energy Resource:

The Interconnection Customer whose Generating Facility is a Variable Energy Resource shall provide meteorological and forced outage data to the Transmission Provider to the extent necessary for the Transmission Provider's development and deployment of power production forecasts for that class of Variable Energy Resources. The Interconnection Customer with a Variable Energy Resource having wind as the energy source, at a minimum, will be required to provide the Transmission Provider with site-specific meteorological data including: temperature, wind speed, wind direction, and atmospheric pressure. The Interconnection Customer with a Variable Energy Resource having solar as the energy source, at a minimum, will be required to provide the Transmission Provider with site-specific meteorological data including: temperature, atmospheric pressure, and irradiance. The Transmission Provider and Interconnection Customer whose Generating Facility is a Variable Energy Resource shall mutually agree to any additional meteorological data that are required for the development and deployment of a power production forecast. The Interconnection Customer whose Generating Facility is a Variable Energy Resource also shall submit data to the Transmission Provider regarding all forced outages to the extent necessary for the Transmission Provider's development and deployment of power production forecasts for that class of Variable Energy Resources. The exact specifications of the meteorological and forced outage data to be provided by the Interconnection Customer to the Transmission Provider, including the frequency and timing of data submittals, shall be made taking into account the size and configuration of

the Variable Energy Resource, its characteristics, location, and its importance in maintaining generation resource adequacy and transmission system reliability in its area. All requirements for meteorological and forced outage data must be commensurate with the power production forecasting employed by the Transmission Provider. Such requirements for meteorological and forced outage data are set forth in Appendix C, Interconnection Details, of this LGIA, as they may change from time to time.

Article 9: Operations

9.1 General:

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

9.2 Control Area Notification:

At least three months before Initial Synchronization Date, Interconnection Customer shall notify Transmission Provider in writing of the Control Area in which the Large Generating Facility will be located. If Interconnection Customer elects to locate the Large Generating Facility in a Control Area other than the Control Area in which the Large Generating Facility is physically located, and if permitted to do so by the relevant transmission tariffs, all necessary arrangements, including but not limited to those set forth in Article 7 and Article 8 of this LGIA, and remote Control Area generator interchange agreements, if applicable, and the appropriate measures under such agreements, shall be executed and implemented prior to the placement of the Large Generating Facility in the other Control Area.

9.3 Transmission Provider Obligations:

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

9.4 Interconnection Customer Obligations:

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

9.5 Start-Up and Synchronization:

Consistent with the Parties' mutually acceptable procedures, Interconnection Customer is responsible for the proper synchronization of the Large Generating Facility to Transmission Provider's Transmission System.

9.6 Reactive Power and Primary Frequency Response: .

9.6.1 Power Factor Design Criteria:

9.6.1.1 Synchronous Generation:

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

9.6.1.2 Non-Synchronous Generation:

Interconnection Customer shall design the Large Generating Facility to maintain a composite power delivery at continuous rated power output at the high-side of the generator substation at a power factor within the range of 0.95 leading to 0.95 lagging, unless the Transmission Provider has established a different power factor range that applies to all non-synchronous generators in the Control Area on a comparable basis. This power factor range standard shall be dynamic and can be met using, for

example, power electronics designed to supply this level of reactive capability (taking into account any limitations due to voltage level, real power output, etc.) or fixed and switched capacitors, or a combination of the two. This requirement shall only apply to newly interconnecting non-synchronous generators that have not yet executed a Facilities Study Agreement as of the effective date of the Final Rule establishing this requirement (Order No. 827).

9.6.2 Voltage Schedules:

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

9.6.2.1 Voltage Regulators:

Whenever the Large Generating Facility is operated in parallel with the Transmission System and the voltage regulators are capable of operation, Interconnection Customer shall operate the Large Generating Facility with its voltage regulators in automatic operation. If the Large Generating Facility's voltage regulators are not capable of such automatic operation, Interconnection Customer shall immediately notify the Transmission Provider's system operator, or its designated representative and ensure that such Large Generating Facility's reactive power production or absorption (measured in MVARs) are within the design capability of the Large Generating Facility's generating unit(s) and steady state stability limits. Interconnection Customer shall not cause its Large Generating Facility to disconnect automatically or instantaneously from the Transmission System

or trip any generating unit comprising the Large Generating Facility for an under or over frequency condition unless the abnormal frequency condition persists for a time period beyond the limits set forth in ANSI/IEEE Standard C37.106, or such other standard as applied to other generators in the Control Area on a comparable basis.

9.6.3 Payment for Reactive Power:

Transmission Provider is required to pay Interconnection Customer for reactive power that Interconnection Customer provides or absorbs from the Large Generating Facility when Transmission Provider requests Interconnection Customer to operate its Large Generating Facility outside the range specified in Article 9.6.1, provided that if Transmission Provider pays its own or affiliated generators for reactive power service within the specified range, it must also pay Interconnection Customer. Payments shall be pursuant to Article 11.6 or such other agreement to which the Parties have otherwise agreed.

9.6.4 Primary Frequency Response:

Interconnection Customer shall ensure the primary frequency response capability of its Large Generating Facility by installing, maintaining, and operating a functioning governor or equivalent controls. The term “functioning governor or equivalent controls” as used herein shall mean the required hardware and/or software that provides frequency responsive real power control with the ability to sense changes in system frequency and autonomously adjust the Large Generating Facility’s real power output in accordance with the droop and deadband parameters and in the direction needed to correct frequency deviations. Interconnection Customer is required to install a governor or equivalent controls with the capability of operating: (1) with a maximum 5 percent droop and ± 0.036 Hz deadband; or (2) in accordance with the relevant droop, deadband, and timely and sustained response settings from an approved NERC Reliability Standard providing for equivalent or more stringent parameters. The droop characteristic shall be: (1) based on the nameplate capacity of the Large Generating Facility, and shall be linear in the range of frequencies between 59 to 61 Hz that are outside of the deadband parameter; or (2) based 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 Large Generating Facility’s real power output in response to frequency deviations. The deadband shall be implemented: (1) without a step to the droop curve, that is, once the frequency deviation exceeds the

deadband parameter, the expected change in the Large Generating Facility's real power output in response to frequency deviations shall start from zero and then increase (for under-frequency deviations) or decrease (for over-frequency deviations) linearly in proportion to the magnitude of the frequency deviation; or (2) in accordance with an approved NERC Reliability Standard providing for an equivalent or more stringent parameter. Interconnection Customer shall notify Transmission Provider that the primary frequency response capability of the Large Generating Facility has been tested and confirmed during commissioning. Once Interconnection Customer has synchronized the Large Generating Facility with the Transmission System, Interconnection Customer shall operate the Large Generating Facility consistent with the provisions specified in Sections 9.6.4.1 and 9.6.4.2 of this Agreement. The primary frequency response requirements contained herein shall apply to both synchronous and non-synchronous Large Generating Facilities.

9.6.4.1 Governor or Equivalent Controls:

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

keep outages of the Large Generating Facility's governor or equivalent controls to a minimum whenever the Large Generating Facility is operated in parallel with the Transmission System.

9.6.4.2 Timely and Sustained Response:

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

9.6.4.3 Exemptions:

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

9.6.4.4 Electric Storage Resources. Interconnection:

Customer interconnecting an electric storage resource shall establish an

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

Interconnection Customer's electric storage resource is required to provide timely and sustained primary frequency response consistent with Section 9.6.4.2 of this Agreement when it is online and dispatched to inject electricity to the Transmission System and/or receive electricity from the Transmission System. This excludes circumstances when the electric storage resource is not dispatched to inject electricity to the Transmission System and/or dispatched to receive electricity from the Transmission System. If Interconnection Customer's electric storage resource is charging at the time of a frequency deviation outside of its deadband parameter, it is to increase (for over-frequency deviations) or decrease (for under-frequency deviations) the rate at which it is charging in accordance with its droop parameter. Interconnection Customer's electric storage resource is not required to change from charging to discharging, or vice versa, unless the response necessitated by the droop and deadband settings requires it to do so and it is technically capable of making such a transition.

