

Attachment 1

Glossary of Terms

10 kW Inverter Process – The procedure for evaluating an Interconnection Request for a certified inverter-based Generating Facility no larger than 10 kW that uses the section 2 screens. The application process uses an all-in-one document that includes a simplified Interconnection Request, simplified procedures, and a brief set of terms and conditions. See GIP Attachment 5.

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 – An electric system other than the Distribution Provider's Distribution System that may be affected by the proposed interconnection, including but not limited to the Transmission System.

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.

Annual Full Capacity Deliverability Study shall mean the annual deliverability study performed by the ISO described in GIP Section 4.22.2, under which a Generating Facility previously studied as Energy-Only Deliverability Status will have an option to determine whether it can be designated for Full Capacity Deliverability Status using available transmission capacity.

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 Distribution 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 Distribution System to which the Generating Facility is directly interconnected, including the requirements pursuant to Section 215 of the Federal Power Act.

Base Case shall mean data including, but not limited to, base power flow, short circuit and stability data bases, underlying load, generation, and transmission facility assumptions, contingency lists, including relevant special protection systems, and transmission diagrams used to perform the Interconnection Studies. The Base Case may include Critical Energy Infrastructure Information (as that term is defined by FERC). The Base Case shall include transmission facilities as approved by the Distribution Provider or ISO, as applicable, and Distribution Upgrades and Network Upgrades associated with generating facilities in (iv) below and generating facilities that (i) are directly interconnected to the Distribution System or ISO Grid; (ii) are interconnected to Affected Systems and may have an impact on the Interconnection Request; (iii) have a pending request to interconnect to the Distribution System or an Affected System; or (iv) are not interconnected to the Distribution System or ISO Grid, but are subject to a fully executed generator interconnection agreement (or its equivalent predecessor agreement) or for which an unexecuted generator interconnection agreement (or its equivalent predecessor agreement) has been requested to be filed with FERC.

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

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

Business Day – Monday through Friday, excluding Federal Holidays.

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

Cluster Application Window shall mean the time period for submitting Interconnection Requests as set forth in GIP Section 4.1.

Cluster Study Process shall mean the interconnection study process set forth in GIP Section 4.

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 an Electric Generating Unit shall mean the date on which an Electric Generating Unit at a Generating Facility commences Commercial Operation as agreed to by the Parties.

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.

Construction Activities shall mean actions by the Distribution Provider that result in irrevocable financial commitments for the purchase of major electrical equipment or land for Distribution Provider's Interconnection Facilities, Distribution Upgrades, or Network Upgrades assigned to the Interconnection Customer that occur after receipt of all appropriate governmental approvals needed for the Distribution Provider's Interconnection Facilities, Distribution Upgrades, or Network Upgrades.

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

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

Deliverability Assessment(s) shall mean the On-Peak Deliverability Assessment set forth in GIP Section 4.8.3.2.1, and the Off-Peak Deliverability Assessment set forth in GIP Section 4.8.3.2.2.

Delivery Network Upgrades shall mean the transmission facilities at or beyond the point where the Distribution Provider's Distribution System interconnects to the ISO Grid, other than Reliability Network Upgrades, identified in the Interconnection Studies to relieve constraints on the ISO Grid.

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

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

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

Distribution Service shall mean the wholesale distribution service provided under the Tariff.

Distribution System – Those non-ISO transmission and distribution facilities owned, controlled and operated by the Distribution Provider that are used to provide distribution service under the Tariff, which facilities and equipment are 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 – The additions, modifications, and upgrades to the Distribution Provider's Distribution System at or beyond the Point of Interconnection to facilitate interconnection of the Generating Facility and render the service necessary to effect the 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 GIA becomes effective upon execution by the Parties subject to acceptance by FERC, or if filed unexecuted, upon the date specified by FERC.

Electric Generating Unit shall mean an individual electric generator and its associated plant and apparatus whose electrical output is capable of being separately identified and metered.

Electrical Independence Test shall mean the test set forth in GIP Section 3.1.1 used to determine eligibility for the Independent Study Process.

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 Distribution Provider, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to Distribution Provider's Distribution System, Distribution Provider's Interconnection Facilities or the electric systems of others to which the Distribution Provider's Distribution System is directly connected; or (3) that, in the case of Interconnection Customer, is imminently likely (as determined in a nondiscriminatory 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 GIA to possess black start capability.