9.7 Outages and Interruptions:

9.7.1 Outages:

9.7.1.1 Outage Authority and Coordination:

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

9.7.1.2 Outage Schedules:

Transmission Provider shall post scheduled outages of its transmission facilities on the OASIS. Interconnection Customer shall submit its planned maintenance schedules for the Large Generating Facility to Transmission Provider for a minimum of a rolling twenty-four month period. Interconnection Customer shall update its planned maintenance schedules as necessary. Transmission Provider may request Interconnection Customer to reschedule its maintenance as necessary to maintain the reliability of the Transmission System; provided, however, adequacy of generation supply shall not be a criterion in determining Transmission System reliability. Transmission Provider shall compensate Interconnection Customer for up to 50% for any additional direct costs that Interconnection Customer incurs as a result of having to reschedule maintenance, including any additional overtime, breaking of maintenance contracts or other costs above and beyond the cost Interconnection Customer would have incurred absent Transmission Provider's request to reschedule maintenance. Interconnection Customer will not be eligible to receive compensation, if during the twelve (12) months prior to the date of the scheduled maintenance, Interconnection Customer had modified its schedule of maintenance activities.

9.7.1.3 Outage Restoration

If an outage on a Party's Interconnection Facilities or Network Upgrades adversely affects the other Party's operations or facilities, the Party that owns or controls the facility that is out of service shall use Reasonable

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

9.7.2 Interruption of Service:

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

9.7.2.1

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

9.7.2.2

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

9.7.2.3

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

9.7.2.4

Except during the existence of an Emergency Condition, when the

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

9.7.2.5

The Parties shall cooperate and coordinate with each other to the extent necessary in order to restore the Large Generating Facility, Interconnection Facilities, and the Transmission System to their normal operating state, consistent with system conditions and Good Utility Practice.

9.7.3 Under-Frequency and Over Frequency Conditions:

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

9.7.4 System Protection and Other Control Requirements:

9.7.4.1 System Protection Facilities:

Interconnection Customer shall, at its expense, install, operate and maintain System Protection Facilities as a part of the Large Generating Facility or Interconnection Customer’s Interconnection Facilities. Transmission Provider shall install at Interconnection Customer’s expense any System Protection Facilities that may be required on Transmission Provider’s Interconnection Facilities or the Transmission System as a result of the

interconnection of the Large Generating Facility and Interconnection Customer's Interconnection Facilities.

9.7.4.2

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

9.7.4.3

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

9.7.4.4

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

9.7.4.5

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

9.7.4.6

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

9.7.5 Requirements for Protection

In compliance with Good Utility Practice, Interconnection Customer shall provide, install, own, and maintain relays, circuit breakers and all other devices necessary to remove any fault contribution of the Large Generating Facility to any short circuit occurring on the Transmission System not otherwise isolated by Transmission Provider's equipment, such that the

removal of the fault contribution shall be coordinated with the protective requirements of the Transmission System. Such protective equipment shall include, without limitation, a disconnecting device or switch with load-interrupting capability located between the Large Generating Facility and the Transmission System at a site selected upon mutual agreement (not to be unreasonably withheld, conditioned or delayed) of the Parties. Interconnection Customer shall be responsible for protection of the Large Generating Facility and Interconnection Customer's other equipment from such conditions as negative sequence currents, over- or under-frequency, sudden load rejection, over- or under-voltage, and generator loss-of-field. Interconnection Customer shall be solely responsible to disconnect the Large Generating Facility and Interconnection Customer's other equipment if conditions on the Transmission System could adversely affect the Large Generating Facility.

9.7.6 Power Quality

Neither Party's facilities shall cause excessive voltage flicker nor introduce excessive distortion to the sinusoidal voltage or current waves as defined by ANSI Standard C84.1-1989, in accordance with IEEE Standard 519, or any applicable superseding electric industry standard. In the event of a conflict between ANSI Standard C84.1-1989, or any applicable superseding electric industry standard, ANSI Standard C84.1-1989, or the applicable superseding electric industry standard, shall control.

9.8 Switching and Tagging Rules:

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

9.9 Use of Interconnection Facilities by Third Parties:

9.9.1 Purpose of Interconnection Facilities

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

9.9.2 Third Party Users

If required by Applicable Laws and Regulations or if the Parties mutually agree, such agreement not to be unreasonably withheld, to allow one or more third parties to use Transmission Provider's Interconnection Facilities, or any part thereof, Interconnection Customer will be entitled to compensation for the capital expenses it incurred in connection with the Interconnection Facilities based upon the pro rata use of the Interconnection Facilities by Transmission Provider, all third party users, and Interconnection Customer, in accordance with Applicable Laws and Regulations or upon some other mutually-agreed upon methodology. In addition, cost responsibility for ongoing costs, including operation and maintenance costs associated with the Interconnection Facilities, will be allocated between Interconnection Customer and any third party users based upon the pro rata use of the Interconnection Facilities by Transmission Provider, all third party users, and Interconnection Customer, in accordance with Applicable Laws and Regulations or upon some other mutually agreed upon methodology.

9.10 Disturbance Analysis Data Exchange:

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

Article 10: Maintenance

10.1 Transmission Provider Obligations:

Transmission Provider shall maintain the Transmission System and Transmission Provider's Interconnection Facilities in a safe and reliable manner and in accordance with this LGIA.

10.2 Interconnection Customer Obligations:

Interconnection Customer shall maintain the Large Generating Facility and Interconnection Customer's Interconnection Facilities in a safe and reliable manner and in accordance with this LGIA.

10.3 Coordination:

The Parties shall confer regularly to coordinate the planning, scheduling and performance of preventive and corrective maintenance on the Large Generating Facility and the Interconnection Facilities.

10.4 Secondary Systems:

Each Party shall cooperate with the other in the inspection, maintenance, and testing of control or power circuits that operate below 600 volts, AC or DC, including, but not limited to, any hardware, control or protective devices, cables, conductors, electric raceways, secondary equipment panels, transducers, batteries, chargers, and voltage and current transformers that directly affect the operation of a Party's facilities and equipment which may reasonably be expected to impact the other Party. Each Party shall provide advance notice to the other Party before undertaking any work on such circuits, especially on electrical circuits involving circuit breaker trip and close contacts, current transformers, or potential transformers.

10.5 Operating and Maintenance Expenses:

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

Article 11: Performance Obligation

11.1 Interconnection Customer Interconnection Facilities:

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

11.2 Transmission Provider's Interconnection Facilities:

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

11.3 Network Upgrades and Distribution Upgrades:

Transmission Provider or Transmission Owner shall design, procure, construct, install, and own the Network Upgrades and Distribution Upgrades described in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades. The Interconnection Customer shall be responsible all costs related to Distribution Upgrades. Unless Transmission Provider or Transmission Owner elects to fund the capital for the Network Upgrades, they shall be solely funded by Interconnection Customer.

11.4 Transmission Credits:

11.4.1 Repayment of Amounts Advanced for Network Upgrades:

Transmission Provider is a non-public utility. Transmission Provider and Interconnection Customer agree to waive the crediting policy and reimbursement obligations applicable to public utility transmission providers.

Notwithstanding the foregoing, if an Affected System is identified in the evaluation of the Interconnection Request or Interconnection Service, Interconnection Customer and Affected System Operator will comply with the crediting policy or reimbursement obligations of the Affected System Operator without any cost allocation to Transmission Provider.

If the Large Generating Facility fails to achieve Commercial Operation, but it or another Generating Facility is later constructed and makes use of the Network Upgrades, the Affected System Operator and Interconnection Customer shall comply with the crediting and reimbursement policy of the Affected System Operator without any cost allocation to Transmission Provider.

11.4.2 Special Provisions for Affected Systems:

Interconnection Customer and Affected System Operator shall enter into an agreement that provides for compliance with the crediting policy or reimbursement obligations of the Affected System Operator without any such costs being allocated to or imposed upon Transmission Provider.

11.4.3 Reserved

11.5 Provision of Security:

At least thirty (30) Calendar Days prior to the commencement of the procurement, installation, or construction of a discrete portion of a Transmission Provider's Interconnection Facilities, Network Upgrades, or Distribution Upgrades, Interconnection Customer shall provide Transmission Provider, at Interconnection Customer's option, a guarantee, a surety bond, letter of credit or other form of security that is reasonably acceptable to Transmission Provider and is consistent with the Uniform Commercial Code of the jurisdiction identified in Article 14.2.1. Such security for payment shall be in an amount sufficient to cover the costs for constructing, procuring and installing the applicable portion of Transmission Provider's Interconnection Facilities, Network Upgrades, or Distribution Upgrades and shall be reduced on a dollar-for-dollar basis for payments made to Transmission Provider for these purposes.

In addition:

11.5.1:

The guarantee must be made by an entity that meets the creditworthiness requirements of Transmission Provider, and contain terms and conditions that guarantee payment of any amount that may be due from Interconnection Customer, up to an agreed-to maximum amount.

11.5.2:

The letter of credit must be issued by a financial institution reasonably acceptable to Transmission Provider and must specify a reasonable expiration date.

11.5.3:

The surety bond must be issued by an insurer reasonably acceptable to Transmission Provider and must specify a reasonable expiration date.

11.6 Interconnection Customer Compensation:

If Transmission Provider requests or directs Interconnection Customer to provide a service pursuant to Articles 9.6.3 (Payment for Reactive Power) or 13.5.1 of this LGIA,

Transmission Provider shall compensate Interconnection Customer in accordance with Interconnection Customer's applicable rate schedule then in effect unless the provision of such service(s) is subject to an RTO or ISO FERC-approved rate schedule. Interconnection Customer shall serve Transmission Provider or RTO or ISO with any filing of a proposed rate schedule at the time of such filing with FERC. To the extent that no rate schedule is in effect at the time the Interconnection Customer is required to provide or absorb any Reactive Power under this LGIA, Transmission Provider agrees to compensate Interconnection Customer in such amount as would have been due Interconnection Customer had the rate schedule been in effect at the time service commenced; provided, however, that such rate schedule must be filed at FERC or other appropriate Governmental Authority within sixty (60) Calendar Days of the commencement of service.

11.6.1 Interconnection Customer Compensation for Actions During Emergency Condition:

Transmission Provider or RTO or ISO shall compensate Interconnection Customer for its provision of real and reactive power and other Emergency Condition services that Interconnection Customer provides to support the Transmission System during an Emergency Condition in accordance with Article 11.6.

Article 12: Invoice

12.1 General:

Each Party shall submit to the other Party, on a monthly basis, invoices of amounts due for the preceding month. Each invoice shall state the month to which the invoice applies and fully describe the services and equipment provided. The Parties may discharge mutual debts and payment obligations due and owing to each other on the same date through netting, in which case all amounts a Party owes to the other Party under this LGIA, including interest payments, 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 Transmission Provider's Interconnection Facilities and the Network Upgrades, Transmission Provider shall provide an invoice of the final cost of the construction of Transmission Provider's Interconnection Facilities and the Network Upgrades and shall set forth such costs in sufficient detail to enable Interconnection Customer to compare the actual costs with the estimates and to ascertain deviations, if any, from the cost estimates. Transmission Provider shall refund to

Interconnection Customer any amount by which the actual payment by Interconnection Customer for estimated costs exceeds the actual costs of construction within thirty (30) Calendar Days of the issuance of such final construction invoice.

12.3 Payment:

Invoices shall be rendered to the paying Party at the address specified in Appendix F. The Party receiving the invoice shall pay the invoice within thirty (30) Calendar Days of receipt. All payments shall be made in immediately available funds payable to the other Party, or by wire transfer to a bank named and account designated by the invoicing Party. Payment of invoices by either Party will not constitute a waiver of any rights or claims either Party may have under this LGIA.

12.4 Disputes:

In the event of a billing dispute between Transmission Provider and Interconnection Customer, Transmission Provider shall continue to provide Interconnection Service under this LGIA as long as Interconnection Customer: (i) continues to make all payments not in dispute; and (ii) pays to Transmission Provider or into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute; provided however, if Interconnection Customer opts to utilize an escrow account Interconnection Customer shall be responsible for all administrative and financial obligations associated with setting up and maintaining the independent escrow account until resolution of the dispute without any involvement of or reimbursement by Transmission Provider. If Interconnection Customer fails to meet these two requirements for continuation of service, then Transmission Provider may provide notice to Interconnection Customer of a Default pursuant to Article 17. Within thirty (30) Calendar Days after the resolution of the dispute, the Party that owes money to the other Party shall pay the amount due with interest calculated in accordance with the methodology set forth in FERC 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: (i) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (ii) that, in the case of Transmission Provider, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to the Transmission System, Transmission Provider’s Interconnection Facilities or the Transmission Systems of others to which the Transmission System is directly connected; or (iii) that, in the case

of Interconnection Customer, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, the Large Generating Facility or Interconnection Customer's Interconnection Facilities' System restoration and black start shall be considered Emergency Conditions; provided that Interconnection Customer is not obligated by this LGIA to possess black start capability.

13.2 Obligations:

Each Party shall comply with the Emergency Condition procedures of the applicable ISO/RTO, NERC, the Applicable Reliability Council, Applicable Laws and Regulations, and any emergency procedures agreed to by the Joint Operating Committee.

13.3 Notice:

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

13.4 Immediate Action:

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

13.5 Transmission Provider Authority:

13.5.1 General:

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

Transmission Provider shall use Reasonable Efforts to minimize the effect of such actions or inactions on the Large Generating Facility or Interconnection Customer's Interconnection Facilities. Transmission Provider may, on the basis of technical considerations, require the Large Generating Facility to mitigate an Emergency Condition by taking actions necessary and limited in scope to remedy the Emergency Condition, including, but not limited to, directing Interconnection Customer to shut-down, start-up, increase or decrease the real or reactive power output of the Large Generating Facility; implementing a reduction or disconnection pursuant to Article 13.5.2; directing Interconnection Customer to assist with blackstart (if available) or restoration efforts; or altering the outage schedules of the Large Generating Facility and Interconnection Customer's Interconnection Facilities. Interconnection Customer shall comply with all of Transmission Provider's operating instructions concerning Large Generating Facility real power and reactive power output within the manufacturer's design limitations of the Large Generating Facility's equipment that is in service and physically available for operation at the time, in compliance with Applicable Laws and Regulations.

13.5.2 Reduction and Disconnection:

Transmission Provider may reduce Interconnection Service or disconnect the Large Generating Facility or Interconnection Customer's Interconnection Facilities, when such, reduction or disconnection is necessary under Good Utility Practice due to Emergency Conditions. These rights are separate and distinct from any right of curtailment of Transmission Provider pursuant to Transmission Provider's Tariff. When Transmission Provider can schedule the reduction or disconnection in advance, Transmission Provider shall notify Interconnection Customer of the reasons, timing and expected duration of the reduction or disconnection. Transmission Provider shall coordinate with Interconnection Customer using Good Utility Practice to schedule the reduction or disconnection during periods of least impact to Interconnection Customer and Transmission Provider. Any reduction or disconnection shall continue only for so long as reasonably necessary under Good

Utility Practice. The Parties shall cooperate with each other to restore the Large Generating Facility, the Interconnection Facilities, and the Transmission System to their normal operating state as soon as practicable consistent with Good Utility Practice.