Energy-Only Deliverability Status shall mean a condition elected by an Interconnection Customer for a Generating Facility interconnected to Distribution System, the result of which is that the Interconnection Customer is responsible only for the costs of Reliability Network Upgrades and is not responsible for the costs of Delivery Network Upgrades, but the Generating Facility will be deemed to have a Net Qualifying Capacity (as defined in the ISO Tariff) of zero

and, therefore, cannot be considered to be a Resource Adequacy Resource (as defined in the ISO Tariff).

Engineering & Procurement (E&P) Agreement shall mean an agreement that authorizes the Distribution 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.

Fast Track Process – The procedure for evaluating an Interconnection Request for a certified Generating Facility no larger than 3 MW that includes the section 2 screens, customer options meeting, and optional supplemental review.

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.

Full Capacity Deliverability Status shall mean the condition whereby a Generating Facility interconnected with the Distribution System, under coincident ISO Control Area peak demand and a variety of severely stressed system conditions, can deliver the Generating Facility's full output to the aggregate of load on the ISO Grid, consistent with the ISO's reliability criteria and procedures and the ISO's On-Peak Deliverability Assessment as set forth in Section 4.8.3.2.1.

Generating Facility – The Interconnection Customer's device for the production of electricity identified in the Interconnection Request, but shall not include the Interconnection Customer's Interconnection Facilities. A Small Generating Facility is one that has maximum capacity of 20 MW or less. A Large Generating Facility is one that has a maximum capacity of more than 20 MW.

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 Electric Generating Units.

Generator Interconnection Agreement (GIA) shall mean Small Generator Interconnection Agreement (SGIA), which is Attachment F to this Wholesale Distribution Tariff, unless the proposed interconnection is for a generating facility larger than 20 MW, in which case references to interconnection agreement are to the Large Generator Interconnection Agreement (LGIA), which is Attachment H to this Wholesale Distribution Tariff.

Generator Interconnection Study Process Agreement shall mean the agreement entered into by the Interconnection Customer and the Distribution Provider which sets forth the Parties' agreement to perform Interconnection Studies under the Cluster Study Process, a *pro forma* version of which is set forth in Attachment 6 of the GIP.

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, Distribution Provider, or any Affiliate thereof.

Group Study shall mean the process whereby more than one Interconnection Request is studied together, instead of individually, for the purpose of conducting one or more of the Interconnection Studies or analyses therein.

Independent Study Process shall mean the interconnection study process set forth in GIP Section 3.

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 Distribution Provider's Interconnection Facilities to obtain back feed power.

Interconnection Customer – Any entity, including the Distribution Provider, the Distribution Owner or any of the affiliates or subsidiaries of either, that proposes to interconnect its Generating Facility with the Distribution Provider's Distribution System.

Interconnection Customer's Interconnection Facilities shall mean all facilities and equipment, as identified in the GIA, 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 Distribution Provider's Distribution System. Interconnection Customer's Interconnection Facilities are sole use facilities.

Interconnection Facilities – The Distribution 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 Distribution Provider's Distribution System. Interconnection Facilities are sole use facilities and shall not include Distribution Upgrades or Network Upgrades.

Interconnection Facilities Study shall mean a study conducted by the Distribution Provider for an Interconnection Customer under the Independent Study Process to determine a list of facilities (including Distribution Provider's Interconnection Facilities, Distribution Upgrades, and Network Upgrades as identified in the Interconnection System Impact Study), the cost of those

facilities, and the time required to interconnect the Generating Facility with the Distribution Provider's Distribution System. The scope of the study is defined in GIP Section 3.6

Interconnection Financial Security shall mean any of the financial instruments listed in GIP Sections 3.10 and 4.23.

Interconnection Handbook – A handbook, developed by the Distribution Provider and posted on the Distribution Provider's website or otherwise made available by the Distribution Provider, describing the technical and operational requirements for wholesale generators and loads connected to the Distribution System, as such handbook may be modified or superseded from time to time. In the event of a conflict between the terms of the Generator Interconnection Procedures and the terms of the Distribution Provider's Interconnection Handbook, the terms in the Generator Interconnection Procedures shall govern.

Interconnection Request – The Interconnection Customer's request, 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 Distribution Provider's Distribution System.

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

Interconnection Study shall mean any of the following studies: the Phase I Interconnection Study, the Phase II Interconnection Study, the Interconnection System Impact Study and the Interconnection Facilities Study.