13.6 Interconnection Customer Authority:

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

13.7 Limited Liability:

Except as otherwise provided in Article 11.6.1 of this LGIA, neither Party shall be liable to the other for any action it takes in responding to an Emergency Condition so long as such action is made in good faith and is consistent with Good Utility Practice.

Article 14: Regulatory Requirements and Governing Law

14.1 Regulatory Requirements:

Each Party's obligations under this LGIA shall be subject to its receipt of any required approval or certificate from one or more Governmental Authorities in the form and substance satisfactory to the applying Party, or the Party making any required filings with, or providing notice to, such Governmental Authorities, and the expiration of any time period associated therewith. Each Party shall in good faith seek and use its Reasonable Efforts to obtain such other approvals. Nothing in this LGIA shall require Interconnection Customer to take any action that could result in its inability to obtain, or its loss of, status or exemption under the Federal Power Act, the Public Utility Holding Company Act of 1935, as amended, or the Public Utility Regulatory Policies Act of 1978.

14.2 Governing Law:

14.2.1:

The validity, interpretation and performance of this LGIA and each of its provisions shall be governed by and enforced in accordance with the laws of the State of California, as if executed and to be performed wholly within the State of California.

14.2.2:

This LGIA is subject to all Applicable Laws and Regulations.

14.2.3:

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

Article 15: Notices:

15.1 General:

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

Either Party may change the notice information in this LGIA by giving five (5) Business Days written notice prior to the effective date of the change.

15.2 Billings and Payments:

Billings and payments shall be sent to the addresses set out in Appendix F.

15.3 Alternative Forms of Notice:

Any notice or request required or permitted to be given by a Party to the other and not required by this Agreement to be given in writing may be so given by telephone, facsimile or email to the telephone numbers and email addresses set out in Appendix F.

15.4 Operations and Maintenance Notice:

Each Party shall notify the other Party in writing of the identity of the person(s) that it designates as the point(s) of contact with respect to the implementation of Articles 9 and 10.

Article 16: Force Majeure

16.1 Force Majeure:

16.1.1:

A Party shall not be considered to be in Default in the performance of any of its obligations under this Agreement when and to the extent such Party's performance is prevented by a Force Majeure that, despite the exercise of due diligence (which does not require the affected Party to accede or agree to any provision not satisfactory to it in order to settle and terminate a strike or other labor disturbance), such Party is unable to prevent, mitigate, or fulfill any obligation hereunder (other than an obligation to pay money when due) and provides immediate notice as soon as reasonably possible of the Force Majeure to the other Party after becoming aware thereof ("Force Majeure Immediate Notice"), subject to the additional requirement of a Force Majeure Written Notice set forth in Article 16.1.2.

16.1.2:

A Party unable to fulfill any obligation hereunder (other than an obligation to pay money when due) by reason of Force Majeure shall provide the Force Majeure Immediate Notice pursuant to Article 16.1.1 and shall further provide a written detailed description of the full particulars of such Force Majeure to the other Party no later than thirty (30) calendar days after the initial occurrence of the claimed Force Majeure ("Force Majeure Written Notice"), which such notice shall include information with respect to the nature, cause and date and time of commencement of such event, and the anticipated scope and duration of the delay. The affected Party that timely provides both the Force Majeure Immediate Notice and the Force Majeure Written Notice shall be excused from fulfilling its obligations under this Agreement until such time as the Force Majeure has ceased to prevent performance

or other remedial action is taken, at which time the Party shall promptly notify the other Party of the resumption of its obligations under this Agreement. If, after satisfying the notice requirements set forth above, the unaffected Party reasonably concludes that a Force Majeure or its impact on the affected Party or any facility including the Transmission System will continue (i) for a period of 180 or more consecutive calendar days, or (ii) for an aggregate period of 270 or more non-consecutive calendar days in the case of any claimed Force Majeure event or series of claimed Force Majeure events, the unaffected Party shall have the right to terminate this Agreement effective upon notice to the affected Party.

Article 17: Default

17.1 Default:

17.1.1 General:

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

17.1.2 Right to Terminate:

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

Article 18: Indemnity, Consequential Damages and Insurance

18.1 Indemnity:

The Parties shall at all times indemnify, defend, and hold harmless the other Parties, their respective officials (elected or appointed), Boards, officers, managers, agents, employees, assigns and successors in interest, from and against any and all suits, causes of action, claims, charges, damages, demands, judgments, civil fines, penalties, costs and expenses (including, without limitation, reasonable attorneys' fees and costs of experts and consultants), or losses of any kind or nature whatsoever including, death, bodily injury or personal injury to any person, damage or destruction to any property (financial, physical, or intellectual) by or to third parties (collectively, "Losses") arising by reason of or incident to or directly or indirectly related to the other Party's acts, errors or omissions, performance or non-performance or Breach of any of their obligations of or under this LGIA, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

18.2 Consequential Damages:

In no event shall either Party be liable under any provision of this LGIA for any losses, damages, costs or expenses for any special, indirect, incidental, consequential, or punitive damages, including but not limited to loss of profit or revenue, loss of the use of equipment, business interruption, 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.

18.3 Insurance – Applicable Terms and Conditions:

18.3.1 Additional Insured Status Required:

Interconnection Customer shall procure at its own expense, and keep in effect at all times during the term of this Agreement, the types and amounts of insurance specified on the attached Contract Insurance Requirements page. The insurance shall also by specific endorsement(s) attached to such policies, include, the City of Los Angeles (the "City") Transmission Provider, its Board of Commissioners (hereinafter referred to as "Board"), and all of its officers, employees and agents, their successors and assigns, as Additional Insureds (except for Worker's Compensation) against the area of risk described herein as respects Interconnection Customer's acts or omissions in its performance of the agreement, hereunder or other related functions performed by or on behalf of Interconnection Customer. Such insurance shall not limit or qualify the liabilities and obligations of the

Interconnection Customer assumed under the contract.

18.3.2 Severability of Interests and Cross Liability Required:

Each specified insurance policy (other than Workers' Compensation and Employers' Liability and Property coverage) shall contain a Severability of Interest and Cross Liability clause which states in effect, "It is agreed that the insurance afforded by this policy shall apply separately to each insured against whom claim is made or suit is brought except with respect to the limits of the company's liability," and a Contractual Liability Endorsement which shall state in effect, "Such insurance as is afforded by this policy shall also apply to liability assumed by the insured under this Agreement with the City of Los Angeles."

18.3.3 Primary and Non-Contributory Insurance Required:

All such insurance shall be Primary and Noncontributing with any other insurance held by Transmission Provider where liability arises out of or results from the acts or omissions of Interconnection Customer, its agents, employees, officers, assigns, or any person or entity acting for or on behalf of Interconnection Customer. Any insurance carried by Transmission Provider which may be applicable shall be deemed to be excess insurance and the Interconnection Customer's insurance is primary for all purposes despite any conflicting provision in the Interconnection Customer's policies to the contrary.

18.3.4 Deductibles Subject to Transmission Provider's Discretion:

Deductibles and/or self-insured retentions shall be at the sole discretion of the Transmission Provider's Risk Manager. The Transmission Provider shall have no liability for any premiums charged for such coverage(s). The inclusion of the Transmission Provider, its Board, and all of its officers, employees and agents, and their agents and assigns, as additional insureds, is not intended to, and shall not, make them, or any of them a partner or joint venturer with Interconnection Customer in its operations.

18.3.5 Proof of Insurance for Renewal or Extension Required:

At least thirty (30) days after the expiration date of any of the policies required on the attached Contract Insurance Requirement page, documentation showing that the insurance coverage has been renewed or extended shall be filed with the Transmission Provider. If such coverage is canceled or reduced in coverage,

Interconnection Customer shall, within fifteen (15) days of such cancellation or reduction of coverage, file with Transmission Provider evidence that the required insurance has been reinstated or provided through another insurance company or companies.

18.3.6 Submission of Acceptable Proof of Insurance and Notice of Cancellation:

Interconnection Customer shall provide proof to the Transmission Provider's Risk Manager of all specified insurance and related requirements using either an Acora certificate of insurance along with any required scheduled endorsements, or using the Transmission Provider's own endorsement form(s) or using other written evidence of insurance acceptable to the Transmission Provider's Risk Manager, but always in a form acceptable to the Transmission Provider's Risk Manager. The documents evidencing all specified coverages shall be filed with the Transmission Provider prior to Interconnection Customer beginning operations hereunder. Said proof shall contain at a minimum, the applicable policy number, the inclusive dates of policy coverages, the date the specified endorsement for the Transmission Provider was attached to a specific policy, and the insurance carrier's name. It shall provide that such insurance shall not be subject to cancellation, material reduction in a required coverage or non-renewal (other than for non-payment) except after written notice by first class mail or electronic mail to the Transmission Provider's Risk Manager at least (30) calendar days prior to the effective date thereof. The notification shall be sent by first class or electronic mail to:

The Risk Management Section,
Los Angeles Department of Water and Power,
Post Office Box 51111, JFB Room 465,
Los Angeles, California 90051-0100.
Riskmanagement.Risky@ladwp.com

18.3.7 Claims-Made Insurance Conditions:

Should any portion of the required insurance be on a "Claims Made" policy, the Interconnection Customer shall, at the policy expiration date following completion of work, provide evidence that the "Claims Made" policy has been renewed or replaced with the same limits, terms and conditions of the expiring policy, or that an extended three (3) years discovery period has been purchased on the expiring policy at least for the contract under which the work was performed.

18.3.8 Failure to Maintain and Provide as Cause for Termination:

Failure to maintain and provide acceptable evidence of the required insurance for the required period of coverage shall constitute a breach of contract, upon which Transmission Provider may immediately terminate or suspend the agreement.

18.3.9 Periodic Right to Review/Update Insurance Requirements:

The Transmission Provider and Interconnection Customer agree that the insurance policy limits specified on the attached Contract Insurance Requirements page may be reviewed for adequacy annually throughout the term of this Agreement by the Transmission Provider's Risk Manager/City Attorney, who may thereafter require Interconnection Customer to adjust the amounts and types of insurance coverage however the Transmission Provider's Risk Manager/City Attorney deems to be adequate and necessary. Transmission Provider reserves the right to have submitted to it, upon request, all pertinent information about the agent and carrier providing such insurance, including applicable license and ratings.

18.3.10 Specific Insurance Requirements:

See Attachment "Contract Insurance Requirements."

18.3.11 Sub-Contractor Compliance:

Interconnection Customer shall be responsible for all sub-contractors'. Interconnection Customer shall require all subcontractors performing any work to maintain insurance limits in accordance with Interconnection Customer's standard agreements with such subcontractors.

18.3.12 Limitation of Liability and Release:

TRANSMISSION PROVIDER SHALL NOT BE LIABLE TO INTERCONNECTION CUSTOMER UNDER ANY CIRCUMSTANCES, UNDER ANY THEORY OF LIABILITY AT LAW OR IN EQUITY, WHETHER SUCH LIABILITY IS KNOWN OR UNKNOWN AT THE TIME OF SIGNING THIS AGREEMENT, OR ANY TIME THEREAFTER, FOR ANY DEATH, BODILY INJURY, AND LOSS OF USE OR DAMAGE OR DESTRUCTION OF ANY PROPERTY OR ANY BUSINESS INTERRUPTION, TO A THIRD PARTY OR TO INTERCONNECTION CUSTOMER.

INTERCONNECTION CUSTOMER DOES SO HEREBY ACKNOWLEDGE THAT IT HAS READ AND COMPREHENDED THE FOLLOWING PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1542 (OR ITS SUCCESSOR STATUTE) WHICH PROVIDES:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.”

BEING AWARE OF SAID CODE SECTION, INTERCONNECTION CUSTOMER HEREBY EXPRESSLY WAIVES ANY RIGHTS IT MAY HAVE THEREUNDER, AS WELL AS UNDER ANY OTHER STATUTES OR COMMON LAW PRINCIPLES OF SIMILAR EFFECT.

18.3.13 Reporting:

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

Article 19: Assignment

19.1 Assignment:

This LGIA may be assigned by either Party only with the written consent of the other; provided that, either Party may assign this LGIA without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this LGIA; and provided further that Interconnection Customer shall have the right to assign this LGIA, without the consent of Transmission Provider, for collateral security purposes to aid in providing financing for the Large Generating Facility, provided that Interconnection Customer will promptly notify Transmission Provider of any such assignment. Any financing arrangement entered into by Interconnection Customer pursuant to this article will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify Transmission Provider of the date and particulars of any such exercise of assignment right(s), including providing the Transmission Provider with proof that it meets the requirements of Articles 11.5 and 18.3.

Any attempted assignment that violates this article is void and ineffective. Any assignment under this LGIA shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed. The General Manager of DWP, and/or his/her designee, is authorized to grant the consents contemplated by this Article 19.1 on behalf of LADWP.

Article 20: Severability

20.1 Severability:

If any provision in this LGIA is finally determined to be invalid, void or unenforceable by any court or other Governmental Authority having jurisdiction, such determination shall not invalidate, void or make unenforceable any other provision, agreement or covenant of this LGIA; provided that if Interconnection Customer (or any third party, but only if such third party is not acting at the direction of Transmission Provider) seeks and obtains such a final determination with respect to any provision of the Negotiated Option (Article 5.1.4), then none of these provisions shall thereafter have any force or effect and the Parties' rights and obligations shall be governed solely by the Standard Option (Article 5.1.1).

Article 21: Comparability

21.1 Comparability:

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

Article 22: Confidentiality

22.1 Confidentiality:

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

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

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

22.1.1 Term:

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

22.1.2 Scope:

Confidential Information shall not include information that the receiving Party can demonstrate: (1) is generally available to the public other than as a result of a disclosure by the receiving Party; (2) was in the lawful possession of the receiving Party on a non-confidential basis before receiving it from the disclosing Party; (3) was supplied to the receiving Party without restriction by a third party, who, to the knowledge of the receiving Party after due inquiry, was under no obligation to the disclosing Party to keep such information confidential; (4) was independently developed by the receiving Party without reference to Confidential Information of the disclosing Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or Breach of this LGIA; or (6) is required, in accordance with Article 22.1.7 of the LGIA, Order of Disclosure, to be disclosed by any Governmental Authority or is otherwise required to be disclosed by law or subpoena, or is necessary in any legal proceeding establishing rights and obligations under this LGIA. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the other Party that it no longer is confidential.

22.1.3 Release of Confidential Information:

Neither Party shall release or disclose Confidential Information to any other person, except to its Affiliates (limited by the Standards of Conduct requirements), subcontractors, employees, consultants, or to parties who may be or considering providing financing to or equity participation with Interconnection Customer, or to potential purchasers or assignees of Interconnection Customer, on a need-to-know basis in connection with this LGIA, unless such person has first been advised of the

confidentiality provisions of this Article 22 and has agreed to comply with such provisions. Notwithstanding the foregoing, a Party providing Confidential Information to any person shall remain primarily responsible for any release of Confidential Information in contravention of this Article 22.

22.1.4 Rights:

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

22.1.5 No Warranties:

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

22.1.6 Standard of Care:

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

22.1.7 Order of Disclosure:

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

to obtain reliable assurance that confidential treatment will be accorded any Confidential Information so furnished.