Interconnection Study Cycle shall mean all requirements, actions, and respective obligations of the Distribution Provider and Interconnection Customer under the Cluster Study Process of the GIP applicable to an Interconnection Request submitted in a particular Cluster Application Window.

Interconnection Study Deposit shall mean the cash deposit provided to the Distribution Provider under Sections 3.2 or 4.2 of the GIP as a requirement of a valid Interconnection Request to be used to offset the cost of the Interconnection Studies.

Interconnection System Impact Study shall mean an engineering study conducted by the Distribution Provider for an Interconnection Customer under the Independent Study Process that evaluates the impact of the proposed interconnection on the safety and reliability of Distribution Provider's Distribution System and, if applicable, an Affected System. The scope of the study is defined in GIP Section 3.5.

ISO shall mean the California Independent System Operator Corporation, a state chartered, nonprofit, corporation that controls certain transmission facilities of all Participating Transmission Owners and dispatches certain generating units and loads.

ISO Grid shall mean the system of transmission lines and associated facilities of the Participating Transmission Owners that have been placed under the ISO's Operational Control.

ISO's Generator Interconnection Procedures (ISO Tariff GIP) shall mean the procedures included in Appendix Y of the ISO Tariff to interconnect a Generating Facility directly to the ISO Grid, as such procedures may be modified from time to time, and accepted by the Commission.

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

Material Modification – A modification that has a material impact on the cost or timing of any Interconnection Request or any other deemed complete interconnection request to the Distribution Provider or the ISO 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 GIA at the metering points, including but not limited to instrument transformers, MWh-meters, data acquisition equipment, transducers, remote terminal unit, communications equipment, phone lines, and fiber optics.

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

Network Upgrades – Additions, modifications, and upgrades to the Distribution Provider's Transmission System required at or beyond the point at which the Distribution System connects to the Distribution Provider's Transmission System to accommodate the interconnection of the Generating Facility to the Distribution Provider's Transmission System. Network Upgrades do not include Distribution Upgrades.

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

Off-Peak Deliverability Assessment shall mean the technical study performed under Section 4.8.3.2.2 of the GIP.

On-Peak Deliverability Assessment shall mean the technical study performed under Section 4.8.3.2.1 of the GIP.

Party or Parties – The Distribution Provider, Distribution Owner, Interconnection Customer or any combination of the above.

Phase I Interconnection Study shall mean the engineering study conducted by the Distribution Provider, that evaluates the impact of the proposed interconnection on the safety and reliability of the Distribution System, ISO Grid and, if applicable, an Affected System. The portion of the study required to evaluate the impacts on the ISO Grid will be coordinated with the ISO and will be completed in a manner consistent with the ISO Tariff GIP. The study shall identify and detail the system impacts that would result if the Generating Facility(ies) were interconnected without identified project modifications or system modifications, as provided in the On-Peak Deliverability Assessment or Off-Peak Deliverability Assessment, and other potential impacts, including but not limited to those identified in the Scoping Meeting as described in the GIP. The

study will also identify the approximate total costs of mitigating these impacts, along with an equitable allocation of those costs to Interconnection Customers for their individual Generating Facilities.

Phase II Interconnection Study shall mean an engineering and operational study conducted by the Distribution Provider to determine the Point of Interconnection and a list of facilities (including Distribution Provider's Interconnection Facilities, Network Upgrades, Distribution Upgrades, and Stand Alone Network Upgrades), the estimated cost of those facilities, and the estimated time required to interconnect the Generating Facility(ies) with the Distribution System. The portion of the study required to evaluate the impacts on the ISO Grid will be coordinated with the ISO and will be completed in a manner consistent with the ISO Tariff GIP.

Point of Change of Ownership shall mean the point, as set forth in the GIA, where the Interconnection Customer's Interconnection Facilities connect to the Distribution Provider's Interconnection Facilities

Point of Interconnection – The point where the Interconnection Facilities connect with the Distribution Provider's Distribution System.

Pre-Construction Activities shall mean the actions by the Distribution Provider, other than those required by an Engineering and Procurement Agreement under Section 8 of the GIP, undertaken prior to Construction Activities in order to prepare for the construction of the Distribution Provider's Interconnection Facilities, Distribution Upgrades, or Network Upgrades assigned to the Interconnection Customer, including, but not limited to, preliminary engineering, permitting activities, environmental analysis, or other activities specifically needed to obtain governmental approvals for the Distribution Provider's Interconnection Facilities, Distribution Upgrades, or Network Upgrades.