22.1.8 Termination of Agreement:

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

22.1.9 Remedies:

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

22.1.10 Disclosure to FERC, its Staff, or a State:

Notwithstanding anything in this Article 22 to the contrary, and pursuant to 18 CFR section 1b.20, if FERC or its staff during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to this LGIA, the Party shall provide the requested information to FERC or its staff, within the time provided for in the request for information. In providing the information to FERC or its staff, the Party must, consistent with 18 CFR section 388.112, request that the information be treated as confidential and non-public by FERC and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying the other Party to this LGIA prior to the release of the Confidential

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

22.1.11:

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

22.1.12 CPRA, Brown Act:

In addition to the foregoing provisions under this Article 22, Interconnection Customer acknowledges that Transmission Provider is subject to disclosure as required by the California Public Records Act, Cal. Govt. Code §§6250 et seq. (“CPRA”) and the Ralph M. Brown Act, Cal. Govt. Code §§ 54950 et. seq. (“Brown Act”). Requests for information made directly to Transmission Provider pursuant to CPRA will be managed in a similar manner identified within Article 22.1.11. For purposes of the Brown Act, the Parties shall adhere to the provisions of Article 22.1 to maintain confidentiality.

Article 23: Environmental Releases

23.1:

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

Article 24: Information Requirements

24.1 Information Acquisition :

Transmission Provider and Interconnection Customer shall submit specific information regarding the electrical characteristics of their respective facilities to each other as described below and in accordance with Applicable Reliability Standards.

24.2 Information Submission by Transmission Provider:

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

24.3 Updated Information Submission by Interconnection Customer:

The updated information submission by Interconnection Customer, including manufacturer information, shall occur no later than one hundred eighty (180) Calendar Days prior to the

Trial Operation. Interconnection Customer shall submit a completed copy of the Large Generating Facility data requirements contained in Appendix 1 to the LGIP. It shall also include any additional information provided to Transmission Provider for the Cluster Study and Facilities Study. Information in this submission shall be the most current Large Generating Facility design or expected performance data. Information submitted for stability models shall be compatible with Transmission Provider standard models. If there is no compatible model, Interconnection Customer will work with a consultant mutually agreed to by the Parties to develop and supply a standard model and associated information.

If Interconnection Customer's data is materially different from what was originally provided to Transmission Provider pursuant to the Interconnection Study Agreement between Transmission Provider and Interconnection Customer, then Transmission Provider will conduct appropriate studies to determine the impact on Transmission Provider's Transmission System based on the actual data submitted pursuant to this Article 24.3. The Interconnection Customer shall not begin Trial Operation until such studies are completed.

24.4 Information Supplementation:

Prior to the Commercial Operation Date, the Parties shall supplement their information submissions described above in this Article 24 with any and all "as-built" Large Generating Facility information or "as-tested" performance information that differs from the initial submissions or, alternatively, written confirmation that no such differences exist. The Interconnection Customer shall conduct tests on the Large Generating Facility as required by Good Utility Practice such as an open circuit "step voltage" test on the Large Generating Facility to verify proper operation of the Large Generating Facility's automatic voltage regulator.

Unless otherwise agreed, the test conditions shall include: (1) Large Generating Facility at synchronous speed; (2) automatic voltage regulator on and in voltage control mode; and (3) a five percent change in Large Generating Facility terminal voltage initiated by a change in the voltage regulators reference voltage. Interconnection Customer shall provide validated test recordings showing the responses of Large Generating Facility terminal and field voltages. In the event that direct recordings of these voltages is impractical, recordings of other voltages or currents that mirror the response of the Large Generating Facility's terminal or field voltage are acceptable if information necessary to translate these alternate quantities to actual Large Generating Facility terminal or field voltages is provided. Large Generating Facility testing shall be conducted and results provided to Transmission Provider for each individual generating unit in a station.

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

Article 25: Information Access and Audit Rights

25.1 Information Access:

Each Party (the "disclosing Party") shall make available to the other Party information that is in the possession of the disclosing Party and is necessary in order for the other Party to: (i) verify the costs incurred by the disclosing Party for which the other Party is responsible under this LGIA; and (ii) carry out its obligations and responsibilities under this LGIA. The Parties shall not use such information for purposes other than those set forth in this Article 25.1 and to enforce their rights under this LGIA.

25.2 Reporting of Non-Force Majeure Events:

Each Party (the "notifying Party") shall notify the other Party when the notifying Party becomes aware of its inability to comply with the provisions of this LGIA for a reason other than a Force Majeure event. The Parties agree to cooperate with each other and provide necessary information regarding such inability to comply, including the date, duration, reason for the inability to comply, and corrective actions taken or planned to be taken with respect to such inability to comply. Notwithstanding the foregoing, notification, cooperation or information provided under this article shall not entitle the Party receiving such notification to allege a cause for anticipatory breach of this LGIA.

25.3 Audit Rights:

Subject to the requirements of confidentiality under Article 22 of this LGIA, each Party shall have the right, during normal business hours, and upon prior reasonable notice to the other Party, to audit at its own expense the other Party's accounts and records pertaining to either Party's performance or either Party's satisfaction of obligations under this LGIA. Such audit rights shall include audits of the other Party's costs, calculation of invoiced amounts, Transmission Provider's efforts to allocate responsibility for the provision of reactive support to the Transmission System, Transmission Provider's efforts to allocate

responsibility for interruption or reduction of generation on the Transmission System, and each Party's actions in an Emergency Condition. Any audit authorized by this article shall be performed at the offices where such accounts and records are maintained and shall be limited to those portions of such accounts and records that relate to each Party's performance and satisfaction of obligations under this LGIA. Each Party shall keep such accounts and records for a period equivalent to the audit rights periods described in Article 25.4.

25.4 Audit Rights Periods:

25.4.1 Audit Rights Period for Construction-Related Accounts and Records:

Accounts and records related to the design, engineering, procurement, and construction of Transmission Provider's Interconnection Facilities and Network Upgrades shall be subject to audit for a period of twenty-four months following Transmission Provider's issuance of a final invoice in accordance with Article 12.2.

25.4.2 Audit Rights Period for All Other Accounts and Records:

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

25.5 Audit Results:

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

Article 26: Subcontractors

26.1 General:

Nothing in this LGIA shall prevent a Party from utilizing the services of any subcontractor as it deems appropriate to perform its obligations under this LGIA; provided, however, that each Party shall require its subcontractors to comply with all applicable terms and

conditions of this LGIA in providing such services and each Party shall remain primarily liable to the other Party for the performance of such subcontractor.

26.2 Responsibility of Principal:

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

26.3 No Limitation by Insurance:

The obligations under this Article 26 will not be limited in any way by any limitation of subcontractor's insurance.

Article 27: Disputes

27.1 Submission:

In the event either Party has a dispute, or asserts a claim, that arises out of or in connection with the LGIA, the LGIP, or their performance, such Party (the "disputing Party") shall provide the other Party with written notice of the dispute or claim ("Notice of Dispute"). Such Notice of Dispute shall not be deemed a waiver of the requirements of, nor construed as compliance with, California Government Code Section 910 et seq., or any successor statute.

Such dispute or claim shall be referred to a designated senior representative of each Party for resolution on an informal basis as promptly as practicable after receipt of the Notice of Dispute by the other Party. In the event the designated representatives are unable to resolve the claim or dispute through unassisted or assisted negotiations within thirty (30) Calendar Days of the other Party's receipt of the Notice of Dispute, such claim or dispute may, upon mutual agreement of the Parties, be submitted to arbitration and resolved in accordance with the arbitration procedures set forth below. In the event the Parties do not agree to submit such claim or dispute to arbitration, each Party may exercise whatever rights and remedies it may have in equity or at law consistent with the terms of this LGIA; provide that, any dispute arising out of or relating to this LGIA shall be brought in a state or federal

court in the County of Los Angeles in the State of California. Each Party irrevocably agrees to submit to the exclusive jurisdiction of such courts in the State of California and waive any defense of *forum non conveniens*.

27.2 External Arbitration Procedures:

Any arbitration initiated under these procedures shall be conducted before a single neutral arbitrator appointed by the Parties. If the Parties fail to agree upon a single arbitrator within ten (10) Calendar Days of the submission of the dispute to arbitration, each Party shall choose one arbitrator who shall sit on a three-member arbitration panel. The two arbitrators so chosen shall within twenty (20) Calendar Days select a third arbitrator to chair the arbitration panel. In either case, the arbitrators shall be knowledgeable in electric utility matters, including electric transmission and bulk power issues, and shall not have any current or past substantial business or financial relationships with any party to the arbitration (except prior arbitration). The arbitrator(s) shall provide each of the Parties an opportunity to be heard and, except as otherwise provided herein, shall conduct the arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("Arbitration Rules"); provided, however, in the event of a conflict between the Arbitration Rules and the terms of this Article 27, the terms of this Article 27 shall prevail.

27.3 Arbitration Decisions:

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

27.4 Costs:

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

Article 28: Representations, Warranties, and Covenants

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

28.1.1 Good Standing:

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

28.1.2 Authority:

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

28.1.3 No Conflict

The execution, delivery and performance of this LGIA does not violate or conflict with the organizational or formation documents, or bylaws or operating agreement, of such Party, or any judgment, license, permit, order, material agreement or instrument applicable to or binding upon such Party or any of its assets.

28.1.4 Consent and Approval

Such Party has sought or obtained, or, in accordance with this LGIA will seek or obtain, each consent, approval, authorization, order, or acceptance by any

Governmental Authority in connection with the execution, delivery and performance of this LGIA, and it will provide to any Governmental Authority notice of any actions under this LGIA that are required by Applicable Laws and Regulations.

Article 29: Joint Operating Committee

29.1 Joint Operating Committee:

Except in the case of ISOs and RTOs, Transmission Provider shall constitute a Joint Operating Committee to coordinate operating and technical considerations of Interconnection Service. At least six (6) months prior to the expected Initial Synchronization Date, Interconnection Customer and Transmission Provider shall each appoint one representative and one alternate to the Joint Operating Committee. Each Interconnection Customer shall notify Transmission Provider of its appointment in writing. Such appointments may be changed at any time by similar notice. The Joint Operating Committee shall meet as necessary, but not less than once each calendar year, to carry out the duties set forth herein. The Joint Operating Committee shall hold a meeting at the request of either Party, at a time and place agreed upon by the representatives. The Joint Operating Committee shall perform all of its duties consistent with the provisions of this LGIA. Each Party shall cooperate in providing to the Joint Operating Committee all information required in the performance of the Joint Operating Committee's duties. All decisions and agreements, if any, made by the Joint Operating Committee, shall be evidenced in writing. The duties of the Joint Operating Committee shall include the following:

29.1.1:

Establish data requirements and operating record requirements.

29.1.2:

Review the requirements, standards, and procedures for data acquisition equipment, protective equipment, and any other equipment or software.

29.1.3:

Annually review the one (1) year forecast of maintenance and planned outage schedules of Transmission Provider's and Interconnection Customer's facilities at the Point of Interconnection.

29.1.4:

Coordinate the scheduling of maintenance and planned outages on the Interconnection Facilities, the Large Generating Facility and other facilities that impact the normal operation of the interconnection of the Large Generating Facility to the Transmission System.

29.1.5:

Ensure that information is being provided by each Party regarding equipment availability.

29.1.6:

Perform such other duties as may be conferred upon it by mutual agreement of the Parties.

Article 30: Miscellaneous

30.1 Binding Effect:

This LGIA and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.

30.2 Conflicts:

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

30.3 Rules of Interpretation:

This LGIA, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this LGIA, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this LGIA), document, instrument or tariff means such agreement, document,

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

30.4 Entire Agreement:

This LGIA, including all Appendices and Schedules attached hereto, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this LGIA. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, either Party’s compliance with its obligations under this LGIA.

30.5 No Third-Party Beneficiaries:

This LGIA is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.

30.6 Waiver:

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

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

30.7 Headings:

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

30.8 Multiple Counterparts:

This LGIA may be executed in one or more counterparts, and by the parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. The parties further agree that facsimile signatures or signatures scanned into .pdf (or signatures in another electronic format designated by LADWP) and sent by e-mail shall be deemed original signatures.

30.9 Amendment:

The Parties may by mutual agreement amend this LGIA by a written instrument duly executed by the Parties.

30.10 Modification by the Parties:

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

30.11 Reserved:

30.12 No Partnership:

This LGIA shall not be interpreted or construed to create an association, joint

venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

IN WITNESS WHEREOF, the Parties have executed this LGIA in duplicate originals, each of which shall constitute and be an original effective Agreement between the Parties.

**DEPARTMENT OF WATER AND POWER
OF THE CITY OF LOS ANGELES BY
BOARD OF WATER AND POWER COMMISSIONERS**

By: _____
General Manager

Date: _____

And: _____
Board Secretary

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

APPENDIX A TO LGIA

Interconnection Facilities, Network Upgrades and Distribution Upgrades:

1: Interconnection Facilities

(a): [insert Interconnection Customer's Interconnection Facilities]

(b): [insert Transmission Provider's Interconnection Facilities]

2: Network Upgrades

(a): [insert Stand Alone Network Upgrades]:

(b): [insert Other Network Upgrades]:

3: Distribution Upgrades:

APPENDIX B TO LGIA

Milestones

OATT Effective [Insert]

APPENDIX C TO LGIA

Interconnection Details:

1: Interconnection Details

(a): [insert Interconnection Details]

2: Control Technologies and Protection Systems

(a): [insert control technologies and protection systems]

3: Actions and Obligations When Output Is Exceeding the Interconnection Service Level

If the Generating Facility is exceeding its contracted Level of Interconnection Service, Transmission Provider will contact the Generator Operator and/or Generating Facility's Balancing Authority and issue an Operating Instruction to return the output to the contracted Level of Interconnection Service. If the Generator Operator and/or Generating Facility's Balancing Authority has not begun to reduce the Generating Facility's output to the contracted Level of Interconnection Service within the time period specified in the Operating Instruction, Transmission Provider can take action up to and including disconnection of the Generating Facility from the Transmission System at the Point of Interconnection.

APPENDIX D TO LGIA

Security Arrangements Details

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

APPENDIX E TO LGIA

Commercial Operation Date

This Appendix E is a part of the LGIA between Transmission Provider and Interconnection Customer.

[Date]

[Transmission Provider Address]

Re: _____ Large Generating Facility

Dear _____:

On **[Date]** **[Interconnection Customer]** has completed Trial Operation of Unit No. _____. This letter confirms that **[Interconnection Customer]** commenced Commercial Operation of Unit No. ____ at the Large Generating Facility, effective as of **[Date plus one day]**.

Thank you.

[Signature]

[Interconnection Customer Representative]

APPENDIX F TO LGIA
Addresses for Delivery of Notices and Billings

Notices:

Transmission Provider:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

Billings and Payments:

Transmission Provider:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

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

Transmission Provider:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

APPENDIX G:
**INTERCONNECTION REQUIREMENTS FOR A NON-SYNCHRONOUS
GENERATING PLANT**

Appendix G sets forth requirements and provisions specific to a Non-Synchronous generating plant. All other requirements of this LGIA continue to apply to Non-Synchronous generating plant interconnections

A: Technical Standards Applicable to a Wind Generating Plant

Low Voltage Ride-Through (LVRT) Capability:

A Non-Synchronous generating plant shall be able to remain online during voltage disturbances up to the time periods and associated voltage levels set forth in the standard below.