Queue Position – The order of a deemed complete Interconnection Request, relative to all other pending deemed complete Interconnection Requests, that is established based upon the date and time of receipt of the deemed complete Interconnection Request by the Distribution Provider.

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

Reliability Network Upgrades shall mean the transmission facilities at or beyond the point where the Distribution Provider's Distribution System interconnects to the ISO Grid, necessary to interconnect one or more Generating Facility(ies) safely and reliably to the ISO Grid, which would not have been necessary but for the interconnection of one or more Generating Facility(ies), including Network Upgrades necessary to remedy short circuit or stability problems, or thermal overloads. Reliability Network Upgrades shall only be deemed necessary for thermal overloads, occurring under any system condition, where such thermal overloads cannot be adequately mitigated through the ISO's congestion management, operating procedures, or special protection systems based on the characteristics of the Generating Facilities included in the Interconnection Studies, limitations on market models, systems, or information, or other factors specifically identified in the Interconnection Studies. Reliability Network Upgrades also include, consistent with the Applicable Reliability Council's practice and Applicable Reliability Standards, the facilities necessary to mitigate any adverse impact the Generating Facility's interconnection may have on a path's Applicable Reliability Council rating.

Results Meeting shall mean the meeting among the Distribution Provider, the Interconnection Customer, and if applicable, the ISO and other Affected System Operators to discuss the results of the Interconnection Studies as set forth in the GIP.

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

Site Exclusivity shall mean documentation reasonably demonstrating: (1) For private land: (a) Ownership of, a leasehold interest in, or a right to develop property upon which the Generating

Facility will be located consisting of a minimum of 50% of the acreage reasonably necessary to accommodate the Generating Facility; or (b) an option to purchase or acquire a leasehold interest in property upon which the Generating Facility will be located consisting of a minimum of 50% of the acreage reasonably necessary to accommodate the Generating Facility. (2) For Public land, including that controlled or managed by any federal, state or local agency, a final, non-appealable permit, license, or other right to use the property for the purpose of generating electric power and in acreage reasonably necessary to accommodate the Generating Facility, which exclusive right to use public land under the management of the federal Bureau of Land Management shall be in a form specified by the Bureau of Land Management.

Stand Alone Network Upgrades shall mean Network Upgrades that an Interconnection Customer may construct without affecting day-to-day operations of the Transmission System during their construction. Both the Distribution Provider and the Interconnection Customer must agree as to what constitutes Stand Alone Network Upgrades and identify them in an Appendix to the GIA.

System Protection Facilities shall mean the equipment, including necessary protection signal communications equipment, required to protect (1) the Distribution Provider's Distribution System, the ISO Controlled Grid, and Affected Systems 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 Distribution Provider's Distribution System, the ISO Controlled Grid or on other delivery systems or other generating systems to which the Distribution Provider's Distribution System and Transmission System is directly connected.

Tariff – The Distribution Provider's Wholesale Distribution Tariff through which open access distribution service and Interconnection Service are offered, as filed with the FERC, and as amended or supplemented from time to time, or any successor tariff.

Distribution Provider – The public utility (or its designated agent) that owns, controls, or operates transmission or distribution facilities used for the transmission of electricity in interstate commerce and provides transmission or wholesale distribution service under the Tariff. The term

Distribution Provider should be read to include the Distribution Owner when the Distribution Owner is separate from the Distribution Provider.

Transmission System – Those facilities owned by the Distribution Provider that have been placed under the ISO’s operational control and are part of the ISO Grid.

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.

Uncontrollable Force shall mean any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm, flood, earthquake, explosion, breakage or accident to machinery or equipment, any curtailment, order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities, or any other cause beyond the reasonable control of the Distribution Provider or Interconnection Customer which could not be avoided through the exercise of Good Utility Practice. An Uncontrollable Force event does not include acts of negligence or intentional wrongdoing by the Party claiming Uncontrollable Force.

Upgrades – The required additions and modifications to the Distribution Provider's Transmission System and Distribution System at or beyond the Point of Interconnection. Upgrades may be Network Upgrades or Distribution Upgrades. Upgrades do not include Interconnection Facilities.