Post-transition Period LVRT Standard

All Non-Synchronous generating plants subject to FERC Order No. 661 and covered by the transition period described above must meet the following requirements:

1. Non-Synchronous 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 Non-Synchronous generating plant substation location, as determined by and documented by the transmission provider. The maximum clearing time the Non-Synchronous 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 Non-Synchronous generating plant may disconnect from the transmission system. A Non-Synchronous 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 Non-Synchronous “GSU”.
2. This requirement does not apply to faults that would occur between the Non-Synchronous generator terminals and the high side of the GSU.
3. Non-Synchronous generating plants may be tripped after the fault period if this action is intended as part of a special protection system.
4. Non-Synchronous 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 Non-Synchronous generating plant or by a combination of generator performance and additional equipment.

5. Existing individual generator units that are, or have been, interconnected to the network at the same location at the effective date of the Appendix G LVRT Standard are exempt from meeting the Appendix G LVRT Standard for the remaining life of the existing generation equipment. Existing individual generator units that are replaced are required to meet the Appendix G LVRT Standard.

i. Power Factor Design Criteria (Reactive Power):

The following reactive power requirements apply only to a newly interconnecting wind generating plant that has executed a Facilities Study Agreement as of the effective date the Final Rule establishing the reactive power requirements for non-synchronous generators in section 9.6.1 of this LGIA (Order No. 827). A Non-Synchronous generating plant to which this provision applies shall maintain a power factor within the range of 0.95 leading to 0.95 lagging, measured at the Point of Interconnection as defined in this LGIA, if the Transmission Provider's Cluster Study shows that such a requirement is necessary to ensure safety or reliability. The power factor range standard can be met by using, for example, power electronics designed to supply this level of reactive capability (taking into account any limitations due to voltage level, real power output, etc.) or fixed and switched capacitors if agreed to by the Transmission Provider, or a combination of the two. The Interconnection Customer shall not disable power factor equipment while the Non-Synchronous plant is in operation. Non-Synchronous 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 Cluster Study shows this to be required for system safety or reliability.

ii. Supervisory Control and Data Acquisition (SCADA) Capability:

The Non-Synchronous plant shall provide SCADA capability to transmit data and receive instructions from the Transmission Provider to protect system reliability. The Transmission Provider and the Non-Synchronous plant Interconnection Customer shall determine what SCADA information is essential for the proposed Non-Synchronous plant, taking into account the size of the plant and its characteristics, location, and importance in maintaining generation resource adequacy and transmission system reliability in its area.

APPENDIX 7 TO LGIP
INTERCONNECTION PROCEDURES FOR A
NON-SYNCHRONOUS GENERATING FACILITY

This appendix sets forth procedures specific to all Non-Synchronous generating facilities. All other requirements of this LGIP continue to apply to interconnections of Non-Synchronous facilities

A. Special Procedures Applicable to Non-Synchronous Generation Facilities

The Interconnection Customer, in completing the Interconnection Request required by section 3.3 of this LGIP, may provide to the Transmission Provider a set of preliminary electrical design specifications depicting the Non-Synchronous generating facility in terms of its megawatt output (MW or real power). Upon satisfying these and other applicable Interconnection Request conditions, the Non-Synchronous generating facility may enter the queue and receive the base case data as provided for in this LGIP.

No later than six months after submitting an Interconnection Request completed in this manner, the Interconnection Customer must submit the following: (i) completed detailed electrical design specifications; (ii) a WECC approved standard study model (standard model) if available. If the standard model for a given technology is not yet available, then the Interconnection Customer can provide vendor-specific, user-written or an equivalent model with a source code algorithm in General Electric's Engineer Programming Control Language (EPCL) that can be compiled at run time by Power System Load Flow (PSLF) platform's internal compiler; however, once a standard model becomes available, the Interconnection Customer should begin furnishing such standard model; and (iii) other data (including collector system layout data) needed to allow the Transmission Provider to complete the Cluster Study. If Non-Synchronous facility uses momentary cessation, considerations should be made to eliminate momentary cessation. If eliminating momentary cessation is not a feasible solution the model submitted must reasonably represent the momentary cessation according to WECC and NERC guidelines. Interconnection customer shall provide a model that reasonably represent the facility according to WECC guidelines 90 days prior to in service date and an "as-built" model for Non-Synchronous facility prior to Commercial Operation Date.

**Attachment A to Appendix 7
Interconnection Data for
Non-Synchronous Generating Plants**

Solar Photovoltaic (PV) Specifications

Technologies: ___Thin Film PV ___Monocrystalline PV ___Polycrystalline PV ___Other
(Specify below)

Manufacturer, Model Name, and Number _____

Total Number of PV Panels _____

Rated Maximum Power Output (kW) _____ Summer _____ Winter

Nominal Voltage (DC) _____ V

Wind Specifications

Technologies: ___Type I ___Type II ___Type III ___Type IV
Other (Specify below)

Manufacturer, Model Name, and Number _____

Total Number of turbines _____

Rated Maximum Power Output (kW) _____ Summer _____ Winter

Nominal Voltage (DC) _____ V

Energy Storage Specifications

Technologies: _____

Duration _____ hrs

If Project is PV and Storage: DC Coupled ___ AC Coupled ___

Rated Maximum Power Output (kW) _____ Summer _____ Winter

Nominal Voltage (DC) _____ V

OATT Effective [Insert]

Inverter Specifications

Manufacturer, Model Name, and Number _____

Version Number _____

Total Number of Inverters _____

Voltage (DC) Input Range _____ V

Maximum Voc (DC) _____ V

Number of Phases _____

AC Voltage Range _____ V

Maximum Output Current per Phase _____ A

Maximum Continuous Output Power _____ kW

Nominal Output Frequency _____ Hz

Power Factor _____

Total Harmonic Distortion (THD) _____ %

Momentary Cessation used _____

High Voltage Momentary Cessation threshold _____ pu

Low Voltage Momentary Cessation threshold _____ pu

Time delay before inverter begins injecting current after momentary cessation, once the voltage has returned to within the momentary cessation voltage threshold
_____ (milliseconds)

Ramp rate when recovering from momentary cessation _____ (%nameplate rating/sec)

| High-Voltage Ride-Through (HVRT) | | Low-Voltage Ride-Through (LVRT) | |
|----------------------------------|------------------|---------------------------------|------------------|
| Voltage (pu) | Time Delay (sec) | Voltage (pu) | Time Delay (sec) |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

OATT Effective [Insert]

| High-Frequency Ride-Through (HFRT) | | Low-Frequency Ride-Through (LFRT) | |
|---------------------------------------|------------------|--------------------------------------|------------------|
| Frequency (Hz) | Time Delay (sec) | Frequency (Hz) | Time Delay (sec) |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

Isolation Transformer Specifications

Low Side and High Side Voltages _____ / _____ kV
MVA Base _____ MVA Continuous Rating _____ MVA
Emergency Rating _____ MVA Reactance _____ % or _____ p.u
Transformer Connection _____ Number of Transformers _____

Equipment Certifications

List the above components of the Solar Facility that are currently certified:

| Equipment Type | Certifying Entity |
|----------------|-------------------|
| 1. _____ | _____ |
| 2. _____ | _____ |
| 3. _____ | _____ |

Certification and Standards

1. IEEE Std 519-2014, IEEE Recommended Practices and Requirements for Harmonic Control in Electrical Power Systems.
2. UL 1703 Standard for Safety, Flat-Plate Photovoltaic Modules and Panels
3. UL 1741 Standard for Inverters, Converters, and Controllers for Use in Independent Power Systems
4. IEEE Std 929-2000 IEEE Recommended Practice for Utility Interface of Photovoltaic (PV) Systems.

OATT Effective [Insert]